DOCUMENT RESUME

ED 113 729 CS 202 315

TITLE Current Developments in Advertising: Advertising and Society, Management, Creative, Media, Production, Research, and Teaching and Research in Advertising Education; Proceedings of the National Conference for University Professors of Advertising (Tempe, Arizona, March 11-14, 1973).

INSTITUTION American Academy of Advertising, Knoxville, Tenn.; American Association of Advertising Agencies Educational Foundation, New York, N.Y.; Arizona State Univ., Tempe.

PUB DATE 73

NOTE 223p.

AVAILABLE FROM American Association of Advertising Agencies, 200 Park Avenue, New York, New York 10017 (Write for price)

EDRS PRICE MF-$0.76 Plus Postage. HC Not Available from EDRS.

DESCRIPTORS Conference Reports; *Consumer Economics; *Consumer Education; Higher Education; *Mass Media; Media Research; Merchandise Information; *Publicize; *Teaching Methods; Television Commercials; Television Research

ABSTRACT

This set of papers represents the written record of the 1973 national conference for advertising educators held at Arizona State University in March. The conference focus was on current developments in the practice and teaching of advertising. The purpose of the conference was to bring insights about current advertising developments to the attention of advertising educators. The papers are divided into those presented by educators and those by noneducators. The educators' papers are subdivided into two categories, research papers and papers related to the teaching of advertising. The research papers deal with consumer behavior as it has impact on and input to advertising. The papers on teaching advertising describe recent developments in pedagogical approaches and methodology. The noneducators' papers include perspectives on advertising regulation, views of trends in advertiser management and agency service, a review of media procedures, analyses of the employment and placement situation, and an overview of advertising's next generation. (RB)

CURRENT DEVELOPMENTS IN ADVERTISING

* ADVERTISING AND SOCIETY
* MANAGEMENT, CREATIVE, MEDIA, PRODUCTION, RESEARCH
* TEACHING AND RESEARCH IN ADVERTISING EDUCATION

PROCEEDINGS OF
1973 NATIONAL CONFERENCE
FOR
UNIVERSITY PROFESSORS OF ADVERTISING

Arizona State University
Tempe, Arizona
March 11-14, 1973

Sponsored Jointly by

AMERICAN ACADEMY OF ADVERTISING
ARIZONA STATE UNIVERSITY
THE EDUCATIONAL FOUNDATION OF THE
AMERICAN ASSOCIATION OF ADVERTISING AGENCIES

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INTRODUCTION

This set of papers represents the written record of the 1973 national conference for advertising educators, held at Arizona State University in March.

Conference Content

The conference focus was on current developments in the practice and teaching of advertising. Its content provided broad coverage within the overall theme. Major areas treated included advertising and society; operating areas of advertising, e.g., management, media, creative, production, and research; and teaching and research issues in advertising education.

The purpose of the conference was to bring insights into these current developments to the advertising educator community. It was addressed to all advertising educators -- whether their teaching be undergraduate or graduate, and whether their orientation be communications, journalism, or marketing management.

These Papers

The papers themselves are divided into those presented by educators and those by non-educators. The latter comprise the first section of these proceedings. They include perspectives on advertising regulation, views of trends in advertiser management and agency service, a review of media procedures, analyses of the employment and placement situation, and an overview of "advertising's next generation." These non-educators' papers come from both advertising agency and advertiser executives, and also from a government representative.

The educators' papers are subdivided into two categories -- research papers and papers related to the teaching of advertising. The first group (research papers) deal mostly with consumer behavior impacts of, and inputs to, advertising. The second group reflects a wide range of developments in pedagogical approaches and methodology.

As with any proceedings from a conference of this type, not all the conference sessions and speakers are represented. The complete program of the conference (which accompanies this introductory material) reflects the wide coverage of current developments in the practice and teaching of advertising.

Special Conference Context

The conference constituted the annual meeting of the American Academy of Advertising, the national association of teachers of advertising. The meeting, in conjunction with host school Arizona State University, was also co-sponsored by the American Association of Advertising Agencies' Educational Foundation. The Foundation cooperated in the planning of the conference, in helping to arrange for industry speakers, and in providing financial support for the meetings. The conference built upon the success of the Foundation's 1971 conference for advertising educators at the University of Illinois.

Thus the conference was special in several ways. First, its content reached beyond the usual research and teaching-oriented material that traditionally characterizes Academy meetings. While the conference was addressed to an academic audience, much of its content came from industry representatives. Second, in order to accommodate the material on current developments, as well as some research and curricular sessions, the meetings were a full day longer than the usual Academy meetings. Finally, the conference was the product of a joint effort on the part of industry and the academic community.

Auspices and Sponsors

The American Association of Advertising Agencies' Educational Foundation was established in 1967 to encourage closer cooperation between the advertising industry and advertising education and research. It has provided extensive support of professorial research involving doctoral candidates in advertising, marketing communications, and consumer behavior. The Foundation's grants program has supported the research efforts of some 28 faculty members, working with 64 doctoral candidates at 22 schools. (A report on the wide variety of the research conducted with Foundation funds, prepared by Spencer Tinkham of Columbia University, will be published this fall.)

The American Academy of Advertising is the national association of teachers of advertising. Its over 350 members teach advertising at all academic levels and in schools with many different orientations toward advertising. The Academy publishes the Journal of Advertising, devoted to research and "think" pieces on advertising issues. It also concerns itself with matters related to the teaching of advertising -- curricular, pedagogical, etc.

The Academy and the 4A's have worked jointly on several activities intended to improve the relationship between those who practice advertising and those who teach it. These include faculty internships, an "adopted school" program, and dissemination of practitioner marketing-advertising materials to advertising teachers.

The conference at Arizona State University constituted a major collaborative effort between the Academy and the 4A's. A joint task force worked on developing the conference program and making arrangements to enhance academic attendance. The involvement of the 4A's and its representatives thus was substantive as well as financially facilitating.

Acknowledgments

In addition to the aforementioned joint planning task force (whose members are listed following this introduction), two individuals were primarily responsible for the successful mounting and implementation of the conference.

Professor ~~Kenward~~ Atkin (Michigan State University), Vice President of the Academy, served as program chairman -- organizing and coordinating the efforts of the joint planning task force into a cohesive whole that encompassed both the enriched industry practice-based content and the traditional research and educational content.

He also performed the exhausting task of chasing down the speakers to gather these papers, and prepared and sequenced them for these proceedings.

Professor Robert Zacher (Arizona State University), Academy past president, served as general conference chairman, marshalling his own formidable energies and the efforts of a host of colleagues to assure the participants' enjoyment both at and outside of the conference sessions.

Separately, all of us are indebted to John Crichton (President, A.A.A.A.), and John Del Mar (Vice President, A.A.A.A.), for their personal and organizational support of and contributions to the conference itself, and the publication of these proceedings.

On behalf of both the Conference planning committee and the Academy, let me extend the wish that readers of this collection of papers find in it the professionally rewarding content that the over 100 conference participants experienced at Arizona.

Stephen A. Greyser
President
American Academy of Advertising

Harvard University

PROGRAM

Sunday, March 11

1:00 p.m.	Check-in and Registration
3:00 - 4:30 p.m.	Tours of Arizona State University Campus
5:00 p.m.	Meeting of Executive Committee, A.A.A.
6:00 p.m.	Social Hour
7:00 p.m.	Dinner
8:00 p.m.	Welcome

Dr. Glenn Overman, Dean, College of Business Administration, Arizona State University

Dr. Stephen A. Greyser, President, A.A.A.

E. W. Munsell, Member, A.A.A.A. Committee on Work With Students & Educators

Perspectives on Advertising Regulation

Commissioner Mary Gardner Jones, Federal Trade Commission, Washington, D.C.

9:30 p.m. Meeting of the *Journal of Advertising*

Arnold Barban, Chairman, Board of Directors
Daniel Stewart, Editor-in-chief

Monday, March 12

8:00 a.m. Continental Breakfast

8:30 a.m. SESSION I - DEVELOPMENTS IN MANAGEMENT

Chairman:
Robert Zacher Professor
Arizona State University

The Changing Face of Agency Service

Andrew Kershaw, President
Ogilvy & Mather, Inc., New York

The Changing Face of Advertiser Management

Jack M. Young
Director of Marketing Services
Quaker Oats Company, Chicago

Monday, March 12 (Continued)

Discussant:

Thomas Barry, Associate Professor
Southern Methodist University, Dallas

10:00 a.m. Coffee Break

10:20 a.m. SESSION II - DEVELOPMENTS IN MEDIA

Chairman: Richard Needham, Executive Vice President
Needham, Harper & Steers, Inc., Chicago

Developments in Newspapers

Leo Bogart, Executive Vice President and
General Manager Bureau of Advertising
American Newspaper Publishers Association, New York

Developments in Magazines

Robert A. Burnett, Executive Vice President
Meredith Corporation, Des Moines

Developments in Broadcasting

Marvin Shapiro, Executive Vice President
Group W Westinghouse Broadcasting, Inc., New York

Developments in Media Planning

Hans Carstenson, Senior Vice President and Director
of Media, N. W. Ayer & Son, Inc., Philadelphia

Discussant:

Jack Sissors, Professor
Northwestern University, Evanston

12:30 p.m. Luncheon

Northwestern Mutual Olympic Story (Anatomy of a Campaign)

Richard Haggman, Superintendent of Advertising
Northwestern Mutual Life Insurance Company,
Milwaukee

2:30 p.m. Tour of Southwest Film Studios, Carefree

6:00 p.m. Western Steak Dinner, Pinnacle Peak

Monday, March 12 (Continued)

8:30 p.m. SESSION III - BUSINESS MEETING

American Academy of Advertising

Stephen A. Greyser, President

A.A.A.A. Committee of the Board on Work With Students and Educators

J. Douglas Johnson, Acting Chairman

Tuesday, March 13

7:30 a.m. Breakfast Meeting: A.A.A. - A.A.A.A. Joint Task Force

8:30 a.m. SESSION IV - CREATIVE DEVELOPMENTS

Chairman:

E. W. Munsell, President
Creswell, Munsell, Schubert & Zirbel, Inc.,
Cedar Rapids, Iowa

Eight Ideas that Worked

Thomas Sharp, Vice President
Marsteller Inc., Chicago

The Sears Die-Hard Campaign

Don B. Weber, Senior Vice President
Foote, Cone & Belding, Chicago

10:00 a.m. SESSION V - RESEARCH PAPERS (EDUCATORS)

Chairman:

Arnold Barban, Professor
Department of Advertising, University of Illinois

Some Critical Viewpoints of Ads We Can Do Without

Alan D. Fletcher, Associate Professor
and
Dean Krugman, Associate Professor
Illinois State University, Normal

The Effects of TV Commercials on "Normal" and Mentally Retarded Children

Donald W. Hendon, Associate Professor
Marketing Area, Columbus College, Columbus, Ga.

Tuesday, March 13 (Continued)

A Multifaceted Model of Resistance to TV Advertising

Jacob Hornik, Assistant Professor
University of Illinois - Chicago Circle, Chicago

Advertising Message Content Dimensions and Psychographic Correlates with Evaluations of and Intentions Toward Magazine Advertised Attitude Objects

Richard P. Nielsen, Assistant Professor
University of Illinois, Urbana

Discussants:

Emma Auer, Professor
Florida State University, Tallahassee

Stanley M. Ulanoff
The City University of New York

12:15 p.m. Luncheon

The Advertising Person of the Future: A Friendly Critic's View

Herbert Zeltner, Executive Vice President, Corporate Planning
Needham, Harper & Steers, Inc., New York

2:00 p.m. SESSION VI - DEVELOPMENTS IN BROADCAST PRODUCTION

Chairman:

Frazier Moore, Professor
University of Georgia, Athens

In One Ear and Gone Tomorrow

Chuck Blore
Chuck Blore Creative Services, Los Angeles

Video Tape Commercials - How They're Produced

Hamilton Wright, Director of Film and Production
KTAR-TV Production, Phoenix

Discussant:

Edith Phillips, Assistant Professor
Eastern Michigan University, Ypsilanti

Coffee Break

Tuesday, March 13 (Continued)

3:50 p.m. SESSION VII - DEVELOPMENTS IN THE TEACHING OF ADVERTISING

Chairman:

Willard Thompson, Professor
University of Minnesota, Minneapolis

Computer Assisted and Programmed Instruction

Frank Pierce, Chairman, Department of Advertising
University of Florida, Gainesville

What the Advertising Major Needs to Know About Business Administration

John Wright and Charles Steilen
Department of Marketing, Georgia State University, Atlanta

A National Clearinghouse for Teaching Mass Media

Bruce Reeves, Department of English
Acalanes High School, Lafayette, California

Educator Involvement in Local Self-Regulation

Martin Bell, Professor
Washington University, St. Louis

Discussants:

Harry Ainsworth, Professor
University of Arkansas, Fayetteville

Zane Cannon, Associate Professor
Western Michigan University, Kalamazoo

7:00 p.m. Dinner

Advertising - Manipulation or Persuasion

Alvin Achenbaum, Senior Vice President
J. Walter Thompson Company, New York

9:15 p.m. SESSION VIII - EMPLOYMENT OUTLOOK IN THE ADVERTISING INDUSTRY

Chairman:

Robert Haverfield, Professor
University of Missouri, Columbia

From the Placement Side

Richard Thain, Professor and Director of Placement
Graduate School of Business Administration,
University of Chicago

From the Industry Side

J. Douglas Johnson, Vice President
McCann-Erickson, Inc., New York
Member, A.A.A.A. Committee on Work With
Students & Educators

Question & Answer Period

Wednesday, March 14

8:30 a.m. SESSION IX - DEVELOPMENTS IN RESEARCH

Chairman:
Sherilyn Zeigler, Professor
Michigan State University, E. Lansing

A Decision-Sequence Analysis of Communications
(State of the Art)

Michael Ray, Professor of Marketing
Stanford University, Palo Alto

Advertising Research - State of the Art in Practice

Dr. Robert Wachsler, Research Director
Batten, Barton, Durstine & Osborn, Inc., New York

10:00 a.m. Coffee Break

10:20 a.m. SESSION X - DEVELOPMENTS IN TEACHING METHODOLOGY

Chairman:
Louis Wolter, Associate Professor
Drake University, Des Moines

SAFE Unlimited - Students Advertising for Experience

James Morris
Kansas State University, Manhattan

Advertising Courses for Whom: Advertisers or
Consumers?

J. N. Peterman, Professor
University of Minnesota, Minneapolis

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Wednesday, March 14 (Continued)

Performance Contracting in the Classroom - Good or Bad?

S. Bernhard Rosenblatt, Associate Professor
Texas Tech University, Lubbock

The Basic Advertising Course - At What College Level

Eric Stein, Professor
City Colleges of Chicago : Olive-Harvey College
and
Robert Snyder, Professor and Dean
Roosevelt University, Chicago

Discussant:

Stephen Worsley, Associate Professor
Fresno State College, Fresno

12:30 p.m. Luncheon

Summary and Comments

Stephen Greyser, President
American Academy of Advertising

Kenward L. Atkin, President-Elect
American Academy of Advertising

END OF CONFERENCE

PERSPECTIVES ON ADVERTISING REGULATION

by

MARY GARDINER JONES
Commissioner
Federal Trade Commission

(While this text forms the basis for Miss Jones' oral remarks, it should be used with the understanding that paragraphs of it may have been omitted in the oral presentation and, by the same token, other remarks may have been made orally which do not appear in the text.)

It is a truism today to observe that, of all the institutions under attack in our society, none has received such persistent criticism as advertising.

Advertisers are probably more often the subject of public opinion polls testing the attitudes of the public towards their product than any other industry. They are a cental object of concern of several citizens organizations and the more or less consistent target of criticism of many ethnic and other ad hoc citizen groups. It is, therefore, not surprising that the advertising community finds itself on the forefront of the agendas not simply of the Federal Trade Commission and the Federal Communications Commission but more recently also of the Congress of the United States.

Advertising is being asked to defend itself not simply on the question of the fairness and truthfulness of its advertising messages but on the much more fundamental issues of its right to engage in certain types of advertising at all and on the right of the public to know the other side of the advertising message when that message raises important controversial matters.

Advertisers understandably reel from this constant barrage of criticism and perhaps may be forgiven for their occasional lapses into thinking that all of this is due to some type of conspiracy engaged in by those who want to destroy their industry or bring down the entire economic system of which advertising is such an integral part.

It is unfortunate that each of the major groups most directly concerned with advertising -- the public, the regulators and the advertisers themselves -- tend to focus their attentions on their own concerns with particular aspects of advertising rather than with the advertising phenomenon as a whole. Thus the public tends to concentrate on those parts of advertising which they dislike. The regulatory authorities of necessity focus their attentions solely on those advertisements which may transgress the law. Advertisers, in what is a wholly understandable reaction to the public criticism, tend to focus their public comments, as they did at the Commission's recent advertising hearings, primarily on "The Good That Advertising Does." As a result, there is too little effective communication between advertisers, members of the public and government on the substantive matters which give rise to the public's criticisms.

I have the feeling that at least some of the concern with the power and effect of advertising in our society today is inextricably intermixed with the public's concerns with the power and effect of the TV medium. We recognize that TV must be ranked today with the other significant institutions in our country as having a major -- perhaps critical -- influence on our culture and value systems. But just what this influence is and how it does its work is a matter of much study and debate by social scientists. We do not really know whether the power of TV derives from the medium, as McLuhen has suggested, or whether it lies to a significant extent on the content of the messages as well. So it is not surprising that the students of advertising can reach so little consensus among themselves as to the role of advertising in our society when this role is so much a part of the larger and still unknown phenomenon of the role of TV..

Economists and consumer behaviorists seem to agree that there is some observable correlation between advertising expenditures and sales volume. Yet while the economist tends to see the existence of this correlation as the end of the inquiry for his purposes, for the consumer behaviorist this is only the beginning of the search. The studies of economists which tend to show such a correlation (and there are many studies which do not), however, do not resolve the important question of the effect of advertising on behavior. Their conclusions as to the role of advertising in highly concentrated industries do not reach the question of causation as to whether the role which they see advertising playing is to create sales or raise entry barriers. There were some advertisers at our hearings who suggested that in some part, their decisions on the size of their advertising budgets was influenced less on any hard data they had as to the effectiveness of this or that volume of advertising and more by the amount of advertising expenditures decided upon by their competitors. On the other hand, the experience of premium brands selling side by side with their competitors' less advertised, lower-priced products would tend to support the position of those who believe that advertising plays an important affirmative role in influencing buyer attitudes and hence in inducing sales.

The consumer behaviorists are much more affirmative about their convictions that advertising's effective role in the marketplace lies in its capacity to influence consumer attitudes towards the advertiser's product even though they cannot pinpoint with any precision how this role in fact works.

Prior to the advent of the corrective advertising concept, advertisers were much more prone to be quite dogmatic about the affirmative role which advertising played to induce sales. Today, advertisers and advertising practitioners are more willing to express in public what they may have all along implicitly recognized, that there is a substantial lack of hard data on just what the nature of the advertising phenomenon is, how it works and what parts of it are operationally effective. Hopefully, answers to some of these questions will be forthcoming in the next decades. Certainly this is where the efforts and energies expended on studying the advertising phenomenon must be focused since the answers are so critical to the advertiser, the advertising practitioner, the academician, the regulator and, most important, the members of the public who are so directly affected -- for good or for bad -- subjectively or objectively -- by the barrage of commercials levelled at them daily by the advertising community.

It is against the background of this public criticism and lack of real knowledge about the operations of advertising that the regulator must confront his responsibilities. Yet there are some basic principles respecting the regulation of advertising on which perhaps advertisers, members of the public and regulators can agree and which can provide us with a framework for discussing the directions in which regulation will be going in the immediate future. Members of the public expect -- and advertisers and regulators agree -- that advertising must be honest. However, there is little agreement on what this concept of honesty really means in its fullest sense. Members of the public insist -- and again advertisers and regulators agree -- that a central role of advertising is to be informative. Yet again there is no agreement on what the nature of this information role is or should be. Finally, members of the public generally expect -- and advertisers and regulators would agree -- that advertising must be fair but, again, there is no agreement or even knowledge of what the concept of unfairness really means when applied to advertising, much less how it should in fact be applied to advertising.

The thrust of regulation over the coming years will be to respond to these demands and expectations insofar as these engage the jurisdiction of the Federal Trade Commission either as respects its mandate to promote competition in our economy or its mandate to eliminate unfair and deceptive acts and practices from the marketplace. Let me then devote the balance of my remarks to a discussion of some of the steps which I believe the Commission is and will be taking -- as well as some of the problems which will confront us -- as we attempt to shape our regulatory policies towards advertising to respond to these publio expectations and to achieve these dual statutory objectives.

Perhaps the most significant development at the Commission, and one which I hope will continue to influence its regulatory actions in the future, is its effort to integrate into its decision-making processes the teachings and experience of the consumer behaviorists. It is obviously critical to the effectiveness of the Commission's regulation of advertising for the Commission to understand as much as possible about how advertising works. The Commission must bring its own expertise up at least to the level of that of the advertising community so that its actions can be as fully informed as possible by existing data on how advertising affects consumers and influences their behavior.

In the past, the Commission has used essentially two different models of the consumer in framing its liability and remedial approaches to advertising. Thus for purposes of determining the existence of deception, the Commission viewed the consumer as the Courts have commanded it to do as "the ignorant, the unthinking and the credulous" (Aronberg v. FTC. 132 F.2d 165, 167 (7 Cir. 1942)). Thus, the Commission has been faithful to the commands of the Second Circuit Court that it "insist upon a form of advertising clear enough so that, in the words of the prophet Isaiah 'wayfaring men, though fools, shall not err therein'" (GM Corp. v. FTC, 114 F.2d 33, 36 (2 Cir. 1940)). However, in framing its remedies, the Commission typically viewed the consumer as the rational economic man fully able to obtain a clear perception of the true appeals being communicated by advertising messages once the advertiser inserted into his message the various affirmative disclosures and disclaimers which the Commission frequently required of him in order to cure his prior misrepresentations.

The Commission has always been concerned with the truthfulness of the verbal claims in an advertising message. It has also recognized that untruth can be conveyed indirectly as well as directly and the Courts have sustained its function as the expert on interpreting just how an advertising claim was perceived by a consumer. But, while the Commission was fully aware that appeals may be made both explicitly and implicitly in messages directed to consumers, its attentions were far more likely to be attracted to the outright verbal misrepresentations. Its attention to the more subtle appeals of the total message were of necessity much more occasional and haphazard.

In the future the Commission's increasing integration of consumer behaviorist research and teachings into its own enforcement activities will focus its attention to a much greater extent on what consumer model should be used in identifying the message being communicated. This will create a number of interesting issues which will have to be resolved. The Commission will have to come to grips with such questions as whose perceptions will govern and what percentage of the public must hold the prohibited perception before the advertiser should be held liable for deception. We will also undoubtedly be asked to confront anew the question of what standard of responsibility the Commission should impose for demonstrated unanticipated perceptions or for perceptions acquired by a very small minority of listener/viewers.

Turning to questions of relief, the Commission today is also much more cognizant of the casualness with which consumers perceive advertisements and the numbers of consumers who at any one time may ignore, tune out or simply not believe advertising messages, in whole or in part. While this fact cannot, in my judgment, lessen the Commission's concerns with advertising, it nevertheless is an important factor in the approach which the Commission must take in fashioning appropriate and effective remedial orders once an advertisement has been found to have been unfair or deceptive. In the past, the Commission regularly required advertisers to make certain disclosures in a "clear and conspicuous" fashion applying lawyer's standards to evaluate compliance without ever thinking that perhaps what was clear and conspicuous to a government lawyer looking directly at the words might not even be noticed by a casual reading or glance at the total advertisement such as the typical consumer might well give the message. I am convinced that the Commission must review the full gamut of its thinking about relief in the advertising field and fashion relief which can be expected to correspond more closely with the consumer's actual behavior vis à vis ads.

Finally, the Commission must apply the behaviorist's approach to advertising to its own planning process. It is wasteful and foolish for the Commission to establish priorities for its selection of advertising cases unless it has some concept or framework for knowing which types of advertisements or advertising techniques have the greatest potential for influencing consumer behavior. The Commission should not focus regulatory attention on demonstrations or testimonials and endorsements unless it has some reason to believe that these techniques are effective either in attracting consumers to a message or in adding credibility or believability to a claim. By the same token, if in purchasing certain categories of products it could be established that advertising is the least important variable influencing consumers' attitudes towards these products, then again the Commission should place advertisements of these products on a lower priority than advertisements for products which can be established as playing a more significant role in influencing consumer attitudes towards these products.

The believability of an advertisement is an issue which I find difficult to come to grips with in my thinking about the selection of planning variables which should be considered by the Commission. It could be, and frequently is, argued that if an advertising claim is inherently unbelievable or patently intended not to be believed or its truthfulness clearly not capable of demonstration, the Commisssion need not and should not take action since by hypothesis it cannot have any operational effect on consumer attitudes or actions. I find this concept troublesome. Law enforcement depends on a series of relatively fragile and undefinable variables. Effective law enforcement depends essentially on the credibility of the enforcement effort both in the perceptions of the regulated as well as in the perceptions of those on whose behalf regulation is effectuated. An obviously deceptive advertisement thus cannot be ignored on the assumption that its very blatancy will nullify its ability to influence behavior.

In the first place, we do not yet know enough about human behavior to be able to say that obvious lies have no capacity to influence behavior. Moreover, on a sheer credibility basis, I do not believe the Commission could afford to leave blatant lies alone even if it knew that consumer action was not affected. The respect of the citizen -- both as a member of the public and of industry -- for government process is an important element in the effectiveness of its enforcement activities. Thus, for the Commission to ignore blatant deceptions or claims which it regards as essentially unbelievable or so patently ~~not~~ designed as serious product claims as to make impact unlikely would be to leave a large portion of modern-day advertising unregulated today. I do not believe a government agency could do this quite apart from whatever learning may exist as to the inefficaciousness of such advertising. Perhaps in these areas of advertising the Commission must adopt the relatively simplistic principle that if the advertiser expended his monies on filling his 30-second spot with a blatantly deceptive or not-to-be-believed message, then the Commission must challenge it if it is false quite apart from any assumptions about its actual capacity to influence the consumer's purchasing behavior. Whatever resolutions of these problems may be made in the future, one thing is clear. The Commission will continue its efforts to integrate into its decision-making process, both internally as a matter of planning and externally as a matter of proof, the techniques and research of the behavioral scientist whose special skill it is to determine the perception and impact of ads on the consumer mind.

Staff tells us that in their monitoring of ads they note a substantial difference in the incidence of blatant outright explicit misrepresentations in national TV advertising. This means essentially that the areas of future regulatory concern in advertising will be concerned more frequently with the more elusive, less obvious areas of misrepresentations contained in the implied appeals of the advertising messages as perceived by the audience. This is why the Geritol decision is to me of such critical importance. I can imagine no clearer signal than that given by this decision to make it clear to the legal profession that they must broaden their surveillance and screening of advertising copy beyond the actual words used and must focus their attention on the overall appeal of the message being communicated.

Ad substantiation is not a feasible vehicle for grappling with these types of misrepresentations which are grounded essentially not on the overt words themselves but rather on the meaning and interpretation given to the words in the context of the total advertising message. The workability of the ad substantiation program in its present form depends essentially on there being no disagreement about the claim being made. Where the essence of the deception is grounded on what the claim is which is being made, ad substantiation in its present form will recede in importance as a regulatory tool.

Thus, in the coming years, the Commission -- and the advertising bar -- will have to focus their attentions much more self-consciously on developing more systematic and sophisticated techniques for monitoring the appeals of advertising messages as they are perceived by the public in order to identify potential advertising deceptions. I am told that it would be entirely feasible for the Commission to develop a monitoring system which would subject a critical number of advertisements per month to an analysis of the appeal of their message as it is perceived by their audience. This type of testing is well-developed and I understand already in use at least on a limited scale by a number of advertisers. It would not be too difficult to delineate the categories of advertisements in which these more subtle appeals are most likely to appear and to be effective and to use these more systematic testing procedures for those categories of ads.

I am convinced that once the Commission expands its systematic monitoring into this area, and advertisers themselves and their attorneys focus their attention more advertently on this aspect of their advertising message, it will not be long before a new form of de facto ad substantiation respecting the appeal of the advertising message develops as a matter of good internal advertising agency practice and good legal counselling. For the advertising community this will mean nothing more than a shift from using their intuitions to a more systematic analysis of precisely what it is their message is saying.

As the advertising concerns of both the advertiser and his attorneys and the regulators move more directly and systematically into this aspect of advertising, heightened attention will be paid to the use of consumer surveys as instruments of planning, premarket substantiation and ultimately of proof in litigation.

The Commission's recent Firestone opinion marks the most recent (I hesitate to say first without engaging in a more exhaustive research into Commission opinions than is possible or practicable) analysis by the Commission of the requirements of competence which the Commission will insist upon before using the results of consumer surveys to inform its own expert judgment in the interpretation of the appeal of a given advertisement. It is likely that the Commission will be increasingly concerned with the probative effect of consumer surveys and with the standards used in conducting these surveys. It will also have to confront the question of whether this new technology should change the basic principle of law established from Commission adjudications that the Commission is entitled to rely on its own expertise in interpreting advertising messages. In essence this principle places the Commission in loco consumer for purposes of determining how an advertising message might be perceived. In developing this rule of law, the Courts were mindful both of the established standard of proof that the Commission need only prove that an advertisement has the capacity to deceive and of the salutory principle that Commission cases should not turn into a battle of numbers respecting consumers who obtained the false perception of the ad as compared with those who did not perceive it as making the false representation. It seems to me likely, at least for the foreseeable future, that the Commission will be permitted to rely on its own expertise as to how an advertisement is likely to be perceived, leaving it then to respondents, who are in the best position to know the appeal of their advertising message, to come forward with whatever proof they may have of how it was in fact perceived by their audience.

Increased applicability and use of consumer surveys will focus regulators and the defense bar on the importance of the research standards to be applicable to the methodologies used in conducting the surveys and in the appropriateness and relevance of the questions asked and hence of the answers received to the points in issue about the ad. Practicing attorneys desiring to use research as evidence need to understand the factors in conducting the survey which will influence the validity, reliability and precision of the results, so that they can be assured that their own evidence is of high quality and so that they can evaluate the results of the survey evidence offered by opposing counsel. Again, I believe the Commission can serve an important public function by taking the initiative in this area to establish minimum levels of validity, reliability and precision in terms of the particular objectives attributed for the survey. The Commission might propose for public consideration some overall standards governing the conduct and use of surveys with respect to interviewer qualification and training, call back requirements, use of experiments, etc.

There is another, closely related -- and to me perhaps the single most troubling -- aspect of advertising which has received relatively little regulatory attention to date and which I believe regulators will be forced to confront in the next couple of years. This relates to what I call the illogical or missing link advertising message in which the potential misrepresentation in the message lies essentially in the audience's perception of the ad and in the mental leap the advertiser invites the consumer to make to fill in the gap left in the ad. These missing link messages can be of two general types: First, there is the message whose unspoken theme is its appeal to the fears, anxieties and deepest yearnings of its audience and its use of these phenomena as its principal selling theme. Thus the advertiser tells his audience, "Use this product," in the context of an environment created by the message of a world of romance, popularity, social success, etc. The Commission must ask itself the question of whether the advertiser's words "use this product" actually said to the audience "use this product and you will be popular, romantic, an object of social envy," or more directly, "you will be handsome, virile, pretty, desirable, efficient, appreciated, just as the people you see in this commercial who are using the product." Then there is the advertising message which tells you simply that the product will help your digestion or make you sleep better or what have you but which also conveys the notion to you that the product will make you look better or act more energetically. The inference of the literal words was that if you sleep or eat better you will look better or be less irritable. Yet the truth of this message depends essentially on whether if you look badly or are irritable this was in any way caused by the amount of sleep you get or the kind of digestion you enjoy.

It would, of course, be relatively simple to apply ad substantiation principles to those messages and insist that if a product is portrayed as making you more romantic or helping you to be less irritable or more energetic, the advertiser be required to demonstrate that this is the experience of the product's function in the average user and that this claimed efficacy for the product is its material function. If one can rely on the frequency of these types of appeals in commercials as evidencing the advertiser's views of their effectiveness, then it seems to me clear that regulators must in the future take them equally seriously and not apply their own skepticism as to the believability of these types of claims. At least regulators should encourage research to determine whether these advertising appeals are effective and do impact on their audience and hence whether their truthfulness must be the focus of regulatory attention.

The cultural stereotypes and the materialistic and instant gratification values which permeate so much of advertising today constitute another broad spectrum of criticism which is levelled by members of the public against advertising. I have no doubt that legal ingenuity could develop a theory under which these aspects of advertising might be challenged as unfair or deceptive. My problem lies rather in trying to determine whether this is a proper area for government to interject itself into. If one views the Commission's jurisdication as grounded essentially on those unfair or deceptive practices which in some way interfere with the freedom of the consumer to participate effectively in the marketplace and to exercise their judgments and options without unfair impediment, then it seems unlikely that the cultural and social values which permeate advertising, whether true or false, desirable or undesirable, can or should be the subject of the Federal Trade Commission's regulatory attention.

I have the same problems with Federal Trade Commission regulatory action against advertisements which are directed towards influencing the public's attitudes towards what are essentially political issues and political action. To what extent should the Commission exercise its jurisdiction over advertisements taking positions on the need for safety equipment or environmental actions of various kinds or on the values of nutrition, to bring the example closer to the more typical product claim. I believe this issue is an extraordinarily difficult one. So-called public service messages are an important communications tool. Yet if they are not carefully differentiated from the ordinary commercial message, they will inevitably invite the possibility of being treated as ordinary commercial messages, and hence subject to the congressionally-mandated standards of truth and fairness. I can only hope that industry will avoid the difficult constitutional and public policy considerations involved by making a careful separation in their advertising between the typical commercial message and the public service commercial.

There is no doubt that perhaps the most important challenge confronting the Commission will be its development of the concept of unfairness of advertising messages as they affect the purchasing habits and brand attitudes of their viewers. The importance of our mandate to rout out unfairness in the marketplace was recently reaffirmed by the Supreme Court in its Sperry Hutchinson decision. Clearly advertising is one of the most important acts and practices going on in the marketplace and hence must conform as much to this congressionally-mandated standard of fairness as to the more familiar obligation of truth. Obviously, in the coming years the development of this concept as it should properly be applied to advertising will constitute an important part of the Commission's goals in the discharge of its advertising enforcement responsibilities.

Finally, I see an increasingly important debate emerging among advertisers, regulators and members of the public with respect to the informational role of advertising. There is little doubt about the reality and essentiality in today's market of the consumer's need for solid product information which the advertising theorists -- and more recently the advertisers themselves -- have always proclaimed is their primary function. Now that some of the public interest groups are taking this proffered rationale of advertising seriously, the advertisers are beginning to pull back and to urge what is probably a more accurate picture of their actual role today which is simply to make known the existence of their advertisers' products and to persuade people to purchase them.

I know that consumers must have solid hard data about the products and services which are available to them in such profusion in the marketplace. It is abundantly obvious that without an economically literate public -- fully informed about the price and quality of these goods and services -- competition cannot play its assigned role to ensure full play to the market forces needed to provide the internal regulation required for the healthy functioning of our full enterprise system.

Thus advertisers are right in the importance they assign to the role of information in achieving a healthy competitive environment. Indeed, it is tempting, when one is in one's pixy frame of mind, to take the advertisers literally in their self-proclaimed role as dispenser of information and insist that they faithfully discharge this role in its truest sense and provide their customers with full and complete information about the material performance and ingredient characteristics of the products being advertised. Indeed I believe this is exactly what the public is demanding of them. More and more members of the public today are looking to advertising -- as advertisers always told them to look -- for the information they need in order to find their way through and between the unbelievably rich diversity of new and essentially unknowable goods and services daily available to them in our affluent marketplace.

I believe that regulators -- charged both with promoting healthy competition in our economy and with eliminating unfairness in the marketplace -- must focus their attention on the public's need for hard product data. I am convinced that in the decades to come this must become the affirmative objective of regulatory and public action. Whether advertisements are the best medium for disclosing and communicating this data remains an unsettled question. Nevertheless, the public's need for solid information provides an important overall conceptual framework within which to formulate regulatory policies respecting advertising.

This debate over the informational role of advertising is integrally related to the battle shaping up over counter advertising and the right of the public to greater access to the airwaves to counter what they see as the excess powers of advertisers to influence consumer attitudes and behavior on important public issues through their barrage of commercials.

As Jefferson said so eloquently, it is only in an environment of the free marketplace of ideas that we can be assured that truth can emerge and flourish. Reaching back to this fundamental tenent of the American philosophy, the Commission, in what to some might appear to be a surprising act of self-abnegation, put forward the proposition that some types of apparently misleading representations in advertising could perhaps best be countered and dealt with through permitting the dissemination of other viewpoints and opinions on the issues underlying the particular advertising claim, and leaving it to the public to make their own ultimate judgments. The furor which attended this statement should not obscure the basic problem which gave rise to the counter advertising proposal. Essentially, the advertiser has it in his power to resolve the issues which counter advertising seeks to address. Thus the advertisers can change the thrust of their messages so that they no longer raise so directly some of the controversial issues which have given rise to specific counter advertising demands. Moreover, to some extent, the issue can be expected to lose some of its potency when the basic informational needs of the public about the goods and services promoted through advertising are met. When the marketplace finds the optimum way of meeting these needs, whether through advertising on the label, at the retail shelf, in the retail department, or through some other technique geared to the purchaser's shopping and search habits, then in all likelihood some of the pressures for counter advertising will recede.

In summary, it seems obvious that the problems with advertising will not disappear in the immediate future. Hopefully our approach to these problems will become more and more informed and realistic as we improve our research tools and learn how to apply them. These are the common challenges which will confront us and I remain increasingly optimistic about the ultimate results as we replace intuition with facts and emotion with rationality.

ADVERTISING'S NEXT GENERATION

ITS OPPORTUNITIES

ITS PROBLEMS

ITS PEOPLE

by

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Time has a funny way of slipping by. For many of us, it was only yesterday that we were struggling with the problem of that all-important first job or appointment. How did we get started without experience? How did we get experience without being hired?

Today, many of us hold responsible positions in the marketing and academic communities - assessing young candidates for positions and evaluating the career development of people working for us.

Tomorrow, we'll be elder statesmen - judging the performance of operating executives and pondering the significance of the bewildering changes and shifts which have occurred in American marketing and advertising during our careers.

Let's pause for a few minutes now - stepping back from the deadlines and emergencies of the moment to look at this business of ours from a broader time frame than is usually the case. Let's look at it with an eye toward the people who'll be running it after us.

We're now less than thirty-four months from the start of the last quarter of this century - a century which has witnessed almost the entire history of mass marketing and advertising as we know it.

What will these last two-and-a-half decades of the twentieth century hold? What will the successful and effective advertising practitioner of the eighties and nineties be like? How will the professional world in which he works be different from what it is today?

Just ending is a generation of modern advertising practice which grew out of the market conditions created by World War II. This has been an era of explosive growth in marketing technology, commercial research, and communications expertise. It has seen the evolution of a whole new style of advertising - more real, more immediate, more in tune with people and the ways in which they talk, react, consider and buy.

It has been a period during which radio reached its zenith as a massive prime time medium and it has been a time during which television emerged from infancy as the preeminent communications tool of a majority of major advertisers.

But the forces of further change are unmistakable. The increasingly aggressive role of government; the emergence of an activist consumer and his public advocates; the fractionization of formerly homogeneous markets into an almost unmanageable number of smaller targets of varying worth - these are but a few of the challenges we are struggling with now.

It has been quite a time to live through, and most of us have been hard put to stay abreast, much less peer ahead. But buried within the phenomena we work with today are tantalizing clues to what the future may hold - both positive and negative.

First of all, we continue to expect an increase in overall market size. This phenomenon is sometimes under-appreciated because of the prominence given to reports of the striking and sustained decline in birth rate and the expectation that families will continue to shrink in size. Best estimates today suggest an overall population by 1980 of 228 million, 11% larger than in 1970. By 1990, United States population should total 260 million, 55 million more people than just twenty years earlier. Thus, in this current generation, our total market will have increased by an amount larger than the entire population of the United States as recently as 1885.

But aside from the overall total, there's an interesting and most significant point contained in the manner in which various age groups travel through their life cycle. We are now just beginning to experience the full impact of the bulge in population caused by the post World War II babies as they reach the family formation and major buying years. We expect an extremely strong upsurge in consumer purchasing of a wide variety of goods and services at least throughout the next decade. In fact, by 1980, 34% more people will be in the key buying years of twenty through forty-nine than was the case in 1970 - a market one-quarter larger than we're used to now.

A second major opportunity lying just ahead stems from the fact that disposable family income will enjoy a striking upsurge - both absolutely and relatively. By 1980, median family income is expected to soar - in constant dollars - from $9900 to about $14,000. In fact, in less than seven years' time we will enjoy an income distribution in this country that will have 45% of our total market in spending units with annual incomes in excess of $15,000, a category reserved for the rich, or nearly rich, up until a very few years ago.

Probably the most dramatic indication of the amount of wealth available for the buying of our goods and services is supernumerary income - that economic indicator which describes all the funds not needed for essentials and available for optional spending. This essentially discretionary fund is expected to mushroom from a respectable 80 billion dollars in 1970 to over 200 billion just ten years later.

A simple straightline projection to 1990 shows supernumerary income at over 400 billion dollars - five times what it was just yesterday!

But even this explosive growth in discretionary income would not be of such fundamental importance to marketers if it were not coupled with a concomitant desire to buy. Here, too, the outlook is positive.

The record of recent years has indicated a slow but steady decline in the number of hours spent at work in the average week. The converse is, of course, significantly more hours available for leisure, recreation, and all the exciting buying possibilities they imply. Legitimatizing this tendency toward more free time has been the moving of major holidays to Mondays - permitting a considerable variety of more ambitious, longer weekend leisure possibilities.

There are many studies and observations which indicate that Americans are using this increase in free time to indulge in a variety of pursuits, recreational activities and self-improvement programs.

Growth in second home ownership; participation in a whole new set of sports interests; foreign travel; adult education courses; art and craft pursuits; home entertainment devices and the like are just the most superficial of hints at the outlines of a $150 billion leisure and recreation industry by 1980. Some of the major elements in American business are moving in aggressively to provide the facilities, equipment and services these new interests will create.

The implications for advertising are obvious. People are interested in learning about new, exciting and rewarding ways to occupy themselves now that they have the money, the time, and the inclination to do things beyond earning a living and keeping house. They will want to know much more about new opportunities for travel and tourism; about the acquisition of newer sporting skills; about new entertainment and learning possibilities. Advertising's informational role becomes preeminently important in this search.

Still another major area of opportunity for advertising in the years ahead is the expectation that competition among major manufacturers and suppliers of services will be intensified beyond even what we have today. Recent marketing literature is studded with evidences of an increase in the velocity of product life cycles. Not too long ago, major brands of consumer goods had endured for generations. A product took years to reach maturity in the marketplace. If a brand was competitive and if its manufacturer was reasonably adroit in applying his marketing and sales know-how, that brand was relatively secure in its standing over a good span of time.

But the picture is quite different today. The period from inception, through market-testing, regional expansion and into national distribution has been materially shortened. Considering the astuteness of a manufacturer's competitors - and recognizing the speed with which market intelligence can now be gathered, assimilated, interpreted and acted upon - a given brand cannot be considered impregnable for very long any more.

When we couple this speed-up in life cycle with the increasingly rapid acceptance by producers, distributors, retailers and consumers of product variations, line extensions and the like, we see great promise for strong new growth in advertising ahead. But that promise will not merely multiply today's techniques of selling and advertising. It will have to rely on truly significant product differences - differences discernible to the consumer - and the communication of those differences to the right people efficiently and effectively.

These then are some of the upbeat factors we see working in our favor for the balance of the seventies and on into the eighties. But there is no denying that there are equally compelling problems and threatening clouds ahead. There are so many difficulties, drawbacks and worries - and they've been so widely and continually remarked upon in the recent past - that it would serve little constructive purpose to comment on them at length today. In fact, the pessimists in our business have been having a field day. Trade meetings more often than not have taken on the trappings of Russian tragedy.

But let me note some of the more significant problems we face just to keep in balance this picture of what may lie ahead.

First of all, our customer is more difficult to deal with. We see growing evidence that skepticism regrading advertising is becoming more pervasive. Whether the consumer has grounds for doubting the value and truthfulness of advertising is almost beside the point. The fact that greater numbers of those to whom we address our messages may well resent or ignore what we say is a fact we will have to conjure with.

Compounding this deterioration is a small but significant surge of anti-materialism at large in our country today. To people holding these beliefs, advertising is barely tolerable, at best.. Will this segment of our society grow in the future? Will their antipathy toward our messages soften as they mature?

Entirely new - and sometimes bewildering - applications of advertising are becoming more apparent. Those of us who have attempted to assess the phenomenon of corporate advertising - as opposed to product advertising - as a device to present companies in their roles as good citizens have seen some interesting and dramatic changes at work.

Not too long ago, corporate advertising was a somewhat esoteric specialty and much of it was clumsy, primitive and transparently self-serving. But a lot has happened in a very short time, and it's striking to see how much more attuned to society and community needs such communication has now become. But these new skills are not coming easily and we are still struggling with this new - but increasingly important - role for commercial communication.

Another problem we see in the years ahead is market fractionization. I don't label this phenomenon segmentation. Segmentation implies a somewhat deliberate and neat cutting up of an entity into manageable components. We've lived through this stage in our growing marketing sophistication within the past ten to fifteen years. Segmentation was quite a glamorous catch-word throughout the second half of the sixties.

But we've just about outgrown that stage now. With a total market twice the size it was just fifty years ago; with a multiplication of brands and sizes and styles and types and competitors many times what it was just a decade past - we are dealing with an almost unmanageable increase in complexity of the distribution, selling and communications process.

When we couple the difficulties of dealing with hundreds of sub-markets of varying potential with a continued move toward localization of even regional selling efforts, we begin to sense a new order of magnitude to the challenge of efficient marketing and advertising in the future.

Further aggravating these problems is the continuing and intensifying irritant of commercial clutter and the profound questions it raises about the erosion of advertising effectivensss.

Contrary to the opinion of some observers of the scene, I don't see a major broadening of media availabilities in the next ten years or so. I don't expect cable television to move stage-center as a major media category, breaking the log-jam of pressures on existing television. I do not expect a renaissance of important national magazines replacing Life, Look and the others.

If we accept a burgeoning of advertising volume on the one hand - and relative stability in the number of worthwhile media opportunities on the other - then we must expect a strong temptation for the shortsighted to further jam an already heavily burdened media structure. We certainly are going to have to concern ourselves with this matter of how much advertising is too much advertising.

Finally, in this recital of challenges and concerns, is an area best labelled with one word - a word I feel will become much more important to all of us very soon. That word is "accountability". Accountability used to mean just one thing - the ability of advertising to justify its cost to corporate management.

If we cut away the rhetoric, circumstantial evidence, pilot studies, and obfuscation, we know pitifully little, in reality, about how to measure in hard, factual, financial terms the impact of most advertising today.

We quickly retreat to that classic example in retailing where an insertion costing so many dollars and featuring a given piece of sale merchandise at the local store can prove its worth at the cash register in twenty-four hours. That's where we were in regard to accountability when I left school and entered this field of advertising two decades ago. A lot has happened since, but I still submit that a truly scientific and reasonably applicable device to measure the effectiveness of advertising in terms of a balance sheet does not exist today. How much longer will senior management patiently wait for that evidence? Much of what they must accept today they still have to take on faith.

As if this challenge were not enough, the concept of accountability is rapidly evolving in other directions.

Whether we like it or not, advertising - both in its individual manifestations and as an industry - is rapidly approaching a time when its accountability to various government bodies will become much more formalized and routine.

Much of the excitement of the past few years in Washington and in our industry centers has had to do with new approaches from government about this very matter of who is to hold whom to account for what. Now, no responsible member of our business questions dealing strongly with blatantly false or willfully misleading advertising. But many individuals in various government units view much essentially truthful and well-meaning advertising as misleading, non-productive, or sinister. This antipathy indicates the problem we have in educating each other to better ways of establishing accountability within a changing governmental and legal context. Caving in completely is not the answer. But acting as though the seventies were like the fifties is not either.

Still another facet of accountability - and one we'll all be hearing a great deal more about in the years ahead - is the matter of heightened responsibility to the consumer.

This public of ours is not a monolith and consumers can sometimes be maddeningly uncommunicative and illogical in their responses. But they certainly are a lot less passive than they used to be and a lot less willing to accept things as they are because of inertia or custom. We'll have to make quite an effort to assure that consumers will affirmatively accept our messages as valid, utilitarian and moral. If not, we're in for plenty of trouble!

This then is but a quick reprise of the many forces at work as I see them now - some promising important further growth and enhanced stature for our business - others threatening some of the fundamental tenets we consider absolutely essential to effective selling.

Let's now turn to the all-important matter of people. What are the skills and behavior patterns which have been the clues to successful careers until now? What talents and traits will increase in importance for those who will join us tomorrow?

During the recent past - and even today - effective practitioners in advertising have been characterized by a strongly developed competitive instinct - a drive in which a short-term improvement in market share was felt to be the most actionable and worthwhile of goals. In a pragmatic sense, this approach has proved quite valuable in forcing a high order of attention to the specific components of a marketing problem. It has led to extraordinary exercises in ingenuity in spotting and highlighting those competitive advantages which might exist for a given brand no matter how slight or evanescent. It has placed quite a premium on the development of executional skills - squeezing every last bit of rating point strength from a given spot television budget; honing ever sharper the copy points in that most constricted of commercial formats - the thirty-second commercial.

Those involved with communications analysis and market research have raised quantification to a high art. Pre- and post-creative testing now make it possible for the more timid among us to assign numberical values to behavior shifts and attitude changes - factors that almost defy clearcut, statistical measurement. But there is a negative side to all these skills and enthusiasms - no matter how constructively employed, no matter how successful the short-term result.

The very nature of the brand manager system - when linked with the traditional structure of a full-service agency - has encouraged a narrow provincialism - a focussing on a close-in, constrained goal - attainment of which could well damage a larger, longer-term objective.

It has also led to excesses in recent years in the creative sector - the crafting of advertising which has often been intuitive, indulgent, giddy and somewhat undisciplined - advertising which is powerful in gaining attention but many times woefully weak in achieving a rational commercial result.

Of course, many of these skills of the fifties and sixties have been of great value and will continue to be so in the even more competitive marketplace of the future.

But there are new talents and other attributes which are going to be needed. They give tantalizing hints to those responsible for courses of study in marketing and advertising about what students will and won't be needing later on. After all, if you merely build programs to meet today's needs, you're really preparing students for yesterday.

I believe that one of the most important elements of good future preparation will be a truly thorough grounding in behavioral psychology. Much greater academic attention should be given to this matter of how people react, and why they think the way they do. After all, we still know scandalously little about some of the fundamental presumptions on which our whole business is based.

A logical out-growth of this concern will be an increasing emphasis on better understanding the communications process and inter-reactions as a stimulus. This area of study doesn't seem to have a clearcut name of its own, but it certainly impinges upon a whole array of other, classic disciplines such as philosophy, psychology, sociology and the like. We will all have to study much more profoundly about such phenomena as attention-getting; the art (or is it science?) of persuasion; the various manifestations of belief and disbelief; aesthetics; irritation and the murky issues of memory and retention.

An academic subject still in its infancy as it relates to marketing - but one which will certainly take on primary importance in the years ahead - is the study of the inter-relationship between government and private business. Not surprisingly, this will be one of the principal arenas of contention and skirmishing in the next decade or two and - because of its newness and volatility - gives promise of being a particularly fascinating subject for study. If you want to verify the need, just challenge a group of practitioners in advertising today - of varying experience and specialization - by asking them exactly what the Federal Trade Commission does in regard to advertising and why.

I've done just that in the past few weeks, questioning quite a few people who are acknowledged experts in their own chosen fields. Only in a handful of cases did I get a reasonably correct answer regarding the role of the Trade Commission. Chances are the answers would have been even less definitive and correct if we had talked about such other organs of government as the Department of Commerce, the Federal Communications Commission, the Senate Commerce Committee, the FDA and so on.

It isn't too far a jump from a course of study on government as it affects our business to the matter of teaching the practical fundamentals of commercial law. More and more, the various people who make up the staffs of advertising agencies and the marketing and advertising departments of large companies are working daily with in-house and outside legal counsel.

Sociology - and the variety of disciplines it encompasses - will also have to become an integral part of a proper marketing and advertising curriculum. A better understanding of the structure of our society and the staggering number of forces at work in it will become mandatory as the sometimes antagonistic roles of business and the various activist forces are more strenuously explored.

Other possibilities come quickly to mind, such as the emerging technology of information management as a tool to enhance the effectiveness of business decision making.

~~And~~, of course, a greater knowledge and appreciation of international trade and its own particular complexities will take on enormously greater importance. Not so incidentally in this respect, facility with a second major modern language will become just about indispensable for job entry and personal career growth.

In the past few weeks, I've talked with many people in our business and reviewed a sampling of bulletins and course descriptions to see how closely these new needs are reflected in today's course offerings. How close do they come in reflecting the changes in emphasis we see ahead?

Among those elements that seem to be well covered are such areas as introductory overviews of the marketing and advertising business; elementary and advanced work in pricing and the economics of marketing; explorations of the retailing and distribution picture; operations research and data management (albeit somewhat primitive in view of the state of that art today); and reviews of the structural ramifications of our business - how advertising departments, media and agencies are organized and function. Obviously, these programs have been designed and positioned after much thought, assessment, trial and error.

But certain shortcomings become apparent even to a casual reviewer.

There appears to be a striking overemphasis on the concerns of senior management. Now some development in this area is certainly appropriate - to a degree - as a building block in establishing a broad-based understanding.

But many of the specific challenges to management - and the tools it has available to respond - will change over time. I can't help but feel that entirely too much stress is placed on teaching students how to supervise sizeable going businesses today. By the time we could logically expect them to assume responsibilities of this magnitude, the material will be irrelevant in its particulars. But there is a more insidious drawback here. This inordinate emphasis on sitting in the boss' chair misleads the student about what he thinks he can handle with little or no practical experience.

Entirely too many applicants for entry positions wind up acting either arrogant or sophomoric because much of their schooling has dealt with running a department or company - not working in it - at least at the start. Granted, this point may sound quaint and old-fashioned, but maybe the pendulum should start swinging back.

At the other extreme, there is the problem that - even today - many courses are still entirely too function-oriented to be of practical use in a given real-life situation. This, as we all know, is the phenomenon of the "trade school" approach to advertising. We see with increasing frequency that applicants from school for junior positions - for instance in media - know how to punch out a reach and frequency result from a computer. But very few of these people understand the concepts involved and are then able to recognize when the result is sensible or when it is in error. The technique has been taught effectively. The underlying comprehension is all-too-often lacking.

A third shortcoming we've seen in many younger people who come to us today most likely transcends the specialized undergraduate or graduate work for which you are responsible. But it is so vitally important that the lack must be recognized by all of us. Some absolutely basic business skills are woefully weak. A working knowledge of fundamental mathematical processes and elementary statistics is many times a shaky proposition. We can only guess that somewhere early in the game some steps were missing or insufficiently drilled. Probably, some students expect to jump the lower level rungs on the ladder in business to the point where they can then have employees do their arithmetic for them. But I cannot stress too strongly the fact that a weakness in math - a basic understanding of arithmetic - can cripple a person's early career in this business.

The lack is even more acute and noticeable when it comes to written and oral communication. It has become a cliche among my peers that many of the junior people coming in under us are close to hopeless in their ability to organize and properly express themselves in writing. More often than not their command of vocabulary, grammar and spelling is atrocious. (When drafting these remarks I tried other adjectives than "atrocious" in an attempt to be more statesman-like. "Atrocious" sticks because it really is the only proper way to describe a lot of what we've had to live with today. Many of us spend our nights and weekends rewriting the work of juniors.)

Now granted, teachers of advanced specialties such as advertising and marketing in college or in graduate school cannot be blamed for the shortcomings of students who should have mastered these elements much earlier. But maybe if we can work back down the chain we can start some corrective action before the damage is done to later students.

One last point regarding these problems - the matter of career guidance. We're sure that some individuals or groups in your schools - formally or informally - are counseling with students who are soon to contact members of the business community seeking that all-important first full-time job. We would urge that these counselors apply an important leavening of realism to the process.

Several people with whom I've spoken recently have been appalled by the inadvertent arrogance and almost complete lack of understanding of where their qualifications place applicants in a negotiation. Let me offer you a few examples - actual quotations from recent interviews - remarks which were transcribed verbatim by the interviewer because they were almost unbelievable:

"I'm a (School X) MBA. My education has prepared me for any situation, problem, task that might arise - I do not need training."

"This job doesn't sound very difficult. Within one month I'll produce more quantity and better quality than anyone on your current staff."

"If, for example, I started out in media, within one year I'd be ready to be media director of any agency in this city."

"I was at the top of my class in school. How many people like me do you think you'll find in this business?"

If you think these are laughable, pitiable or atypical - they're not. They are cause for very real concern on the part of all of us.

So much for some of the problems with which we have to cope today. You may feel the whole matter is mundane - that I've overstated the problem - you may feel I've neglected larger issues. And, very properly, the blame for some of this may well lie with us actively involved in business as well as with those responsible for earlier training. But insofar as we believe a problem exists - that problem does exist. After all, for good or bad, we hold the key to a high proportion of career-launching possibilities in this business.

Let me now attempt to be more constructive, by suggesting some changes we might think about as we all soon go back about our different daily concerns.

I'm sure the process of assessing long-term teaching objectives on the part of your various departments, schools and universities goes on more or less continually.

But in light of this broader perspective I'm asking you to consider today, let me urge a re-thinking of the fundamental role of business education by your schools - a reassessment of ultimate purpose. How practical and applicable should your courses of study be overall? How theoretical should they be in offering basic comprehension and a large frame of reference - without providing the tools of the trade? A proper balance is needed - and very hard to achieve.

What should be your school's particular specialization and emphasis? For instance, should you be stressing the study of marketing as a primitive and somewhat imperfect science; or communications as that most pragmatic of the arts; or this business of advertising as essentially a social phenomenon? Cutting to the heart of the matter (and taking a leaf out of the book of good marketing practitioners), what is your own unique product advantage? In what way are you to be clearly different from - and superior to - the multitude of liberal arts institutions whose graduates almost seem to be preferred by advertising agencies, advertiser companies and the media?

A second suggestion stems from some early thoughts on the future skills that will be needed. Should not your curricula be completely reexamined?

After all, we expect that some central techniques and disciplines will shrivel in importance or go out-of-date rapidly while wholly new types of knowledge will soon become essential. It might be extremely worthwhile to deliberate at some length about what the business will look like five and ten years in the future and then assess how closely your curriculum reflects that portrait.

A third suggestion calls for all of us to do a much better, forthright and honest selling job on younger people than we have in the past. It's no secret that business in general - and advertising and marketing in particular - have suffered a notable decline in esteem and regard among younger people in the past generation. You and I know that there's a great deal of tremendous worth and satisfaction in the work we do. How do we transmit that enthusiasm and professional pride to students before they are lost completely to us as recruits for the future? What steps can we take to talk with pre-college students - both in their high schools and within their families - about the worthwhileness of careers in advertising and marketing as a way of substantially contributing to a greater public good? Hardly anything has been done of note in this area.

A fourth suggestion returns to my own business and the executives with whom I work. I think we have to radically overhaul our thinking regarding entry practices and our own training responsibilities. We simply have to learn to do a better job of recruiting top quality talent. We then have to find better means of developing that talent without alienating it. When you come right down to it, our hiring and training activities are - for the most part - almost medieval. More often than not we seem to hire by happenstance - pay a wage noticeably lower than those offered by related career fields - and then almost inadvertently destroy ambition and regard by these juniors by losing them in some narrowly constrained, repetitive assignment.

We have to do a better job of enlarging the pool of candidates and bringing openings and applicants together. And, we certainly should work a lot harder on improving the interface between our own organizations and the academic community. Maybe in this way, applicants wouldn't be as tragically unprepared for the job-seeking experience as we seem to sense they are.

These are quite a series of challenges. We can't be accused of being anything but global. If this is where my remarks ended today, they would be little more than another set of pious platitudes and provocations forgotten by tonight. But allow me just a couple of more moments to lay out some possibilities for early thought and action.

First of all, much of what I'm about to suggest is even now being worked on - a great deal of it by individual companies, advertising agencies, media entities, schools and dedicated individuals throughtout our business, and I'm happy to acknowledge a major new development in the right direction. The recent work of the Academy and the 4A's in broadening efforts in securing internships, educational materials, school-practitioner interchange, and launching the adopt-a-school program is exciting and very much needed. What I'm suggesting is that we all look for ways to make this work more effective. These moves are absolutely vital to the future health of our business and the quality of the people who will run it after us.

I would like to respectfully suggest that a senior, appropriate representative from each association with an interest in these matters - the Academy itself, the 4A's, the ANA, the several media associations, and representatives of retailing - that these representatives meet to consider four actions.

1. The creation of a curriculum advisory unit - Consider, if you will, the desirability of having various representatives of individual schools or groups of schools develop formal presentations of their planned courses of study for delivery to a group made up of active, senior industry experts. These practitioners would then comment, hopefully in writing, on the strengths and potential problems of the planned curriculum.

   This approach would not interfere with the freedom of any school of department to plan its course of study as it sees fit. But it would allow some of the leaders in our business to relate the pertinence, emphasis and applicability of proposed courses to their views on what would be most valuable - as they see it.

   Obviously, much of this sounding-board work already goes on informally on an individual school and single expert basis. We're simply suggesting that a more deliberate, broadscale approach might provide tremendously enhanced expertise - much more efficiently - when courses of study are being planned.

   It's exciting to consider some ramifications of a venture of this sort. One possibility is that of a continuing dialogue evaluating subsequent experience which in turn would lead to further modification and sharpening up of the curricula we all rely on so heavily.

2. The formation of a new center to solicit, evaluate and distribute a whole range of educational materials - Here, again, there is much laudable work being done by the Academy, the 4A's and many individual institutions. We are simply asking you to consider the possibility of broadening the focus considerably and selling it to practitioners more persuasively.

   Among activities this group might engage in would be the solicitation of original texts or papers on particular subjects from outstanding practitioners in a given specialty - behavioral research, market analysis, media planning, creative concerns, consumerism developments, promotion devices, and the like. Again, a great deal has been done: Lots more remains.

This group might also seek out, collect and disseminate significant existing papers on various aspects of marketing and advertising as supplemental readings for given courses. It would act as a major distribution center for the collection of worthwhile case histories. It might well also work with educational research organizations in the creation of entirely new forms of teaching material utilizing video-tape, audio-visual technology and computer soft ware, among others.

Here, again, the basic goal would be to form a central collection and dissemination point without provincial restriction. This unit could solicit teaching material of top quality - the type too often not available because of presumptions of a need for secrecy or a lack of understanding as to where such material can properly be delivered.

3. <u>The establishment of a national cross-internship program</u> - This unit would act as an enabling mechanism for the placement of teachers of advertising and marketing into truly suitable spots in business, advertising agencies, the media and other organizations - and for meaningful periods of time.

   Additionally, this office would attempt the creation of a similar program in reverse - recruitment of qualified practitioners in business for appropriate teaching assignments - at the very least as guest lecturers for one or more appearances - but hopefully with emphasis on semester or academic-year appointments.

   Much of the effort in this cross-internship program would be designed to avoid haphazard, short-term, dilettante approaches to this business of cross-fertilization. After all, exposure of a teacher to an organization for just a few short weeks during a summer holiday can well leave a great deal to be desired on both sides.

   But anything more ambitious raises problems of compensation and expense. One of the key areas to be explored by this group would be endowment possibilities. Costs should be quite modest in view of the importance of the function and I'm sure at least a few large businesses or associations would be receptive to at least considering some measure of financial support.

   Essential to the effective carrying out of this program would be a meaningful program of cross evaluation and assessment of the experience by experts and by the participants themselves.

4. <u>A fourth and final possibility is the centralization of placement and career counseling facilities on a national scale</u> - This clearinghouse would be brought into being to bring a wide

variety of appropriate positions to the attention of interested applicants and - likewise - to bring a large number of qualified applicants to the attention of potential employers.

But we would hope this facility would offer services a great deal beyond those of a glorified placement bureau for aspiring students.

It could perform an invaluable function in preparing students for the experience of job solicitation and in helping them with realistic career guidance. An interesting thought here might be the establishment of a modest fund to underwrite expenses for applicants during their preparation for job solicitation and in their search - a hunt which today may well span many miles.

These then are four hopefully provocative suggestions. They share several characteristics:

- Each calls for the enthusiastic cooperation of a larger number of interests than has been attempted to now. Obviously, the hazards of over-reaching are great. But the potential in broadening the interface is tremendous.

- Each stems from needs expressed strongly and in very vivid terms by a considerable number of members of the advertising community I've spoken with in the past several weeks. The need is there. But the action to fill that need must be coordinated and directed.

- Each is addressed to the centrally important matter of enhancing the quality of the future leadership of our business - when that enhancement will do the most good.

I've already said that much of value is already getting under way. In that respect, consider this a strong endorsement from the business community. But these proposals are new in two respects - first, they hold out the promise of working on a more ecumenical basis than ever before and, second, they contemplate tackling these needs on a scale not yet tried.

Ambitious? Of course it is. Unrealistic? It may seem so right now. But I hope the earlier comments I offered suggest to you that the job is eminently worth tackling - no matter how visionary.

Ours is a business going through unprecedented travail today. In its next generation, I profoundly believe that advertising will experience a greater growth - enjoy a more substantive role - and compel a much higher regard than we have yet seen.

I have the professional pride to work my damndest to see this come about. But more so than in just about any other field of endeavor, people are centrally important to us. We must all work harder to insure a caliber of advertising professional for the future higher than before.

We have all been somewhat old-fashioned and lethargic in discharging our responsibilities to those we educate, employ, train and develop.

The need is more challenging now than before. Our shortcomings will become increasingly damaging if we don't correct them - and strenuously so.

Is the job worth tackling? Think about <u>your</u> motivation in being here today.

Thank you.

THE CHANGING FACE OF AGENCY SERVICE

by

ANDREW KERSHAW
President
Ogilvy & Mather Inc.

This talk is bound to be a dismal failure. To be memorable a speaker these days has to make some scandalous revelations about the past, deliver spine-chilling prophecies, or spread gloom with a baleful analysis of the present. All I can offer you are a few crumbs of change, a few problems that will still be problems ten years from now, and a lot of constructive progress.

I must tell you even at the risk of being thought complacent and reactionary, that I am rather fond of advertising as a trade. It provides me with all the intellectual stimulus I require. It is always hard and fascinating work. It pays well.

Advertising continues to attract exceptionally able minds and unusual people: a professional camaraderie flourishes amongst us in spite of the competitive atmosphere. We really respect each other. Well, we respect each other in the same way as lawyers, clergymen, politicians, and academics respect each other.

It is difficult for me to talk about changes in the advertising industry, because I have only worked for Ogilvy & Mather. And I am told we are peculiar. Forgive me if I draw on Ogilvy & Mather for many of my facts.

Three remarkable changes have occurred in the past five years. It is odd that nobody has picked them out for study. But then they are the kind of changes you do not expect from an industry with a reputation for instability and superficiality.

1. The billings of the 4A agencies have grown, since 1966, by about 30 percent. In the face of a depression, in the face of consumerism, and in the face of government harrassment. That is an extraordinary achievement.

   What kind of growth? Well, principally growth of the large agencies. Ten years ago there were eighteen 4A agencies billing over $50 million. Ten years later there are 35. In this period the number of agencies billing between $10 and $50 million went from 42 to only 50. God is on the side of the big battalions; presumably because He has known all along about the economies of scale.

   At Ogilvy & Mather, our domestic billings were $97 million in 1966; and in 1972 they were just under $200 million. Just over 100 percent growth. We may be pardoned for feeling with Merrill Lynch not only "bullish about America," but also "bullish about advertising in America."

2. Advertising Agencies as Multinational Corporations
   In 1952 the 4A's showed members to have 44 offices outside North America. By 1962 the number had grown to 127. And by 1972 the figure had jumped to 310. If you include offices with minority ownership the number may well be over 400. This frenzy of expansion represents an outstanding change.

Foreign billings of the 4A agencies accounted for $942 million in 1962, and over $2,000 million in 1971. My hunch is that by 1972 the billings of the 4A agencies abroad will have increased by 130 percent in five years.

Foreign billings of the 4A agencies are now equivalent to about one-third of domestic billings - that is quite something when you remember that domestic billings themselves increased by 30 percent in five years.

There are few industries that are as international in scope as the advertising agencies, and none have done it faster. As an industry we have twice as many employees abroad as in the U.S.

Ogilvy & Mather's International billings grew even more dramatically: from $70 million in 1966 to $212 million in 1972 - a three hundred percent increase.

3. The Burden of Distrust

You would think that the advertising agencies stand out in the minds of government as dynamic, able builders of the economy at home and abroad. That Wall Street would find solace in the stable and remarkable expansion of at least one of their once-touted favorite industries. And that economists would say to themselves: good heavens, there really must be something to advertising after all.

The last five years, a period of unparalleled growth in advertising, has seen a mounting burden of distrust, and dislike heaped on the advertising agencies. It must be close to a miracle not only that we survived but prospered. And also met our critics and detractors more than half way, without getting even grudging murmurs of approval.

We rushed to sign consent orders, because the FTC is the law of the land, and we did not want to be labelled cheats. Now we find that the courts are not impressed by the windmills of evil the FTC knights have been trying to attack.

We paid attention to consumerism: some of us even collected contributions for Ralph Nader. We discovered that consumerism is not a radical new way of life for ordinary people, but a narrow pressure group, with special appeal to politicians in search of a non-partisan cause.

But we listened and changed our ads. We hired lawyers to interpret what people in Washington were saying. There were many in our own ranks who urged us to reform, and we did.

We were told it was a disgrace that we did not police ourselves. So we set up, with extraordinary speed, an organization to do just that. Only to be told now that we are not policing ourselves well.

Today, seven of the top agencies are publicly owned -- and an eighth is waiting for the market to improve. But we are told we are unstable and unpredictable. Well, well. Our earnings increases significantly out-performed the Standard & Poor 500; indeed not many industry groups have done as well as advertising agencies.

Even when in the pillory, advertising agencies can operate both professionally, and financially, with remarkable success. We have done more than most industries to try and get ourselves out of disrepute, but to no avail. Since we got into the mess through a case of mistaken identity, it will take something irrational and unforeseen to get us out of it.

So much for the three remarkable changes. Good growth in the U.S. Remarkable growth abroad - achieved in a hostile climate of opinion. Flexibility and stability.

Now I am going to talk about a list of things I was told would interest you.

To my surprise, I learnt you would be interested in a la carte service. You must be the only ones left! Both a la carte and full service imply a willingness to provide the type and quality of service your client demands. At Ogilvy & Mather our attitude is this: we are prepared to offer any of our services, in any desired combination, provided we can make a fair profit and provided the service can be sensibly executed.

There's the rub. It is almost never possible to do good creative work without some research. Almost never possible to develop a creative strategy without marketing inputs. And it is silly to determine a creative posture without a look at all the media implications. And vice versa. The advertising process cannot be chopped up willy-nilly into many little segments. At any rate not without a great deal of additional cost, and running grave risks about the quality of output.

You will also remember the trade reports that house agencies and boutiques were destroying the mastodons -- the big full-service agencies. Boutiques and house agencies have always existed, both will continue to exist: "you pays your money, and you takes your choice." The share of advertising that goes into house agencies and boutiques - which are nothing but small agencies - has not changed.

I was told you were particularly keen to hear about the organization of account service function at Ogilvy & Mather.

The answer to all organizational questions in a service business is this: don't fit people into jobs, fit jobs to people. This is fundamental in an advertising agency. That is why we have a proliferation of the wildest titles ever invented by man, and why no two agencies function the same way. We must be enormously flexible. We must not impose hierarchical layers for the sake of organization charts - when all we need is one bright person.

If an advertising agency turns into a bureaucracy - i.e. the solemn observation of the rite of levels by passing the buck along the chain of command - you are indeed headed for trouble.

Beware of anyone whose title contains the word "administration," "co-ordination" or "group" - in an advertising agency: he is not likely to have a productive role.

At Ogilvy & Mather we have tried to remove all the routine and semi-clerical functions from account executives. The time-consuming compilation of brand statistics, the regular reports, traffic, policing of internal costs, and the endless post-office duties.

In many agencies this is the job of junior account executives, or assistant account executives. Frankly, using good college graduates this way is a dreadful waste of time and money: there is nothing more confusing than an over-educated office boy.

We feel the job is better done by less high-powered people, not driven by such ferocious ambition. We call them staff assistants. Some are capable of being promoted to account executives. The staff assistants grade is a way of tapping the potential of people without business school training.

The young account executive quickly gets bored and disenchanted with plodding routines. We believe he should be spending his time learning from his supervisor, his client, and the creative folks he works with. In our system we can expose the account executive to more varieties of business - he is not started out on a route that leads to specialization.

The account supervisor is the pillar of the account. He is usually a mature, fully experienced guy, someone who has been with our agency for four or five years. Usually a college graduate, with an MBA, and some experience on the client side, or in some totally unrelated business.

The up or out principle operates in all the account executive levels. But when a man reaches the post of account supervisor he can expect - all other things being equal - a decent career opportunity. When we promote, we try to assess whether the person has the potential to make it to the next highest grade. If he does not, he may never be promoted.

How do we know if our account men are any good? Well, there is a formal, written evaluation system. We also ask other departments about them. The views of our creative, media and research people about account executives weigh with us. We look for things beyond the line of duty. And, above all, we ask: how good is the creative work? Yes, that is right. When we come to evaluate the creative people, we ask: how good are the sales? For, within an advertising agency, the quality of the work must be a shared responsibility.

We do not believe that account profitability should be a specific concern below the level of management supervisor or department head. These questions require a delicate balancing of costs and quality of service, and we do not want our working levels to be side-tracked from the ideal of thorough, professional, high quality service.

I am glad to say that in the last five years the exclusive male college club rules of account service have broken down. We now have 7 women account executives. We have 9 women staff assistants with the potential for promotion. We have only one account supervisor who is a woman. If I were to guess about the next five years, I would say that about 35 percent of account executives, about 15 percent of account supervisors, and 3 percent of management supervisors will be women.

Ten percent of our officers are women, including a director, Reva Korda, who is one of our creative heads. All, except Mrs. Korda, became vice presidents in the last three years.

The number of women in professional grades has increased by 66 percent since 1966. Notably in account service, art, commercial production, media and research. Equality in numbers? No, not yet. Equality of opportunity? Almost. Resistance is breaking down fast. Equality of pay? Certainly in theory, and almost always in practice.

We are often asked about training. Alas, advertising agencies are rotten at teaching. We have neither the time, nor the resources, nor the technical knowledge. But an advertising agency is a good place to learn. So send me a man who wants to learn - not a man or woman who wants to be taught. We find that people who are students of their craft make the best advertising people: people who have to be taught stay second raters. How do you learn? You are curious, ambitious, and very hard-working. And these three qualities bring me to the question of recruiting.

It seems to have been too readily assumed that in the new social climate young people will not be willing to prostitute their souls by working for advertising agencies. I would like to make the point that we do not need a large army of recruits, but only a tiny elite corps.

For in the wake of the profit squeeze of 1970, and the consequent rethinking of the use of manpower in advertising agencies, the number of people employed has declined by some 3,000 since 1966. The 4A agencies report that their total numbers in 1972 were 2,400 less than in 1966. That meaningless statistic - the number of people employed per million of billing - fell from 7.9 in 1966 to 5.5 in 1972, and is still falling. The drive for productivity was an international phenomenon.

In England too, the number of staff employed by member agencies of the I.P.A. declined by 25 percent between 1966 and 1972. But productivity doubled.

The story is similar in Canada, Germany and Australia.

In the case of Ogilvy & Mather, the industry trends in numbers employed are masked by our rapid growth. Although our numbers grew from 765 in 1966 to 906 in 1972, our numbers per million of billing fell from 7.9 to 4.6 Which is better or worse than the industry average, depending on your point of view.

So when we are talking about entrants into professional categories the advertising agencies need hundreds every year, not thousands.

Undeniably, it is more difficult to get the calibre of people we are looking for. They exist all right, and just as interested to get into our business as ever before, but somehow it is more difficult to find them. We have concluded that colleges and business schools are neither the sole, nor necessarily the best recruiting ground for people who put ambition, hard work, and intellectual curiosity ahead of all other career considerations.

One of our agency's innovations was the fee system of agency remuneration, back in 1960. Indeed, we prophecied that by 1970, payment by fee will have driven out the anachronistic commission system. Either our proposal was not as good as we assumed, or the commission system has greater strength and validity than we thought: because the commission system is still the source of the overwhelming proportion of agency income - it accounts for more than three-quarters. Even in our own case, fees amount to only half our income. We may have set out in a new direction, but we have not exactly started a stampede.

There has been a fundamental change, almost unnoticed by all commentators, affecting the anatomy of the major advertising agencies.

Our business used to be run by owner-entrepreneurs, great men, some of them veritable titans. Many of them have faded from the scene. In advertising, as in other businesses, there has been a managerial revolution. Nine of the top ten agencies got new presidents or chief executive officers in the last five years.

We do not pay enough homage to the Titans - they built the business, they created a solid, predictable, useful new industry. And they handed to the new managements, sound flourishing organizations, with distinct corporate reputations.

I am leaving you with the impression that we are without problems. Not so: But the problems I perceive are not those that the trade press discusses avidly in its daily and weekly outpourings.

A vivid and correct imagination can see the course of future events clearly. But it always underestimates the time required for the changes to work themselves out. I perceive the problems that will plague us, but I am not prepared to guess when they will start to rock the boat.

Client Conflicts. For the large agencies, client conflicts are the most serious limiting factor of growth. It is sharpened by advertisers diversifying into each other's businesses. The time will come when it will be necessary to take a new look at what constitutes a conflict, and develop attitudes more like those prevailing in the professions.

Nationalism. The fastest growing segment of the major agencies' business will be International. In the case of Ogilvy & Mather it already accounts for half of our income and profit.

Not only is the multi-national corporation we serve going to run into increasing difficulties with the forces of economic and social nationalism, but we, as foreign-owned advertising agencies, will come under increased scrutiny. Sanity suggests that in the long-term extreme forms of nationalism cannot prevail - but in the meantime there will be many anxious moments.

Profits. Our system expects us to deliver increasing profits from the enterprise every year. As I have demonstrated earlier, advertising agencies have become much more efficient. But in our search for further improvements we shall look to vertical integration. Increasingly, you will find advertising agencies reaching into work that is now sub-contracted. My guess is that this inevitable process will not work itself out without a great deal of argy-bargy.

Well so much for my review of the changing face of agency services. Let me leave you with two paradoxical observations. I have learnt, much to my surprise, that in our business, established veterans often, for no apparent reason, fail to make runs, but youngsters whose style is crude and untutored sometimes, for inexplicable reasons, hit the ball out of the park.

I have also observed from watching myself and my colleagues that when it comes to breaking rules, innovating, and daring, the middle-aged and respectable have at least as much innocent enjoyment and fun as the youthful and rebellious.

The changing face of the agency business is still very much the same face. Neither vigor nor optimism has drained from it. A few new hard lines around the eyes, a little more grey around the temples. Quite an attractive face really.

Concern for the future? Oh yes. But no terminal diseases. Indeed, a surprisingly clean bill of health.

THE CHANGING FACE OF ADVERTISER MANAGEMENT

by

JACK M. YOUNG
Director of Marketing
Quaker Oats Company

The premise that advertiser management has changed in recent years is, on the surface, true. One need only thumb through Advertising Age (any issue) during the past few years to read about the kind and degree of change that has taken place during this period. Changes that immediately come to mind include:

- the rise of independent services -- creative, media, merchandising, and new product;

- the concomitant questioning of the role of the "full-service" agency;

- the resulting questioning of the commission system and the supposedly "automatic 15%" rate of commission;

- the so-called rise of the "house agency."

The one thing I don't intend to do here today is re-hash all of the whys and wherefores of these issues which have received much press in recent years. These issues have been rehashed endlessly now, and my assumption is that this group knows at least as much about these subjects as I do.

I will simply call two points to mind, in the attempt to place these issues in a somewhat better perspective.

1. Since "advertiser management" is concerned with the total marketing mix from product development to distribution, and the issues we're discussing have to do with the more limited (albeit important) development and placement of advertising copy -- even large changes in this area have probably resulted in minor changes to the face of advertiser management. Most advertiser managements are continuing to "plod along" much as they always have, making impressive sums of money for their managements -- while many advertising people spend a seemingly inordinate amount of time reading about themselves and enjoying every minute of it.

   Which brings me to the second point.

2. As a result of the integral relationship between the advertising business and the media, and because advertising (on the surface) has always been a somewhat glamorous business, there has always been a rather disproportionate relationship between the amount of press coverage and the real newsworthiness of the issues and items covered.

   What really has changed, and I believe in degree, rather than in kind, has been the level of sophistication of advertiser management towards advertising management. Specifically, I attribute this change to the gradual but steady growth of the number of advertiser managements that have been in part staffed with personnel who have as part of their background, some significant agency experience. Very simply stated, experience engenders

> confidence, and confidence breeds an impatience, an unwillingness to maintain the status quo when there seems to be little justification for so doing. Advertiser managements have simply become more capable of affecting the advertising product and the method of obtaining it.

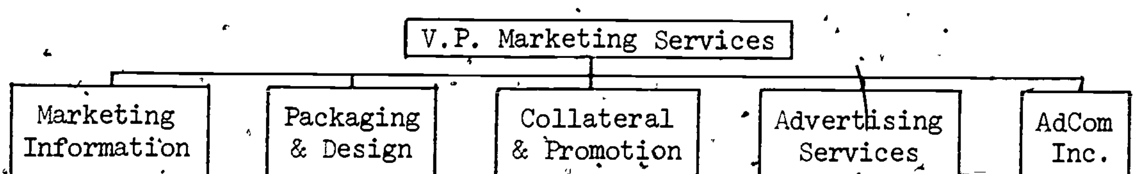
I've been asked, among other topics, to address the issue of the changing role of the client in advertising management. This subject gives me the opportunity to change the frame of reference from the general to the specific. Rather than speaking for the industry as a whole, I'd like to tell you how The Quaker Oats Company views advertising management. Advertising management is a part of our total communications effort. This communications program encompasses every area qithin which we can affect the consumer perception of our products and their likelihood of success. It begins with predicting consumer desire for and receptivity to products we are capable of manufacturing and selling at an acceptable level of profit to the company. It continues through development of product and design of packaging, when we are using the combination of research and development, and design skills to optimize the product offerings. The development of the marketing plan culminates in the execution of strategies into specific advertising and promotion programs. The tracking of product performance and determination of consumer acceptance and satisfaction, hopefully leading to long-term marketing success, are the next steps in this "role." Long-term management of our product lines, including the optimization of the advertising and promotion programs on a continuing basis, represent the final step in the role of advertiser management.

Stated rather simply, we believe we have the knowledge and expertise to manage these functions. The critical issue is that as we have become more expert and self-confident in this management, we have come to realize that we have a series of options with regard to whom we call upon for input along the way.

I've been asked if the role of advertiser management will change in the next 5 years. While not desiring to avoid the issue - I must answer that it will depend upon the development of advertiser capability over that period of time. I can guess that advertisers will only become better at the tasks they have already started to perform and therefore will do more of them.

At this point it would be appropriate for me to give this audience some idea of just how The Quaker Oats Company is organized to maximize the contribution of its internal capabilities.

Organizationally, there are five departments (one a subsidiary) geared to make major contributions to this advertiser's self-sufficiency. Each department reports to the Vice President, Marketing Services.



The Marketing Information Department represents a full-service research facility. Its 50-man size gives us not only the ability to analyze the data from any given business, which is done on a periodic basis, but also the capability of designing and fielding product and consumer research projects with outside help limited to field supervision. It would be a rare advertising agency research department that is so well equipped to design and manage our research. Even if we could find a comparable source, we have found that the costs would be higher, and the security more suspect. Certainly, the day-to-day knowledge of outside researchers would not be equivalent to the existing knowledge and commitment of our own employees.

Our Package Design and Development Center works directly with our marketing personnel and the country's leading package design firms to develop Quaker packaging. We are hard-put to find a reason to involve a middle man.

Our Collateral and Promotion Department works directly with our marketing personnel, our Sales Department and our Package Design Center to maximize the input and quality of all package copy, and collateral material. Here too, we are hard-put to justify the involvement of outside services -- unless they can provide something that we are incapable of providing or find it uneconomical to provide ourselves.

Quaker's advertising services department is largely a quality control department rendering service and expertise in the advertising management function. As such, it attempts to coordinate the role of various external and internal services -- but does not limit or increase their participation.

AdCom Inc., the Quaker Oats corporate advertising agency, is perhaps the most unique part of this advertiser's advertising management program. This corporate resource manages, creates, and places the advertising for approximately $12 million dollars worth of Quaker advertising. AdCom is a full creative and media service agency. Its creative and media personnel would, if we handn't been fortunate enough to hire them, hold down similar positions in the world's best agencies. They have an established track record which includes creating and placing major successful advertising campaigns for

- brands from the concept stage through successful broad scale introduction;

- brands critical to the company, requiring great understanding and strategic commitment to corporate philosophy;

- brands in vast trouble, in need of immediate remedial action.

In short, we've found that if we can attract the right advertising people, we are at least as likely to be successful in solving our own problems internally as through an external source. It takes knowledge and sophistication on the part of advertising management to identify such people. It takes commitment to work with and hold on to them -- but we see little reason it can't be done. If done, we have reason to believe it leads to a very healthy situation. For, we will have succeeded in employing top talent whose total efforts are applied against our businesses, and whose rewards are completely tied to the success of those businesses, as opposed to some theoretical agency "billings" numbers.

In light of the preceding statements, it's only fair to ask -- how about outside services? The answer to this question is partially lodged in semantics, and partially in the fulfillment/need syndrome. To us, any service bought on the outside is an outside service. This includes services ranging from the employment of the largest of advertising agencies, JWT, to the utilization of Nielsen for retail audits, or Saul Bass for design work.

These are all outside services we use because they make direct and worthwhile contributions to our business. When they cease to do so, they lose our business.

To the extent that the term "outside service" is more generally used to describe the so-called a la carte creative service or media service, I'd like to go on record with the following:

There are many ways to buy creative services. We're for all of them, as long as they fill a need better, more effectively and efficiently than the alternatives. To date, we have found that we can do this best by combining the resources of our major full-service agencies, with the great talent and commitment from our corporate agency. This doesn't mean that we haven't had some success with a la carte creative services, for we have. However, at the risk of overstating a case -- it is my opinion that most of the great creative talent in the business is (despite all the publicity) still working for full-service agencies.

Further, I might state that there will forever continue the dilemma of how an advertiser should compensate a creative service. All is well if you get the optimal solution the first time. Knowing the difficulties inherent in the creative process -- you estimate the likelihood of such an event. When and how should the meter start to run again, at a different rate? How many solutions is an a la carte purchaser entitled to for a given price? To the degree that pricing can be tied to commitment, the advertiser has got to be better off. A very difficult problem for the advertiser and an a la carte creative service. Not a reason to never use such services -- because if they can do for you what other sources can't at a given point in time -- they can represent a valid alternative. However, in general we have found that the long-term relationship with involved resources - whether internal or external - makes the most sense.

How about media services? I'd like to pass over these very quickly because I believe their major impact had to do with a point in time. When agencies became sloppy and advertiser management lackadaisical, some experts identified a business opportunity.

As the agencies and advertisers had this lesson proven to them, the media operations within traditional agency media departments were refocused, and the vast "opportunities" presented by media services disappeared. We have (as have other major advertisers) tested such services, and have concluded that we do at least as well through our traditional sources.

Commenting on the value of outside new product services is probably the most difficult thing to do. In a sense this kind of service represents the greatest opportunity for an advertiser. Since the art of conceptualizing new product opportunities requires breaking out of the typical way of looking at consumers, markets, and existing product solutions, the fresh, creative marketing point of view may provide the greatest opportunity to this area.

However, nowhere is there the need for more knowledge of a company's strategies and capabilities than in the assessment of new product marketing opportunities. Therefore, I conclude that utilization of outside services in the new product area can have a high return for an advertiser if he has really come to grips with his corporate strategy and capability and is willing to share this knowledge with his outside service. If not, he is better off saving his money!

In evaluating the value of "outside services" and advertiser self-sufficiency, vis à vis the more traditional relationships with full-service advertising agencies -- one must question the inevitable effort of changing methodologies upon the old relationships. How have the full-service agencies reacted to the increased competition, and the elimination of the "exclusivity clause"?

I have two rather simple observations.

1. Competition is healthy for all.

2. Any agency would prefer a client who has in part been satisfied by someone else - than no client at all!

Finally we come to the inevitable question of performance.

Has the use of in-house capability resulted in better advertising? A difficult question to answer because it requires subjective as well as objective judgments about advertising quality. Of course, we do have some unarguable success stories to talk about. But first, I'd like to give you a chance to judge for yourselves. Here's a reel of Quaker Oats Company commercials. I'll identify the creative sources after you've had a chance to form your own opinions.

SHOW REEL

60" Ken-L Ration - Cheese Stand
60" King Vitaman - The Castle
30" Instant Grits - Williams Family
30" Life - Three Brothers
60" Oatmeal - Talking Tube
2 - minute Pet Food - Stray Dog
30" Cap'n Crunch - I Gotcha Bird
30" A.J. Cinnamon Swirl French Toast - Twist
60" Natural Cereal - Children

In general, I hope you approve, because we're very proud of the overall quality of these commercials.

Now, let me identify the creative source of each and tell you a word or two about the brand's performance.

Ken-L Ration Cheeseburger - J. Walter Thompson, Chicago

- A new product that has been a big success. A line extension that has started to outsell the original Ken-L Ration Burger in some parts of the country.

King Vitaman - AdCom, Quaker Oats' house agency.

- A roaring success. A campaign that turned around a declining business to bimonthly gains exceeding 20% versus year-ago.

Instant Grits - Glenn Advertising, Dallas.

- Successful instant version of our traditional grits product which is quickly winning acceptance.

Life - Doyle Dane Bernbach - New York

- The first campaign in several years which has registered measurable sale gains.

Oatmeal - AdCom

- One of the highest Burke scores we've ever recorded in the cereal category, a 42.

Pet Food Special Commercial - J. Walter Thompson

- Specially created for use in corporate specials. Difficult to measure its success, but we have found its emotional impact upon pet owners to be universal.

Cap'n Crunch - AdCom

- The latest commercial in the long-standing campaign for one of the all-time successful brands in the children's ready-to-eat cereal category.

- Jay Ward collaboration simplified through house agency relationship.

Aunt Jemima French Toast - J. Walter Thompson

- Latest flavor extension in our successful frozen toaster product line.

Natural Cereal - AdCom

- Introductory campaign for our new 100% Natural Cereal which is currently being rolled-out across the country - and which we can't make fast enough - advertising or not. Burked at a 46 - the highest cereal score we've ever recorded.

Obviously, you'll judge for yourselves as to whether or not this advertiser's utilization of traditional resources, in combination with self-sufficiency, has been effective in the creation of superior advertising. At The Quaker Oats Company, we're convinced that the results have been optimal.

In closing, I'd like to leave you with this thought:

It's not the nature of the source that matters; rather, it is the commitment of the advertiser to accept no less than superior advertising, that is likely to make the difference in its quality.

N. W. AYER'S

MEDIA PROCEDURES

by

HANS CARSTENSON
Senior V. P. & Director of Media
N. W. Ayer & Son, Inc.

Back about five years ago, N. W. Ayer made the decision to decentralize its business. For close to 100 years all of the agency's work had been done in Philadelphia.

This move made sense from the standpoint of client service and agency operation. But it did pose some serious problems as well.

In the media area we had to find a way to be sure that all of our media work, under the direction of Media Management in the several offices, was top quality, regardless of which of the offices the client might be dealing with.

The Ayer Media Planning Procedure became the fundamental unifying force throughout all of the agency's offices. The Procedure has a number of unique features.

1. It is applied uniformly throughout the agency and does provide a strong discipline -- assuring that all major factors are given consideration in developing the media program, and that the media program is properly carried through in the buying and execution phase.

2. At several stages in the Procedure the involvement of all of the agency's major functions is required. That includes the Creative as well as Account Management, working directly with Media. Critical decisions are made on such things of importance to each of the groups as the advertising objectives, the target audiences to be reached, the reach and frequency requirements, and estimates of the actual delivery of the advertising (as distinct from its mere exposure to the audiences reached).

3. The Procedure provides a written, working record for all to use in their daily work. Where personnel turnover occurs, it provides a quick reference for new personnel to get up to date.

4. It requires and provides guidelines for the weighting of target audiences in terms of their relative importance by demographic and life style characteristics. And it provides for weighting of various media opportunities, as well as weights relating to the actual delivery of advertising. All of these weights, of course, are designed to provide much better discrimination in making judgments, as well as to provide the basis for statistical analysis via the computer.

5. Finally, and very important, the Media Planning Procedure, properly completed, provides the base and the data bank for what we hope may become a predictability model on the results of advertising. With all the information required at hand (such things as the job advertising is expected to do; performance goals against which advertising will be measured; reach and frequency requirements) advertising inputs can be

measured against the results achieved. Over time this should permit detailed study and correlation between input and result -- making us better predictors.

What is the Ayer Media Planning Procedure?

Actually it is a set of worksheets in THREE SECTIONS

- Planning Requirements
- Selection
- Buying

* * * * *

- So much for background!
- What are the key elements in making it work? We can't cover all of them today, but we will have time to hit the highlights

I. Basic of course is the answer to the question

What is advertising being asked to do?

DETERMINING THE ADVERTISING REQUIREMENTS

1. Objective/Purpose of Advertising
2. Advertising performance goals
3. Budget

Simple as this may sound, it is not an exercise in writing down the obvious. There are many things that advertising cannot be expected to do and yet every day it is being given unrealistic assignments. On the other hand, of course, there are many things advertising can be expected to do; and isolating the precise one may well be the crucial step in our entire process. The burden here is on being specific. Increased "sales" isn't much help because it doesn't specify the particular consumer behavior we want to influence. On the other hand, if the advertising assignment is to influence purchase of our brand by consumers who buy other brands in the same product class - i.e. conquest sales - we have something we can work with. Or the job might be to influence purchasers of our brand to use more of it than they currently do. Again this is something that gives real direction.

II. Next question is Against Whom do we want the advertising to work?

DEFINING THE MARKET AND AUDIENCES

1. Demographic characteristics)
2. County size/geographic distribution) Weights
3. Product usage)

We require our Account Group and this includes Creative, Media and Account Management to sharply define the target audience and give actual weights to the important segments in that audience --

And so that we don't over look other key factors; we require our people to think in terms of

4. Special interest factors

   Life style, social/political interest, civic activities, community leadership, economic outlook, etc.

5. Additional potential audience segments that could, with cultivation, offer special opportunities. Young people, ethnic groups, etc.

III. The next key question in developing the Media Program is What have we got in mind creatively to do this job?

Together the account group is required to

ESTABLISH THE CREATIVE REQUIREMENTS

1. Creative strategy
2. Mood of the advertising
3. Space size/commercial length requirements
4. Color requirement
5. Special requirements
   - (Bleed, coupons, inserts, positioning)
6. Other considerations
   - (Reproduction, product display, merchandising, demonstration)

This of course again is not an exercise in the obvious. Rather, it requires a careful study of what the prospect really wants, what the competition is offering, what we have to offer, why the prospect should want our product or service over his present product or service, and finally and very important, why the prospect should believe in us.

This all sounds pretty "straight." Lest I be accused of "beating the obvious to death," I want to emphasize 2 key facts -

1) These judgments are the joint responsibility of the Account Group.

2) They are set down in writing for all to use for guidance; a discipline over the entire operation.

At this stage our media staff takes over in

EVALUATING THE MEDIA

1. Identify all types of media that meet market objectives

2. Evaluate their relative importance in meeting the advertising objectives/requirements

3. Convert values to an impact index by Media type

In the process of doing this we ask this question to be sure no competitive opportunity is overlooked:

Recognizing that media value can mean more than cost per thousand in some other efficiency measure, is there any unique, competitively different use of media (with or without special creative material) that should be considered?

Lets take a hypothetical case to demonstrate the process (read from slide).

Here's how you might weight the various media possibilities (come out with magazines & TV as the choices).

Next we evaluate individual media vehicles on the same basis.

- Assign values for probability of exposure and impact value.

- Calculate dollar value for each vehicle to indicate relative efficiency in terms of weighted exposures delivered per advertising dollar.

Recognizing that opportunities for exposure are not synonymous with advertising exposures, we have examined all the research available for the last 10 years to arrive at probability of exposure weights for all media and types of usage. Obviously such factors as types of units being used, reader traffic, attentiveness, etc. are critical.

All that sounds pretty complicated - let me show you in a series of 2 slides what we do.

Again hypothetical values (a different situation) but here placed against specific media vehicles.

Here simply take impact (revalued on a base of 100) - apply probability weights from our tables to calculate net effective weight.

Then apply target audience size & cost for a value factor.

That's the guts of our selection process. We do go on, of course, to develop,

1. Alternate programs for computer analysis of various combinations.

2. Compute message delivery - Reach & Frequency.

3. Make a final recommendation.

One key step does remain, of course: buying.

Again, to leave "no stone unturned," we require our people to set

BUYING GUIDELINES

Print-Broadcast -

1. Positioning requirements
2. Editorial/programing environment desired
3. Policy on competitive advertising/dealer tie-ins
4. Merchandising support desired
5. Cancellation conditions
6. Special requirements/conditions

   Policy on pre-emptions/make-goods, distribution of spots by day-part/length, etc.

7. Research

Obviously what we have done here is to discipline the thinking of our people on matters that should command their attention (indeed command the attention of all media planners) in a way that requires them to think of all key factors - and force what are essentially judgmental decisions into standard format. To facilitate the process we've developed a series of weights that further refine the data to get closer to the "real world" of audience size and advertising delivery.

I have only been able to hit the highlights of our procedure here today. In closing, I would like to make 2 additional points:

1) The procedure is still being improved upon as we gain experience with it. I suspect we will always be in an evolving situation. But it has proved itself already.

   - It has pulled our account groups together leading to better decisions and direction - less wasted effort.

   - It has forced consideration of factors that might well have been overlooked.

   - Requiring numerical values in the form of weights has made useable data out of what previously were vague verbal statements.

   - We are a long way from our predictability goal but data is gradually building up.

   - Most important, we are doing better media work.

Here's an excerpt from a report on work with one of our clients.

"As a start in establishing the direction for consumer media planning, his group took our Media Planning Worksheet section of the Procedure and filled it in. Their conclusion was that it is an excellent way of getting all the information out, and of forcing decisions and evaluations that helped them focus thinking more sharply than they would have done without it. Having not only seen it, but having worked with it themselves, they're solidly behind the Procedure."

2) No procedure is any better than the people using it.. But with good people it can help make them better by the thinking required, and the discipline imposed.

In our business we always have a "leave behind." I have 2 for each of you today.

1) A reprint of an article on our media operations that appeared in Media Decisions magazine last September (1972).

2) A copy of our Media Fact Book.

Thank you for your attention and interest.

AGENCY EMPLOYMENT TRENDS

by

DOUGLAS JOHNSON
Vice President
McCann - Erickson, Inc.

Job prospects in the advertising business look better in the near future than they have in the past seventeen or eighteen years. This is the consensus of trade publication stories and people I've talked to in the field.

Manpower, Incorporated, probably the largest temporary employment company in the nation, says that 18% of the agencies they contacted intend to add employees in the first quarter of '73. Last year only 12% expected to do any hiring at all.

In 1971 agencies billing over 10 million -- according to Advertising Age -- dropped 2,963 people. Last year the cut was only 725 -- that's about three quarters less than the year before.

Bob Coen of McCann-Erickson has predicted trends in the industry for the last 20 years. He reported a 10.7% volume increase in total advertising for last year. More than double the year before. He sees a jump in spending for advertising this year of 11.4% over 1972. And although he predicts the demand for personnel will lag behind spending -- the long overdue expansion in budgets, billing and employees is on its way.

We have been floating along with limp canvas lately in terms of employment for a number of reasons. Although sales were high during the final '60's, corporate profits were squeezed -- so the demand for advertising was depressed. There was a mild recession in 1970 so some jobs were eliminated. Clients began doing their own promotion, publicity, and even media work to keep money in their own bank accounts. Specialist companies developed. The creative boutiques and the media services tended to do their work with a shoestring staff. Agencies went public and to hold the profit line they tailored their employees-roles to a Jack Sprat menu. And what is most ironic -- the teachers of marketing and advertising developed such potent graduates that they began to do the work of two men. The thoroughness of the schools has actually contributed to the reduction of job openings. Gentlemen, my regrets and my compliments.

Some of this situation has changed, more will change or become less influential so "here comes the boom."

Knowing that we were going to meet here and discuss employment trends, I did some research to find out where we stand presently in agency employment.

Thirty questionnaires were mailed to agencies who are members of the 4A's Committee on Work With Students and Educators. We had a 60% return.

The answers represent 937 million dollars in billing. The spectrum is broad and representative. Small agencies to large -- from 1 million to 327 million. They had a combined total of 1750 specialist employees. By definition, these are employees who have studied some form of advertising discipline in college. The ratio turned out to be almost 2 specialist employees to each million dollars in billing. Every agency says it expects the trend to continue. There will be fewer employees per million.

We asked how many employees are on staff in each specialist category.

Looking at the whole pie: 40% of the specialists are in Account work. 17% are in Media. 7% are in Research. On the Creative side, 17% are Art Directors and 19% are Copywriters -- that is nearly one to one. This works out to be 36% on the Creative side and 74% on the Business side. So -- that is the state of the total staff of specialists. Next we looked at the total number of specialists hired in 1972. This was every specialist, including entry-level employees.

32% of those hired -- almost a third -- are in Account Service. 18% are in Media. 12% are in Research. That gave the Business side of the agencies 62% of the hiring that was done. In other words, 62% hired against 74% of total staff. Account service seems to be on the down-side. Media looks about even. Research looks a little higher than we might expect.

38% of the people hired are on the Creative side. That is 38% hired against 36% of total staff which is about even. 19% are Artists and 19% are Writers. That could not be more even -- still one to one.

Next we looked at how entry-level people shared in the hiring. 20% of the specialists hired are just out of college. I'd say that's a fairly encouraging number.

Of these, account service comes in comparatively low with 26%. 23% are in Media and 23% are in Research. Those departments seem to favor entry level people. The hiring of all new specialists on the Business side worked out well. The total was 72% and if you'll recall -- the total number for employees on the Business side is presently 74%. That is practically an even score of hiring new employees compared to the total staff specialists on the Business side.

The ratio in Creative is not quite as close. 16% are Entry-level Artists and 12% are Copywriters. Not quite the one-to-one we have seen before. The total was 28% compared to the total Creative staff of 36%. Apparently more experienced practitioners were hired to do the actual advertisements.

So there it is: the total pie, an overlay of the Total Specialists hired last year and a count of Entry-level college graduates among all of the specialists hired. Now, let us look at what it took for those graduates who got hired to get hired.

How important is a college degree?

Very important! There is no way to get into this marble game on the Business side unless you have a degree for a shooter. The response was: 53% say Account people must have degrees. 82% say Research people must have degrees. Less is expected of the Media department. 76% of the agencies say a degree is good to have but only 24% think it is a must for Media people. But note this -- on the Business side not one agency says a college degree was unnecessary.

On the Creative side 53% think a degree is unnecessary for an Artist and not one agency says he must have one. 18% will hire Copywriters without a degree but 47% believe it is good if the writer is a college graduate.

What about advanced degrees?

They are not nearly as necessary as I had expected. For the Business side, especially the Account executive, an MBA is the graduate degree to have. In Art and Copy there is no reason to be anything more than a Bachelor of something.

We also profiled the educational background needed for each specialty. As expected, Account and Media people should have Business, Advertising and Marketing. A Researcher should add Mathematics to his credentials. Artists need Design-and-Art. Not much else. Copywriters should come out of a Liberal Arts school, preferably. Journalism and Advertising were close seconds.

We found a trend that 93% of the agencies say has developed over the past 5 years. A new educational background is in demand.

33% call it Business. 31% call it Marketing. Those two chalk up a total of 64% in favor of a highly "commercial" discipline. Advertising - almost equally commercial - scores 20% and brings the total up to 84%. Less profit-oriented -- Journalism is 13% and Liberal Arts, only 3%.

Once we learned what educational background an applicant needs to be hired, we asked about the agency's hiring criteria. Does it help to know someone on the staff? Only 1% say "yes." An outstanding book/reel/or resume is the strongest wedge with 33.3%. That is an objective standard. The next highest score is highly subjective. 32.3% say they hire on the basis of the applicant's potential for making a contribution to the agency's future. Next comes an appraisal of the applicant's apparently strong intellectual curiosity and drive. 31.2% give that quality third honors. Then comes a good interview -- 28.9% -- and finally an impressive scholastic background with 26.6%.

Let me make a couple of points here because I want to come back to them later.

How does an applicant project this intellectual curiosity, this drive and this potential? It must be done in the interview with his personal presence plus show-and-tell. That is to say -- with personal salesmanship and with a book/reel/or resume.

For a moment will you Teachers please think of your next class of graduates? Are they dynamic self-salesmen and saleswomen? Are they going to graduate with good marks plus an impressive scrapbook and resume? That is what we want to talk about later.

We took another step to identify the Entry-level applicant who will be successful. We asked the agencies to grade the important attributes for success in each specialty of advertising. We asked them to weight each characteristic from 1 -- of little importance -- to 4 -- of great importance.

Account Executives are expected to have all the virtues. Practically every attribute was scored over three. At the top were Ambitious, Compatible, Decisive, Enterprising, Logical, Leader Personality, Self-starting, Thorough, Vital and Well Organized.

Less is expected from a Media man. He should be Analytical, Cooperative, Decisive, Enterprising, Logical, Self-starting, Thorough, and Well-organized.

Add the virtue of Curious Intellectually and you have a Research man. Art and Copy people have an entirely different profile. Both should be Cooperative, Curious Intellectually, Imaginative, Resilient and Self-starting.

In addition, the writer should be Enterprising, Logical and Well-organized. Across the board, the vital characteristics for advertising employees are to be Compatible, Cooperative, Imaginative, Self-starting, Thorough, and Well-organized.

Conceptual ability, Speaking ability and Writing ability are also important in every specialty. Some kind of experience in Advertising and some Product knowledge are considered important along with the degree.

For all of this -- the graduate will start at a salary between six and eight thousand dollars a year. The survey says this is about average. Fourteen thousand is the highest mentioned -- four thousand is the lowest reported -- but both are quoted only once.

Judgment tells me that the average figure is low. The going rate among the mid to larger agencies is closer to a range of 9 to 13 thousand dollars a year, we believe.

What about training after the entry-level employee is hired? Only 30% of the agencies have any kind of a formal program. 70% do no training after employment.

Over half of the agencies say their new people "learn as they earn" with on-the-job experience. 16% each have staff lectures, supervised work in departments and various in-agency courses. A few less have practice projects.

And, by the way, little preference is shown to special groups in agency hiring. Five percent said they took some interest in helping Blacks, but women, the handicapped, all others are treated equally.

As clearly as I can see, that is the employment situation and the prospects for the next few years. More jobs will be there. The properly educated can apply. And those who project the right characteristics will be considered. Now for the pivotal question: Which applicants will be hired? What purchase proposition -- what difference-that-makes-the-difference -- what unique selling quality will get them hired?

To answer that I would like to stop here for a moment.

Right now I would find it useful to change my audience. I want to move all of you teachers and you advertising men onto my side of the table and talk to your students .... your prospective employees. Let's see if what I say is what you might say.

Students: The question before us is: How do you get hired? One answer is -- Have the right point of view about who you are.

No matter what your college calls the course of study you are taking -- no matter what the title is on your text book -- advertising, marketing, journalism, copy writing, media -- what you are doing now is learning to be a "communicator."

That is what it is.

Now what does that mean? The word COMMUNICATE comes from the Latin -- commun-i-care. Savor that word slowly -- and allow me an added touch of meaning of my own. Commun-i-care. Commun -- meaning community or group. I -- the stalwart erect pronoun which stands for yourself. And Care -- which in modern terms means "to give a damn." Commun-I-Care. Maybe that is not exactly what the Latin linguists intended, but built into it and ready for the taking, is the new communicator's oath -- his promise -- his pledge -- and in the opinion of many -- the future of the advertising business. The dictionary goes on with many amplifying words that shade the word with -- to impart -- to inform -- to participate -- to share.

In those three syllables -- Commun-I-Care -- is a promise, a responsibility and a purpose in a new era of social consciousness. It surrounds the meaning of what will be your life's work and its meaning is huge. It is filled with an open range of opportunity for the versatile and the dedicated.

In the opinion of many experts, our era is the time for versatility.

The most valuable ability in the coming century is probably the ability to change from the use of one ability to another ability. In our time we will all need the flexibility of a Michelangelo or a Ben Franklin.

This thesis suggests the probability of multiple careers: I can see a communicator's career-path moving from local retailing, to small agency, then to television station, on to a manufacturer, to a large agency, to a college, to a government office, to a consultant's job, back to a large agency, to public service broadcasting, to mayor of the town -- into any combination or progression from area to area where he has a phone number and a place to hang his coat.

There are no restrictions. A communicator carries his tools in the furrows of his brain. A communicator's growth is hampered only by his ability to master new disciplines as he is exposed to them during his lifetime.

Students, I am saying that the narrow self-concept of advertising man, marketer, journalist, researcher, media man may pinch in time. But the roomier definition of communicator gives a man wide latitude. It contains much less built-in frustration. Many more types of jobs will be available, be satisfying and be completely logical areas for employment.

Students, do not be hung up or desperate for a job in advertising. If there is a communications job open somewhere else, take it and keep on learning and practicing your craft.

Next, Students, I would like to see your resume. I think I know what I will find. College grad. Okay. The right characteristics. Fine. You were here. You were there. The resume will show where you have spent your time. Right? Is that all there is? You claim to be a communicator. Did you ever communicate anything?

And the answer: "Hell, what do you expect? I just got out of college."

To me, that is no satisfactory answer. I have yet to see a potential communicator who can resist communicating. I am mildly interested in where you were during your life. I am much more impressed by what you made happen as a communicator while you were there.

I have read hundreds of resumes. They were neatly typed on one or two pages, in reverse evolution, dates and places -- signifying virtually nothing.

Many applicants have shown me books or files. All were collections of random advertisements or story boards -- all in limbo. There was no glimmer of a campaign or a strategy, no hint of a sales increase or a jump in consumer awareness.

Students, if I could have reached you a year or two years earlier I would have said -- Come see me on the 8th of June at 10:00. Come show me your success stories. Let me see your projects, your practical works -- your drum beatings -- the way you spoke to a single individual and drew a crowd, any crowd.

For example: I want to see your eyes light up with excitement when you talk about your ART FOR EVERYBODY campaign.

Open a neatly organized book and take me through it. Start me with the first press release. It says that all the art supply stores and camera shops in town agreed to discount everything on their shelves.

This was to encourage every man, woman and child to try some form of art. Teachers were lined up if people wanted lessons. On the 4th of July there would be a grand judging with lots of prizes.

The Artist's League says it hopes to make the contest an annual event.

I want to see what happened next -- the press clippings. Show me the 80 year old woman and the 5 year old boy who both entered needlepoint. Let me see a shot of the mural that came in on a truck alongside the oil painting that was the size of a silver dollar in the artist's hand. Show me the list of the interview shows and all of the guests who appeared to talk about the campaign and show their art. Let me see the advertising that was generated -- the booster ads that were compliments of friends, and the paid pages that the art and camera stores ran. Show me the handbills that were passed out. Give me one of those "Art For <u>Your</u> Sake" buttons you had made.

Tell me your troubles. Build a kinship so we can commiserate. Talk about your money raising problems. How tough it was to hire the hall. The politics you went through to pick the judges. I'll understand because I have frustrations too. And, mean as it sounds, I'll be glad you have experienced the knocks that go with our rugged art of communication. Your enthusiasm shows you are resilient. My experience says you will have to be. Take me with you. Show me what you made happen. Write and talk about what you did and you will be articulate -- persuasive. Interest me and I will want to hire you.

Show me your ADOPT A STORE CAMPAIGN.

Get me excited about Tony the Butcher. Tell me how, just at the start of barbecue-time, you talked him into letting your team take over his communications. You positioned Tony in a crowd of butchers -- in hundreds of markets all over town. Within days he was the prime, prime-meat seller. He became the top man in meat for outdoor-cooking. His advertisements were practically written by his satisfied customers who shared their own secret barbecue tricks. Tony-the-butcher chef hats were in every backyard on every weekend. If you flew over town it looked like a green field littered with marshmallows. Tony became a TV celebrity. He held a championship cookoff in the park. The winner's family got to spend the next Sunday afternoon in Tony's own backyard -- with Tony at the grill.

Tell me about that. And the chain of butcher shops Tony has now -- and the recipe book -- and the private brand barbecue sauce -- and the cooking school he runs.

Show me the multipliers you put on Tony the Butcher.

Or Tony the Shoeshine Man (who guarantees a two week shine).

Or Tony the Florist (who gives a corsage with every houseplant).

Or Tony the Cleaner (who is affectionately known as Mr. Spot because he has never seen a stain he couldn't take out).

Show me how you positioned a local commodity so it became a specialty -- an exclusive -- that everybody wanted.

There are a million products out there to practice on. They need you. A small business needs an image that is exclusive. A small manufacturer has a device that needs demand. A Chamber of Commerce is leading its town into deeper oblivion. A woman's club does good works but nobody even notices. Unleash that imagination of yours and you will have ideas that make my suggestions look anemic. Face the fact; You need apprentice experience -- internship. So find a product and be its bridge to the public.

Apply every communications method you have learned. Write a Competitive Analysis, a Situation Statement and a Strategy. Do a Marketing Plan, a Research Study, a Sales Promotion Plan, a Publicity Plan, write copy, and do a mechanical. Gather a team and use their specialties. Make it all work. Then put the whole record together in a book for others to see and present it proudly.

Bring me something that says: I am so damned excited about communicating that I can't hold myself back -- fall, winter, spring or summer. Show me you can activate people on your home ground, then I may believe you can move people on my home ground. Convince me. And prove it to yourself.

That is the end of my advice -- my challenge to your student and to your future employee. I would tell him or her to expand his self-concept to the total role of communicator.

Why? For more job opportunities. For more options. For more jobs that relate and contribute to the growth of his career. For more complete satisfaction in his total life's work.

I would tell him it is important for him to sell himself to others -- and with his accomplishments -- to himself.

How? With communications campaigns that he has created and engineered. With singular success stories that prove his internship in the communications field. Now, what if he is willing to do all that?

His willingness places some responsibility on his teachers and on his future employers.

His teachers should encourage him to do his thing. They should not only teach him theory but also help him engage in many practice experiences. They should start him early to replicate the countless projects he will carry out in his lifetime. I know many of you do this now and do it well. But perhaps more emphasis should be placed on role playing and on preparing success stories for presentation to future employers.

Employers have a responsibility too. Those of us in advertising who search for entry-level personnel must respect their private campaign by experiences. We should give their success stories the consideration they deserve as an important section out of each student's life. They should be valued as highly as our new business presentations or new products. Every agency man knows how affectionately he hopes his new business presentation will be accepted. Every advertiser knows how much he hopes that his new products will be loved and gathered in by the public.

REMARKS ON PLACEMENT

by

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In the area of advertising education we are turning out more graduates every year.

Naturally, the placement of these advertising students is of paramount importance to the student and to the educational institution.

Through 1969 -- there was little difficulty in placing the new graduate -- though the job wasn't always where he wanted it geographically and it wasn't always with the exact company that he or she preferred.

Since 1969 -- the going has been rougher -- at the Missouri School of Journalism or placement center saw a drop from 123 visiting interviewing teams to 55 -- slightly under one half -- in just a year or so.

Interviewers seeking advertising majors dropped from 44 to 32.

Advertising graduates come from two main sources -- Schools of Journalism and Communications and from Schools of Business and Commerce.

In general, both of these institutions are turning out some good products. The journalistically oriented graduate gets a lot more than just writing and creative courses. Even though he isn't in the business school, he gets a goodly portion of marketing, management, finance, retailing and related subjects on top of a liberal dose of liberal arts.

The business graduate gets excellent grounding in business areas and at most schools also gets into creative courses, writing, copy strategy, etc.

Today's panel consists of three experts to cover this method of educating our students for advertising. Dr. Richard Thain handles placement at the University of Chicago for business students, where he is a professor and Associate Dean.

Doug Johnson, McCann-Erickson VP, is here to talk about the needs of agencies, the 4-A's and McCann-Erickson in particular; a working "Ad Man," not in personnel.

I'm here as an Advertising professor and the Director of Placement for the University of Missouri School of Journalism. Today, I'll be talking about the advertising portion of our crop. Both Dick Thain and I have "decentralized" operations.

Both Dick Thain and Doug Johnson have excellent presentations. By getting together on the phone we were able to check signals and I hope that we can avoid unnecessary duplication.

Doug Johnson did what lots of good agency men do -- he ran a survey and sent out a questionnaire. I think you'll learn a lot from his presentation. I'm truly sorry that he had to boil it to 20 minutes ... it's worth an hour or more.

For myself, we were already sending out questionnaires when I was asked to come to Tempe for this program. Unfortunately, the timing wasn't perfect and the results are still coming in. Some even came in today.

Last week I had my staff drop everything that could be dropped and start tabulating.

We were asking our graduates (all majors) from the classes of 1968 through 1972 where they had first gone to work and for how much money -- ~~and~~ where they are now and for how much money.

A total of 804 of our 1430 locatable graduates had responded by last week from these five classes. Of the 470 of these who were advertising majors, 281 or about 51% responded. Our advertising majors make up about 30% of our student body.

So, we pulled out the ad majors and here's what we found. Incidentally, these are primarily BJ graduates. The MA graduates have been slower to respond and we had only three PhD's answer our questionnaire. Thain and Johnson will have a lot to say about the MBA and MA.

We found that 27 men and 18 women went to work for agencies, usually A.A.A.A. agencies.

Eighteen went to corporate advertising.

Fifteen went to retail advertising.

Sixty-two went into newspaper advertising sales and service.

Thirty-three went into corporate public relations.

About nineteen went to P.R. jobs with educational institutions, associations, etc.

Fourteen went to mail order advertising.

Eight went into advertising education. With a BJ this is usually a junior college although not always.

Nine went into broadcast advertising.

Fifty-eight into other ... this includes OTHER AREAS OF JOURNALISM ... housewife ... military and jobs really not related to advertising ... graduate school and law school.

Media jobs were far more plentiful and popular during the last two years of the five year period.

Fifty strayed from advertising right after graduation ... sometimes other fields of journalism, or a father's business. We found that present job indication was that 42 were still "missing" but this is misleading in that about 15 came back, but we lost a few more during that period.

How about salaries?

In 1968 ...

Upon Graduation		After Five Years
30	Under 7,500	3
12	$ 7,500 - $10,000	13
4	$10,000 - $12,500	16
1	$12,500 +	15

In 1972 ...

1	$ 7,500
7	$ 7,500 - $10,000
3	$10,000 - $12,500
1	$12,500 +

In summation, and I think Dick will agree with me, the job market is up. We have had 9 A.A.A.A. agencies (recruiting) so far this year as against 5 last year. Newspaper sales and service jobs are well up over previous years ... even on the editorial side of weeklies and small dailies we find them up. For our news editorial majors this has been the best year since 1969 ... and we feel that advertising majors will experience even a better increase next year.

SOME CRITICAL VIEWPOINTS OF

"ADS WE CAN'T DO WITHOUT"

by

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The purpose of this exploratory study is to examine bad taste in print advertisements from the viewpoint of advertising practitioners and other interested business persons.

This paper differs from other papers on advertising abuses in several ways. For purposes here, the question is not "What is wrong with the advertising industry?" That approach has been used often. The question here is "What is wrong with specific advertisements?" This approach offers a fresh look at some of the practices that spark criticism of advertising as an industry.

This paper also differs in it's sources of criticisms. In some papers, the viewpoint is representative of some level of government. For example, a Federal Trade Commission spokesman discusses advertising problems from the view of the Commission. In some papers, the viewpoint is that of an upper management person from a major manufacturer or a major advertising agency. He urges, "Let's put our house in order" or "If we don't do it, someone else will." Interest here, however, is not solely in these speech makers; interest here is in a mix of ad makers, generally, the day-to-day advertising practitioners -- account executives, copywriters, media planners and other persons involved in promotion, including nonagency marketing and advertising practitioners.

Another significant differentiating characteristic of this paper lies in the attempt at objectivity. The purpose is to report findings, not to moralize.

Methodology

It should be noted that this is an exploratory study. It represents what could be the beginning of a detailed study of advertising industry concern about advertising taste; however, in itself it is limited in its scope.

All advertisements included here appeared in the "Ads We Can Do Without" segments of the "Voice of the Advertiser" pages in Advertising Age in 1970, 1971 and 1972. Each advertisement was submitted by a reader who was offended in some way by the ad. All "Ads We Can Do Without" that were questioned on the basis of poor taste were considered. Those ads that were questioned because of possible plagiarism, deceptiveness or other reasons were excluded from this study.

Over the three year period which was investigated, 170 advertisements that were submitted for reasons of taste were published in Advertising Age. In order to describe the advertising approaches that most often prompted readers to write to the editor, the authors identified several categories of advertising tactics that readers considered offensive. Using these category descriptions, the authors classified all 170 advertisements. The test for coder reliability confirmed the agreement between coders in categorizing the advertisements. Coder reliability was determined by a system of

$$\frac{2(C_1,C_2)}{C_1 + C_2}$$

where $2(C_1,C_2)$ represents agreement between coders on each item within the category times the number of coders (in this case, two). The $C_1 + C_2$ represents the total number of items placed by coder 1 in the category under question, plus the total number of items placed by coder 2 in the same category. Categories were reworked until a score of .85 was found.

Findings

During the 1970 - 1972 period, Advertising Age readers[1] who wrote to the editor were concerned about a wide variety of practices and approaches to the promotion of goods and services. The readers were offended by many types of print ads -- those for consumer goods and services, and those for industrial goods; those for nationally distributed products as well as for regionally or locally distributed products; and those placed by highly respected and well known organizations as well as those placed by relatively obscure organizations.

The strategies evident in the advertisements submitted intrude into several areas of values that are sensitive in American society, such as the respect for death and dying, abhorrence of violence, respect for religion, respect for American institutions, concern over sexual behavior, use of non-sexual vulgarisms or references to subjects not typically discussed openly in polite society and concern over social issues.

Nine categories emerged from the study. The advertisements in the first category, "Sexual Double Entendre," contained any double entendre involving sex or sexual behavior. In the "Social Issues" category were advertisements featuring references to moral and ethical questions of current significance, such as care for the old or Women's Liberation. The "Nudity" category included those advertisements in which a featured male or female was pictured totally nude or represented as totally nude. This category did not necessarily involve only the sexually oriented type of nudity; several advertisements in this category featured humorous use of nudity, as in the case of the jovial overweight male featured in a hair spray advertisement. The "Vulgarisms" category contained advertisements featuring use of crude language or subjects seldom discussed openly in mixed company. The "Violence" category featured content possibly involving bodily harm but not necessarily involving death; this contrasted with the "Death" category, which contained content clearly associated with death or imminent death. The "Religion" category contained advertisements using any religious symbolism or any reference to religion. In the "Symbols of America" category were those advertisements featuring generally revered symbols of America, such as the Statue of Liberty. The "Other" category contained all advertisements not classified in the first eight groupings.

[1] Of the identifiable submitters of advertisements to Advertising Age, approximately half were associated with advertising agencies and half with other firms.

Table I shows the frequency of complaints in each of the categories by year. Of the nine major categories in this study, noticeable trends existed in five categories. Complaints in the "Sexual Double Entendre" category increased during the three year period, from 15.9 percent to 28.6 percent of the ads submitted during each year. The "Social Issues" category declined in apparent importance over the period, from 22.7 percent to 11.1 percent. Also, the "Violence" complaints fell from 11.4 percent in 1970 to 4.8 percent in 1972. The "Religion" category grew from 2.3 percent to 6.3 percent. And criticism in the "Symbols of America" category fell from 4.5 percent to 1.6 percent.

In each of these cases of apparent trends, the direction of movement was constant from 1970 to 1971 and from 1971 to 1972; that is, there was a continual increase or continual decrease of relative importance in the categories. This condition could reflect changing levels of usage of various approaches in print advertisements; or it could reflect changing values in the persons submitting advertisements to the editor. One should also note that the editors of Advertising Age do, occasionally, exclude an advertisement submitted for publication. The authors could not account for this effect.

Future Research

The basic findings of this study prompt several questions concerning advertising and taste. One question concerns the distribution of offensive advertisements over the various categories. To what extent do changing values account for the rise or fall in sizes of the categories over three, five, ten, or more years? Are readers more blase about violence than three years ago? Are symbols of America less sanctified than in years past? A study of this type could reveal changing values in a very interesting way. The study also stimulates significant questions of strategy. Were the advertisements objectionable to the persons to whom they were directed? To what extent are different categories of products susceptible to criticism, advertising strategy notwithstanding?

Another question is "Compared with other observers, how critical of advertising are advertising people?" The ads considered here were of unquestionably poor taste, according to the submitters of the ads. What about other ads, less distasteful than these, but nevertheless offensive? What is the threshhold beyond which the advertising practitioner is sufficiently offended to complain? Are persons in advertising any more critical of distasteful advertising than other observers, such as consumers? The implications for effective self-regulation are significant.

Summary

In this paper the authors have presented a view of bad taste in advertising as seen by some readers of Advertising Age. The intent was to consider the types of advertising approaches which, although they can hardly be considered representative of all advertisements, do form part of the basis on which consumers judge all advertising. Although the study is exploratory only, it seems reasonable to conclude that when one views advertisements on an individual basis it is possible to find particular potential sources of criticism. By defining sensitive areas in advertising through particular advertisements, one can show objectively where some problems exist and perhaps work to correct them.

TABLE I

Published Submissions to
"Ads We Can Do Without" by Year

	1970 N=44		1971 N=63		1972 N=63		Total N=170	
	f	%	f	%	f	%	f	%
1. Sexual Double Entendre	7	15.90	14	22.22	18	28.57	39	22.94
2. Social Issues	10	22.72	11	17.46	7	11.11	28	16.47
3. Nudity	5	11.36	11	17.46	10	15.87	26	15.29
4. Vulgarisms	4	9.09	9	14.28	8	12.69	21	12.35
5. Violence	5	11.36	4	6.34	3	4.76	12	7.05
6. Death	3	6.81	5	7.93	1	1.58	9	5.29
7. Religion	1	2.27	2	3.17	4	6.34	7	4.11
8. Symbols of America	2	4.54	2	3.17	1	1.58	5	2.94
9. Other	7	15.90	5	7.93	11	17.46	23	13.52

THE EFFECTS OF TV COMMERCIALS ON "NORMAL" AND MENTALLY RETARDED CHILDREN

by

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ABSTRACT

The reputed success of Sesame Street in using TV commercial techniques to enhance children's learning processes seems to suggest that paid-for TV advertising commercials would perform exceptionally well in achieving the goals of their sponsors -- first, learning about the product, and then moving through a hierarchy of effects -- especially if the target audience was children. Although many studies indicate that educable mentally retarded children have more difficulty in certain aspects of learning, including cognitive ability, than "normal-I.Q." children, many other studies dealing with memory, generalization, and incidental learning show no significant differences between the two groups of children. Since TV commercials do not deal much with cognitive ability, it is hypothesized that both groups are equally adept at learning information presented to them in the form of TV commercials.

Accordingly, a questionnaire was administered to a random sample of both sets of children to measure their learning of facts of five of the most-presented cereal commercials on the three major TV networks as seen in Columbus, Georgia, during five Saturday mornings (8 a.m. to 2 p.m., Eastern Time) in the fall of 1972. These commercials were selected on the basis of a review of local station logs. The questionnaire also determined the "degree of insistence" for the five products advertised -- the degree to which the two sets of children insisted that their mothers buy the products advertised. The t-test showed that there was no significant difference between educable mentally retarded children and "normal-I.Q." children on either factual learning (as measured by memory) or on degree of insistence. This finding has many implications for advertising and marketing strategy, as well as for educators, including the supposition that TV commercials may have set the "lowest common denominator" too low for the "normal-I.Q." majority segment, as well as a "public service" supposition. The implications are discussed in the paper.

* * * *

Introduction

The market segment represented by children has been growing quite rapidly in recent years; however, marketers have only now begun to focus research on this important segment in any large amounts. McNeal (1969), Cagley (1972), and others have pointed out the importance of studying the child market. These reasons include the fact that children are active purchasers of many products, that their numbers are large and growing, and that they learn their basic consumption patterns and their basic attitudes toward promotional efforts at this stage of their lives. A relatively new and quite important reason for marketers to focus more research on this area concerns the mounting attacks made by consumerist groups on children's advertising. More research is needed, if only for reasons of self-defense.

Consumerist Attacks on Children's Advertising

Advertising messages aimed at the large market segment characterized by children between 5 and 12 years of age have been under attack recently by various consumerist lobbies. For example, consumer advocate Robert Choate, who heads the Council on Children, Merchandising, and Media, attacked breakfast cereals for allegedly containing "empty calories." He also suggested that the number of commercials per hour during children's programming time (Saturday and Sunday, 7 a.m. to 2 p.m., Eastern Time) be reduced. Eventually, the Review Board of the National Association of Broadcasters amended its TV Code to reduce the amount of nonprogram time (including commercials) from 16 minutes per hour to 12 minutes per hour, a reduction of 25 percent. As a second example, the Action for Children's Television filed a petition with the FCC to remove all advertising during weekend television "children's time" slots and to require stations to carry a minimum of 14 hours of children's programming per week without advertising. The loss of revenue would be balanced by tax breaks given to networks and to local stations.

Because of the special status children enjoy in our society, advertising directed toward them has now become an emotional issue. Ward (1972, p.18) has analyzed the perceptions of advertisers and consumer advocates on three major issues: (1) advertising's influence on children, (2) advertising techniques, and (3) ethics of advertising to children. The two sides are poles apart on the issues. For example, consumer advocates feel that advertising to children is morally wrong, inherently distasteful, and unethical, since advertising allegedly exerts great influence on this relatively unsophisticated and gullible market segment. This influence occurs because governmental regulatory agencies do not differentiate between the more sophisticated judgments of adults and the less sophisticated judgments of children concerning TV commercials; if they did differentiate, consumer advocates feel that the regulatory agencies would have forced the content of commercials to be different. On the other hand, advertisers feel that there is nothing wrong with attempting to influence children or their parents to buy products. They feel that even though children allegedly are rarely influenced by advertising, so long as advertising is not judged as misleading by governmental regulatory agencies, it should continue not only because children represent an important market segment, but also because without advertising, children's TV programs would vanish in our free-enterprise economy.

Perhaps because marketers for whom children are an important target market segment are worried that children's advertising will be forced off the air as were cigarette advertisements, some advertisers have switched from Saturday morning programs -- the current main target of the consumerist lobbies -- to the less visible early weekday evening time period from 5 p.m. to 7:30 p.m. The early weekday evening time period may become a more visible target to consumer lobbies when they realize that children watch from 2.6 to 3.2 hours of TV on Saturday mornings, but 3.5 hours per week in the early evening time period (Banks, 1971). Furthermore, more parents watch TV during early weekday evenings than on Saturday mornings. Therefore, early weekday evening advertising reaches more potential consumers than Saturday morning advertising. It is felt that switching from Saturday mornings to early weekday evenings is the wrong strategy for children's advertisers to follow. Ward (1972, p.26) suggests four defensive strategies and three offensive strategies, including ignoring the controversy, standing and fighting, withdrawing by either using less obtrusive media or changing the target to mothers only, incorporating relevant and topical instructional themes into children's advertising, sponsoring quality shows, pretesting commercials with mothers, and long-run consumer education for children. It is felt that the last suggestion holds the most promise; however, a prerequisite to educating children is research into children's learning processes, including how children learn about, remember, and use mass-communicated information about products. This paper presents the results of research into the effectiveness of TV commercials as a broadly-defined learning tool.

Implications of the Success of Sesame Street

Many stories have publicized the apparent success of Sesame Street, a program presented without commercial messages, in helping pre-school children to learn. By the time children who have been exposed to Sesame Street enter school, many have appeared to be more advanced in learning than children who had not been exposed to this program. Paradoxically, however, the Children's Television Workshop, which produces Sesame Street, has borrowed many techniques from TV commercials to use in the content of their "commercial-free" program. Each episode of Sesame Street has many short one-minute messages, which are repeated continually throughout the programs;[1] and paid-for TV commercials are also of short duration and are repeated continually over a period of time. In fact, the Children's Television Workshop has stated that Sesame Street does use techniques borrowed from paid-for TV commercials. Some of these techniques include: (1) short messages, (2) continual repetition, (3) realistically executed fantasy, (4) emphasis on motion rather than on static pictures or verbiage, (5) scenes demonstrating how a reward or enjoyment results from using the "product," and (6) scenes emphasizing the "product" itself. These last four points were discovered in research conducted by Wells (1965, p. 2), who reported that paid-for children's TV commercials which included these four points were better in achieving advertisers' goals than commercials which did not include them.

The success of Sesame Street suggests that paid-for children's TV commercials, upon which Sesame Street's format is based, may also be an enhancement to general (and specific-product) learning, provided they incorporate the six techniques just mentioned. While the advertiser is more interested in having his commercials perform successfully in achieving his goals--first, learning about the product, and then moving through some hierarchy of effects--, it is felt that these commercials may also perform a social service to the community. This social service, helping children to learn *per se*, if it does exist, has been overlooked by both advertisers and the community. If so, advertisers could use this information to silence certain vociferous critics.

On the other hand, it may be that advertisers catering to children have gone too far. For example, the content of the commercials may be reaching too low a common denominator. Perhaps the messages are too simple for "normal-I.Q." children. In 1965, the American Association of Advertising Agencies sponsored an ambitious study which summarized consumer attitudes about advertising as an institution in American life and on consumer reaction to individual advertisements. In the study, Greyser (1965, p. 15) reported the

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[1] In psychological terms, one would say that Sesame Street is using the technique of distributed practice, rather than massed practice.

response of consumers to the statement that "most advertising insults the intelligence of the average consumer." While 43 percent generally or partially agreed with that statement, 43 percent also generally or partially disagreed, and 14 percent had no opinion. If children's advertising insults the intelligence of children by being too simple, then perhaps advertising does not perform the social service of helping children to learn after all. This would depend on how many children are helped substantially and how many feel that commercials are too simple.

Definitions

Precisely what is the lowest common denominator reached by children's advertising? How simple is "too simple"? If various market segments could be identified, if their size were ascertained, and if the results of identical advertisements to these market segments were not significantly different in a statistical sense, then it can be said that there is a common denominator between different market segments. The common denominator exists from the viewpoint of similar results from identical advertisements. This study explores two identifiable market segments--"normal-I.Q." children in the age group 6-12 years and "educable mentally retarded" children (or EMR's) in the same age group.

Kirk (1972, p. 164) defines the "educable mentally retarded" person as having an I.Q. range of from 50-55 to 75-79. Because of subnormal mental development, the EMR child can only develop in three levels: (1) educability in academic subjects of a school at a minimum level, (2) educability in social adjustment to a point where he can get along independently in the community, and (3) minimal occupational adequacies to such a degree that he can later support himself partially or totally at the adult level. The EMR is compared with the slow learner (I.Q. 80 to 90), the trainable mentally retarded (I.Q. from 30-35 to 50-55), and the totally dependent or profoundly mentally retarded (I.Q. below 25-30). Mentally retarded children made up 2.3 percent of all school-age children from 5 to 19 years of age in the United States in 1968 and 1969, a total of 1,360,787 in the fiscal year 1969 (Bureau of Education for the Handicapped, Office of Education, U.S. Dept. of Health, Education and Welfare).

The operational definition used in this study for "normal-I.Q." children differs somewhat from traditional definitions as reported by Terman and Merrill (1960, p. 18). They place "normal-I.Q." or "average-I.Q." in the range of 90 to 110, while the operational definition used in this study includes all children, including slow learners, whose level of I.Q. is higher than that of an EMR.

Theory and Hypothesis

The literature was reviewed, first, to find studies dealing with how EMR's learn in comparison with normal children, and second, to find studies dealing with the simplicity or complexity of TV commercials. None of the latter were found, except papers dealing exclusively with unsupportable value judgments. In regard to the first area, Kolstoe (1972, Chapter 4, pp. 91-106) reports that four aspects of learning are important: (1) memory, (2) generalization, (3) incidental learning, and (4) social learning. Only the first three are felt to be pertinent to the present study. In regard to memory, Zeaman and House (1963), as well as Ellis (1963) found that once mentally retarded children "caught on" to what was required, they learned as rapidly and as skillfully as normal children, especially in the long-run. However, retarded children did waste more time in random, trial-and-error efforts than did normal children in the initial stages of learning. Stedman (1963), Spitz (1963), and Madsen and Connor (1968) found that the retarded child used less abstract methods for clustering, categorizing, and information reduction than the normal child used. However, when category labels are readily available and spoon-fed to the children, there is no difference in rate of learning, in efficiency in reducing information, in storage of information, and in memory. In regard to generalization, sometimes also called transfer, or learning to learn, Kolstoe (1972, p. 100) says this occurs either by rote or by using principles. Orton, McKay, and Rainey (1964) found that retarded children learn better by rote. Incidental learning, the third area, occurs, for example, when one observes that one develops a severe cold each time one ventures out-of-doors in cold rainstorms wearing light clothing. Goldstein and Kass (1961), Oliver (1963), Singer (1964), and Williams (1968) found that the retarded are not inferior in incidental learning.

It is taken for granted, however, than in learning more complicated things, normal children do consistently outperform EMR's. Das (1972), for example, reports that the performance of nonretarded children on a series of cognitive tasks was superior to those who were retarded in each of the tasks. Through factor analysis, Das showed that normal and retarded children used distinct modes of coding information. The question naturally arises, "Are TV commercials complicated or simple?" Although no quantitative studies dealing with the degree of simplicity or of complexity of TV commercials could be found in the literature, it is felt that most TV commercials (as well as Sesame Street "commercials") are of a relatively simple nature compared to other childrens' instructional media, including school books. It is also felt that commercials aimed at children are somewhat simpler than commercials aimed at adults, although this feeling cannot be proved or disproved quantitatively. Therefore, this study assumes that TV commercials aimed at children are at a fairly simple level of comprehension--so simple a level that this hypothesis was formulated: "There is no significant difference between normal and EMR children in their response to TV advertising commercials." "Response" is operationally defined in two ways: (1) recall of content of TV commercials, and (2) the degree to which the children insisted that their mother purchase the cereal advertised.

This hypothesis was adopted because of two reasons in addition to the assumption of the level of simplicity of children's TV advertising: first, because each commercial is repeated so often for such a long period of time; and second, because of the findings that (a) retarded children and normal children learn labeled material equally well after an initial slow "catching-on" period for the retarded group, that (b) both groups perform equally well in incidental learning, and that (c) retarded children learn better by rote than by learning principles. TV commercials do stress identification of products, so labeling does occur. Furthermore, because the 1965 American Association of Advertising Agencies study mentioned above also found that advertising is not that important to the majority of Americans (Greyser, 1965, pp. 11-15), it is felt that TV commercials are incidental and not substantial. Finally, TV commercials seem to stress rote learning more so than principles learning, when one compares the relative scarcity of demonstration (principles) and the relatively large number of slogans and jingles (rote) in children's TV commercials.

All of this is leading up to the supposition that if a somewhat sophisticated message stimulates a normal child, it would probably be too complicated to stimulate an EMR, who would not understand it. Since it is assumed, perhaps not without justification, that most TV commercials aimed at children are relatively unsophisticated, it would follow that this kind of unsophisticated message is understood equally well by both normal children and EMR's. If so, the "lowest common denominator," EMR's, has been reached. It would also follow that the unsophisticated message is at too simple a level for normal children. The normal child would understand it readily, and it probably would not stimulate his brain in any meaningful manner. In fact, it may even tend to be somewhat wasteful, based upon the normal child's relatively larger capacity to process information. It would follow, then, that much more waste would occur when the message is repeatedly seen by the normal child. This waste does occur, since TV commercials are repeated relatively often. Presumably this waste would not occur with the EMR, for the message which is too simple for the normal child would be stimulating to the EMR, even with repetitions. Thus, it would serve as a positive factor in the EMR's learning process.

Even so, waste would not be eliminated, for there are many more normal children than EMR's. Furthermore, Grass (1968) reports that a satiation effect occurs after approximately 15 identical TV commercials are seen, after which adult viewers actually disremember information contained in the commercial. Up to 15 appearances, the recall curve had a continuous positive slope. Since none of Grass' respondents were retarded, it can be assumed that TV commercials cease being productive both to an individual and to an advertiser after the individual has seen the commercial 15 times. Presumably, if the commercial were more stimulating, no waste would occur even with more repetitions.

Methodology

To test the hypothesis that there is no significant difference between normal and EMR children in their response to TV commercials, based on their recall of the content of the commercials and the degree to which the children insisted that their mother purchase the cereal advertised, a questionnaire, consisting of 29 questions, was administered to a sample of children in Columbus, Georgia, in the age group of 6-12 years. The sample used consisted of all the EMR's enrolled at two elementary schools (45) and a comparable number of normal children from the same two schools (49). The latter group was selected at random, while the school system supplied the list of the EMR's. The two schools were selected upon the basis of availability. They contained the largest numbers of EMR's at the elementary school level in the country's school system. The EMR group consisted of 40 black and 5 white children, and the normal group had 30 black and 19 white children. The latter group accurately reflected the actual ratio of blacks to whites in the two schools.

The questions dealt with the five most advertised cereals on the three U.S. commercial networks for the four Saturday mornings (8 a.m. - 2 p.m., Eastern time), immediately preceding October 21, 1972. Station logs were examined to obtain this information. These five products were also the most advertised cereals on October 21, 1972, according to station logs. Cereals were selected because it was the product category most advertised during the chosen time period. Furthermore, Ward, Levinson, and Wackman (1971) report that food and gum were advertised in "children's time periods" more than any other product category during week-long periods in March and April, 1971, in Boston, Massachusetts.

Interviews were conducted by college students enrolled in a marketing research course at the chosen elementary schools in a two-day period. Children at one school were interviewed on the third day after the Saturday morning commercials were run, while children at the second school were interviewed on the fourth day after. The same team of interviewers were used at both schools. At the first school, interviews were conducted in the library at separate tables. Four separate rooms were used at the second school, with three to four interviewers per room. At both schools, the interviews were, by necessity, conducted in close proximity. EMR class teachers were available at each school to assist the interviewers with any communication problems which might arise in the course of the interview, but they were not needed. Fortunately, all children in the sample had watched television programs on Saturday, October 21, 1972, sometime between 8 a.m. and 2 p.m., Eastern time.

To measure memory of the content of the five commercials, eleven questions such as "Do Alphabits cereals have raisins in them?", "Does the Sugar Bear eat Sugar Crisps," and "Did the Quangaroo lose his map?" were asked. To measure degree of insistence, four questions were asked, including, "Did your mother buy cereal at the store lately?", "Did you tell her which one to buy?", "Does your mother buy the cereal you ask for?", and "If yes, was it almost every time, sometimes, or always?" If a respondent answered 8 of the 11 content questions correctly, he was placed in the category of positive recall. If the answer to the question concerning how often the child's mother bought the cereals he asked for was "always," the child was considered to be "insistent," and, as such, the degree of insistence was positive. If not, it was negative. The t-test for significance was used to test the difference in memory and degree of insistence in the two groups of children.

Findings

The percentage of recall measurements for the entire population did not show any consistent measurable patterns, as Figure 1 indicates. For example, the normal white children scored higher than the EMR white children, 66 percent to 60 percent, while the opposite was true for the black children, with the EMR blacks scoring higher than the normal blacks, 61 percent to 58 percent. Furthermore, while the normal white group scored higher than the normal black group, 66 percent to 58 percent, the EMR white group scored about the same as the EMR black group, 60 percent to 61 percent. Similarly, the degree of insistence scores reflected no patterns for the population as a whole.

However, if these criterion parameters are examined using a predictor variable other than I.Q. (for example, age), it indicates that as age increases, the percentage of recall generally (not consistently) increases from 56 percent at age six to 71 percent at age twelve. Conversely, as age increases, the degree of insistence generally (not consistently) decreases from 92 percent at age six to 67 percent at age twelve. This is shown in Figure 2. This decrease in degree of insistence as chronological age increases is in agreement with the Boston study mentioned above (Ward, Levinson, and Wackman, 1971). Certain results from the Boston study are given in Figure 3.

Figure 4 shows the number and percentage of children contained in the two groups who showed positive recall and positive degrees of insistence, as defined above. There was no significant difference between normal children and EMR's for either degree of insistence or for percentage of recall (t-test, $p < .95$). Therefore, the hypothesis was supported. If the hypothesis had been limited to black children, it would have again been supported, for there was no significant difference between normal black children and black EMR's for either degree of insistence or percentage of recall (t-test, $p < .05$). Figure 5 shows the number and percentage of children contained in these two groups of black children who showed positive recall and positive degrees of insistence, as defined above.

Limitations of the Study

Not only was the size of the sample of Columbus, Georgia, children small, but the percentage of black children in both groups were much larger than the percentage of black children in the total population of the U.S. Actual mental ages and I.Q. scores would have been useful in the analysis, but these were not available. The names of the parents were not available, either, which tended to limit the study, since degree of insistence scores could have been obtained from parents as a check on the children's answers. Furthermore, it was implicit that the study included degree of insistence because TV commercials in some way influence degree of insistence, but this may not be the case. The use of the word, "mother," in the question concerning degree of insistence might be questioned, since it is possible that another member of the family is its chief purchasing agent. The method used to judge positive recall may also be questioned. Finally, the interviews may have been conducted in too close proximity by relatively inexperienced interviewers.

Conclusions and Implications

The fact that the hypothesis was supported indicates either that children's TV commercials are aimed at too low a common denominator and are hence wasteful, or that these commercials perform brilliantly in helping EMR's to learn, bringing them up to the level of learning of normal children. If the first conclusion is sounder, consumerist lobbies can use the results of this study as new ammunition in their continuing attacks against children-directed commercials. On the other hand, if TV commercials do perform a hithertofore unsuspected and ignored social service in helping EMR's to learn, they should be applauded, and advertisers should publicize this fact.

It is felt that the main purpose which advertisers have in spending millions of dollars each year on their TV commercials in the U.S. is to promote their advertised products, not the altruistic purpose of helping EMR's to learn. For the 97.3 percent of all school-age children from 5 to

19 years of age in the U.S. (1968-69) figures) who are not mentally retarded, the true target audience of children's commercials, it appears that the extreme simplicity of the commercials, the extremely unstimulating nature as it concerns the intellect (sometimes referred to sarcastically as "pablum programming"), and the extreme number of repetitions may in fact lead to a great waste of resources--both the advertiser's money and perhaps even the normal children's mental development.[2] Surely, advertising agencies' creative personnel could develop more intellectually stimulating commercials aimed at a somewhat higher "lowest common denominator" if for no other reason than to move the satiation level found by Grass to a number higher than 15. While the present cereal commercials do help 2.7 percent of school-age children--the mentally retarded--to learn, they do not help 97.3 percent of school-age children at all, and may even retard their intellectual development by emphasizing "pablum programming." The retarding of normal children's intellectual development may or may not be true, for this is an area for future research, as is the question, "Does Sesame Street aim at too low a common denominator?" The question, "Are advertisers aiming at too low a common denominator with their children's TV commercials?" may have been answered in this study--they are, but they did not know it until now.

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[2]The extreme number of repetitions are, of course, not wasteful to EMR's who spend more time in trial-and-error before "catching on." The extreme simplicity is not wasted on EMR's for the same reason.

Figure 1 -- PERCENTAGES OF RESPONDENTS EXHIBITING POSITIVE RECALL AND POSITIVE DEGREE OF INSISTENCE BY RACE

	White Children			Black Children		
	Normal	EMR	Total	Normal	EMR	Total
Positive Recall	66	60	67	58	61	60
Positive Degree of Insistence	82	93	84	85	82	85

SOURCE: Original

Figure 2 -- PERCENTAGE OF RESPONDENTS EXHIBITING POSITIVE RECALL AND POSITIVE DEGREE OF INSISTENCE BY AGE

	Ages of All Children						
	6	7	8	9	10	11	12
Positive Recall	56	60	63	61	64	60	71
Positive Degree of Insistence	92	79	54	58	73	76	67

SOURCE: Original

Figure 3 -- BOSTON MOTHERS' OPINIONS ABOUT HOW CEREAL ADVERTISING INFLUENCES THEIR CHILDREN, BY AGE GROUP OF CHILDREN

	Commercials influence my children		Children request products, brands	
Age Groups	Frequently	Infrequently	Frequently	Infrequently
5 - 7 Years	91	9	95	5
8 - 10 Years	91	9	88	12
11 - 13 Years	77	23	77	23

SOURCE: Adapted from Scott Ward, David Levinson, and Daniel Wackman, "Children's Attention to Television Advertising," Cambridge, Massachusetts, Marketing Science Institute, 1971.

Figure 4 -- NUMBER AND PERCENTAGES OF ALL RESPONDENTS EXHIBITING POSITIVE RECALL AND POSITIVE DEGREE OF INSISTENCE BY LEVEL OF INTELLIGENCE

	Number of Respondents			Percentage of Respondents		
	Total	+ Recall	+ Insistence	Total	+ Recall	+ Insistence
Normal Children	49	27	33	100	55	67
EMR Children	45	26	33	100	58	73

SOURCE: Original

Figure 5 -- NUMBER AND PERCENTAGE OF BLACK RESPONDENTS EXHIBITING POSITIVE RECALL AND POSITIVE DEGREE OF INSISTENCE BY LEVEL OF INTELLIGENCE

	Number of Black Respondents			Percentage of Black Respondents		
	Total	+ Recall	+ Insistence	Total	+ Recall	+ Insistence
Normal Children	30	17	25	100	58	85
EMR Children	40	24	33	100	61	82

SOURCE: Original

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A MULTIFACETED MODEL OF
RESISTANCE TO TV ADVERTISING

by

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Statement of Problem

The objective of this study was to investigate television audience resistance and immunization against television advertising. Resistance was defined as an overt act (affective and cognitive), performed by an audience against one or more aspects of television advertising. Immunization was looked upon as the intentional or unintentional (both as covert behavior) avoidance of commercials.

It was assumed that the psychological characteristics of individuals are often barriers to good commercial communications. Perception and understanding of any communication may be impeded by fundamental personal traits as well as by the value judgments of the individuals who receive them. (4) Human beings are discriminatory in what they read, hear, and learn. They also live within a framework of expectation based upon their cultural level.

We were concerned in this study with the marketing communication system, which, in its simplest form, consists of the firm, messages, channels, and consumers. The consumer in this system is the objective abstraction, operating in a group environment and behaving according to a set of behavioral propositions. The principal emphasis of the study was on attitudes reflecting affections and beliefs. Only through an awareness of such can viewing-action be understood. (3)

There are a variety of ways in which people can react to advertising. A change suggested by advertising may be tolerated, accepted or desired. More extreme reactions are possible as well, -- such as resistance or even rejection of the proposed idea on the negative side, and insistence on its indispensability on the positive side.

From the point of view of the advertiser-communicator, this means that one of his major problems is to maximize the likelihood that the target will choose positive reactions as his mode of resolution, and to minimize or eliminate the use of negative modes of resolution. Therefore, one of the most critical factors in any attitude-change situation is whether or not alternative modes of resolution are present and, if they are, the extent to which they are used.

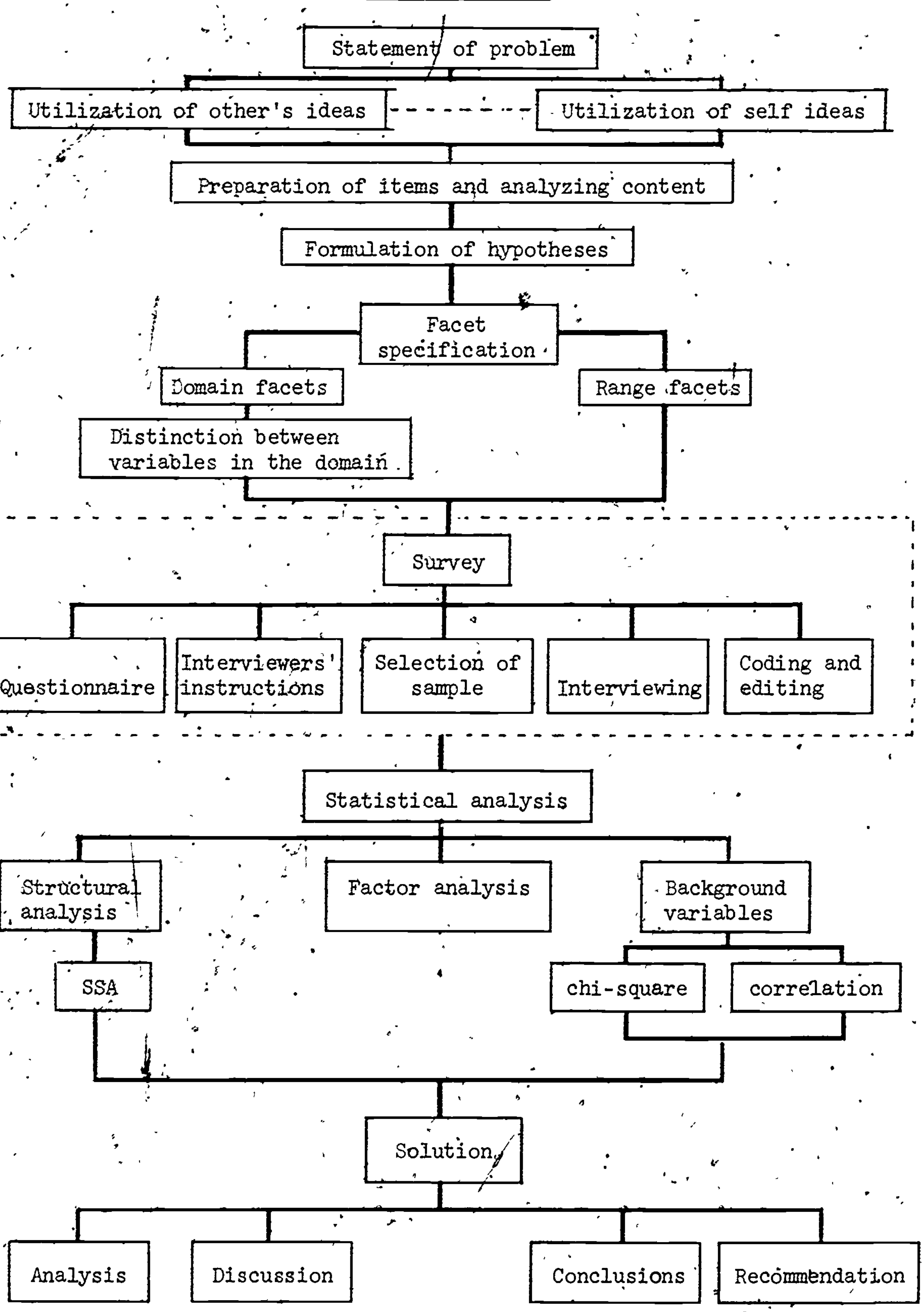
In the past decade, several attempts have been made to show some attitude and behavioral aspects of television from the consumer point of view. A relatively small part of the publications is based on empirical research. (1, 14)

Most studies centered either on the general attitudes of the audience toward advertising or on the individual characteristics of the respondents. In this study we are more concerned with the specific variables underlying the attitude toward commercials, and the structural analysis of the variables.

Research Design

The following chart illustrates the detailed steps involved in the design of the present study.

RESEARCH DESIGN



Advertising is used here to denote non-personal persuasion from seller to buyer. The communicator and his products are identified, and the messages about them are transmitted through mass media. To conform with current usage, a definition of advertising should include, directly or indirectly, the following concepts: "persuasion," "Commercial," "information," "change" and "communication."

It should be noted that the terms 'persuasion' and 'information' are not used here interchangeably. Persuasion differs from information in that information is presumably oriented towards the dissemination of "facts" - objective and unbiased. Pure information is not prejudiced; it has no slant. Persuasion, on the other hand, is biased and one-sided. The persuader is identified, everyone knows what his motives are, and how he would like others to act.

Facet Theory

One purpose of this study was to suggest a structural theory for the observed interrelations among the behavior items toward television commercials. The proposed theory is structural in two different respects: its content and its statistical form. First, we present a semantic framework within which to view the subuniverses -- in terms of facet design. From this, we predict a certain statistical structure for the matrix of correlation coefficients. The empirical data are then examined to see whether or not they reveal the statistical structure predicted from the semantic structure.

Resistance and immunization to television advertising are multivariate. Facet theory and its mapping sentence guided us in the design of the study, the simultaneous definition of all variables, and the formulation of questions. Facet theory is a methatheory to overcome the problem of design and analysis of multivariate models. (6, 8)

The idea of facet design is that variables included in a research design should be defined in terms of their component elements. Composite components may be defined as Cartesian products of simpler sets, and the term facet was used by Louis Guttman to indicate a component-set of the product. (7) As such, a facet is a set involved in a Cartesian product.

This approach to the analysis of the relationships between variables belonging to a set and of the set as a whole suggests that some facet elements are specific to this set while others are not. Variables containing the specific element are more strongly related to the set than those which do not contain it. The nonspecific elements may be seen as a link between a particular area and other neighboring areas. As such, they may prove helpful in clarifying the relationship between different areas ultimately leading to more general theoretical constructs.

In the terms of set theory, it is possible to define special kinds of sets where the elements are a combination of other sets. Consider a set A of any elements $a_1, a_2, \ldots$, and a set B of any elements $b_1, b_2, \ldots$. Let C be the direct product of A and B; $C = AxB$. That is, a typical element of C, say c, is a pair of elements $c = (a_j, b_k)$, one coming from A and the other from B. If A has m elements and B has n elements, then C has mn elements. We shall say that C is a two-faceted set, and that A and B are facets of C. A facet, then, is a set of elements.

Researchers recognize the need to define the components or variables of a problem. The advantage of this approach lies in the formalization of the process. In other words, facet design helps to present a semantic structure within which we can view the variables. From this, we can predict a certain statistical structure for the matrix of correlation coefficients. The empirical data are then examined to see if they reveal the statistical structure that was predicted from the semantic structure (the facet design). And, as many theorists believe (2), the process from a semantic structure to a statistical structure seems essential for relating abstract social theory to empirical research.

Advertising research is usually multivariate, with two basic sets of variables: the population (P), usually consisting of advertisers and receivers, and a set of attributes or qualitative variables. All attributes represent the universe of attributes or the universe of content of the investigation. Facet design provides a systematic definition of variables in terms of their component facets. Since a researcher, in any case, has to select his variables, it seems useful to provide him with a formal tool that might aid and guide his intuition. The facet approach suggests a rationale for accepting or rejecting variables on the basis of theoretical considerations, rather than through observation of the findings.

In a Cartesian space of facets we generally identify two facets:

1. A domain facet (D).

2. A range facet (R).

An element in the range corresponding to an element of the domain is called an image of that domain element. Realizing the difficulty of mapping one-to-one isolated variables from different domains may lead to a growing interest in the investigation of the structure of each domain.

The universe of our investigation was the attitude-behavior of television audience toward television advertising. Our aim was to gather information about the respondent's attitude toward certain aspects of television commercials. By answering questions concerning his and others' attitude-behavior towards commercials, respondent (X) expressed the modality of his own and others' with respect to certain aspects of television advertising.

The modality facet is defined by three elements (3, 5):

$A =$ a_1 affection
a_2 cognition
a_3 instrumentality

Affection	- the emotion for or against the object, such as like or dislike, satisfaction - dissatisfaction, pleasant - unpleasant.
Cognition	- the evaluation of the object as good or bad, useful or not useful, necessary - not necessary.
Instrumental	- refers to overt action for or against the object.

The second facet defines the referent or actor behavior: What are the relationships between the individual behavior and behavior of "others" as perceived by the respondent.

The second facet includes two elements:

B =	b_1	himself
	b_2	others

The third facet defines, with four elements, the object toward which the behavior is directed.

C =	c_1	information
	c_2	change
	c_3	influence
	c_4	spending-inducement

The four elements included in our definition seemed to be the most relevant to our investigation (4).

Facet C differs from the other facets in that it refers to the universe of the behavior - the behavior toward television advertising. Television advertising is considered here as a universal set, and the elements are the subsets or subuniverses of the universal set.

The Cartesian product of the three facets ABC consist of all the combinations of the various elements: ABC = 3x2x4 - 24. The complete set of subuniverses contains 24 subuniverses (variables). By the Cartesian product ABC is meant the set of ordinal triples of form abc, where a is an element of A, b is an element of B, and c is an element of C. ABC are the three facets of the Cartesian product ABC.

The selection of one element out of each facet produces a subuniverse.

For example:

His own affection toward commercial information - $a_1b_1c_1$.

The action of others toward commercial influence - $a_3b_2c_3$.

A combination of the elements as $a_1b_1c_1$ is called the facet profile of the subuniverse. Each variable belonging to this space is defined by a profile over the three facets of the form:

$$a_ib_jc_k \quad (i = 1,2,3: \quad j = 1,2: \quad k = 1,2,3,4)$$

Our empirical study consists of administering the twenty-four variables to a population sample, say P. Operationally, each subject in the sample P is observed as to his behavior in reaction to the aspects of ABC. For every observation of the behavior of a subject in P toward an element of ABC, we obtain one value of R. If the observations are responses to questions, we have a question on each element of the content universe ABC. Each subject in the study responded to each question by giving one value of the range. Real scores were then assigned to the respondents for each variable. Therefore, the design of the entire study would be (in set-theory terminology)

$$(1) \qquad PABC \longrightarrow R$$

where R denotes the values of real scores in the Range of responses. The empirical observations would be the entire set of the Cartesian product PABCR.

The Mapping Sentence

Every possible combination of the elements from each facet can be presented in a mapping sentence which aids the researcher in the formulation of the questions. The mapping sentence, as presented below, allows for the formulation of 24 questions. (The number of elements in facet AxBxC).

(See Mapping Sentence Chart on Page 103)

The mapping sentence directs us toward the complete statement of the specific item; to illustrate, one question was phrased as follows: "Are you generally satisfied with the information about products and services provided by television advertising?" A formal definition (in terms of the facets) of the problem stated in this question is as follows:

> "~~Respondent (x)~~ manifested the satisfaction (affective modality - elements a_1) of himself (b_1) toward television commercials' information (c_1)"

The model is not specific to the investigation of behavior toward television advertising. By substituting another concept for television, we can study any other object in the advertising environment -- for example, behavior toward direct mail advertising.

It is possible to use the model for studying other environments -- for example, businessmen. In this case, we would have to change the elements of facet P: replace viewer-respondent with businessman-respondent, and insert

MAPPING SENTENCE FOR THE FACET ANALYSIS OF THE BEHAVIOR TOWARDS TELEVISION ADVERTISING

	A - Modality of Behavior		B - Referent/Actor	
Subject (x) manifested that the	a_1 affection	of	b_1 himself	in
	a_2 cognition		b_2 others	
	a_3 instrumental			

	C - Aspect	O - Object	R - Range
respect to	c_1 information	of television advertising is	(positive)
	c_2 change		⋮
	c_3 influence		⋮
	c_4 spending-inducement		(negative)

Resistance	(low) ⋮ (high)	p and the viewer-respondent is of different personal characteristics.

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the specific area of the investigation into the mapping sentence. By varying the advertising objects and the population (the two facets that have been held constant), our knowledge of the dynamic of people's behavior toward advertising in general will grow. If the same model is used as the basic pattern for investigation, a comparison of different investigations and a generalization of results will be possible.

The 13 hypotheses of the study were divided into five groups. Many of the hypotheses contained sub-divisions. If each of these were stated separately, there would have been 27 hypotheses in the study. In this paper the discussion will focus only on two structural hypotheses.

Results

A sample-survey of 277 respondents was used. The behavior on each variable was observed through at least one response. The MINISSA-1 (Lingoes & Roskom, 1970) computer program was used for the structural analysis of the variables.

Smallest space analysis (SSA) is a nonmetric method of structural analysis of qualitative data. It provides a metric representation of non-metric information based on the relative distance within a set of points. Each variable is represented by a point in a Euclidian space of two or more dimensions. The points are plotted in the smallest space that will preserve the rank order of the relations. When the correlation r between the variables i and j is higher than between the variables e and f, then the distance d will be smaller between i and j than between e and f.

$$d_{ij} < d_{ef} \text{ whenever } r_{ij} > r_{ef} \quad (i,j,e,f = 1, 2,...n)$$

In the SSA program the computer prints a plot of the total space in two-dimensional projections. The structure of the intercorrelations can easily be comprehended by considering the configuration of the points. The space can often be partitioned into regions which can be expected to reflect a definitional frame for the variables.

The extent of "goodness-of-fit" is indicated by a coefficient of alienation -- which is a function of the differences between the distances as calculated from the coordinate system, and the same distances permuted to maintain the rank order of the original coefficients (9). The smaller the coefficient of alienation, the better the fit will be, 0 representing the perfect fit.

SSA requires little in the way of statistical assumptions, and the results of the analysis are presented diagrammatically so as to provide for an immediate visual grasp of the structure of the data.

Behavior Toward Television Commercials

In this section an attempt will be made to analyze the correlation between the respondent's behavior modality with respect to the referent and the four commercial aspects.

Space diagram 1 (See page 106) represents the structural relations of thirty-two responses regarding the total behavior towards commercials. In the space diagram printed by the computer, only points are plotted in the space. Partition lines have been added in the course of analysis.

The coefficient of alienation for the two-dimensional space is .22; for the three-dimensional space, the coefficient does not decrease (improve) significantly (coefficient of alienation of .17). Because of the clear configuration of the points, we chose to present the two-dimensional space.

From space diagram 1, we see that the responses are grouped together in the space according to the _a priori_ facet definition of behavior towards television commercials. Interesting enough, the clustering of the variables in the space is independent of whether or not terms like "satisfaction" or "like," "necessary," or "usefulness" and similar variables had been used. In other words, we could group the variables into three regions regardless of the wording used. In the space diagram, all emotion responses are centered in one region of the space; they occupy the central part of the diagram, with the cognition variables grouped around them from the upper-right and left side of the diagram. The actions also occupy a special region of the space--the lower part of the space. There is only one exception--variables 5 and 10, which belong to the cognition responses, and lie in the action region.

The fact that almost all behavior aspects belonging to the same subuniverses are grouped in one region of the space supports the structural definition of behavior toward television advertising suggested earlier.

A Circumplex Structure of the Attitude-Behavior Elements

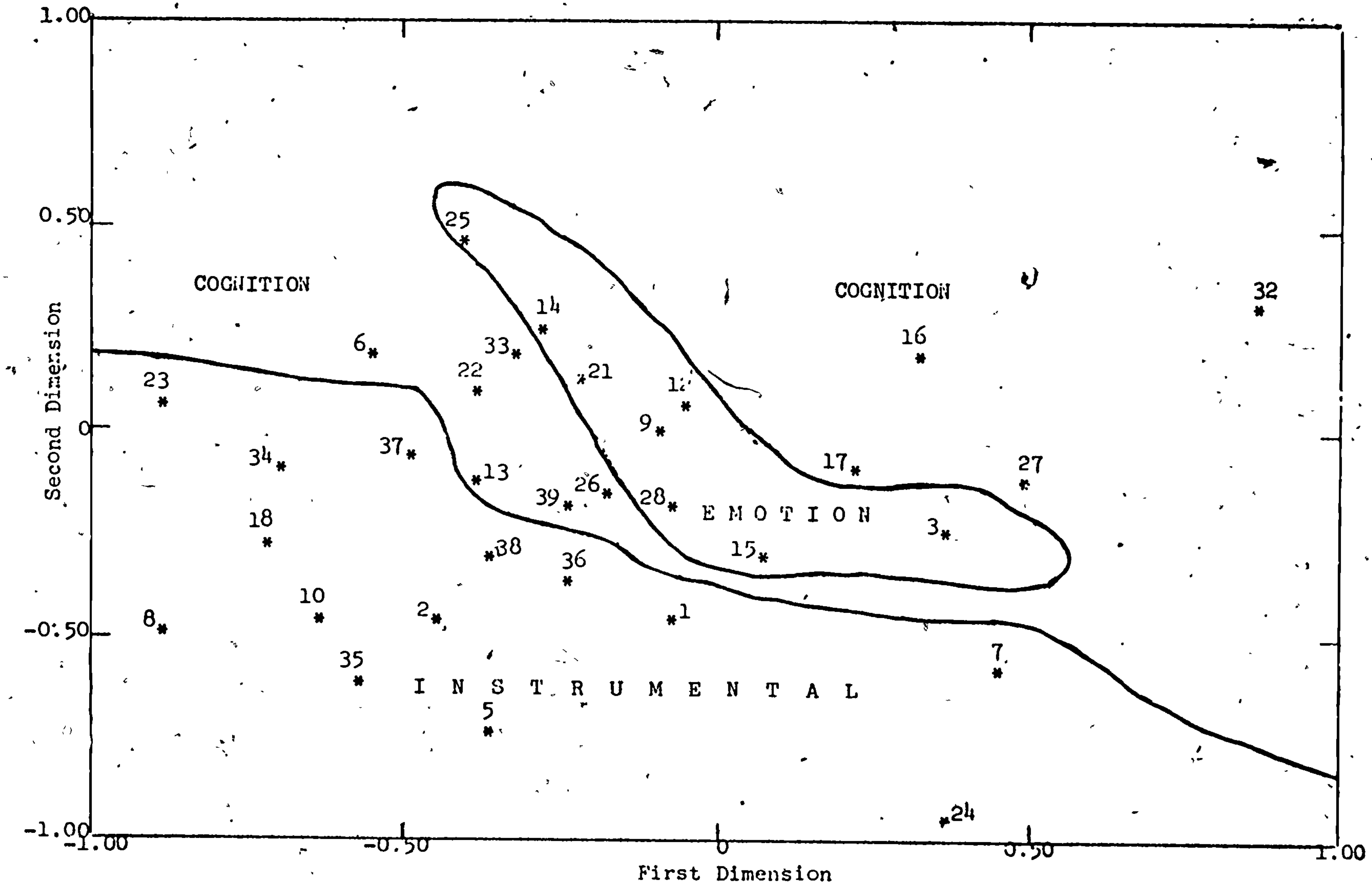
We predict that it is difficult to designate which one of the attitude-behavior element (emotion, cognition, and instrumental) comes first and which last. The total behavior may begin with the cognition of an advertising stimulus, followed by emotions of desirability or undesirability for the viewer, and then by action toward or away from the object. However, the instrumental may lead to further cognitions or affect the emotions, and so on. Therefore the relations between the three elements would appear to fall in a circular order without beginning or end. In a circle it is possible to start from any point, and to advance until the point of departure is reached again.

The possible combinations of the three elements of behavior are:

1. affection - cognition - instrumental
2. affection - instrumental - cognition
3. cognition - instrumental - affection
4. cognition - affection - instrumental
5. instrumental - affection - cognition
6. instrumental - cognition - affection

SPACE DIAGRAM 1

BEHAVIOR TOWARDS COMMERCIALS



Coefficient of alienation 0.22

In our case of adult television audience, where the observed behavior is their responses to written questions, the most likely order seems to be that of cognition - affection - instrumental. For the consumer, the evaluation -- the perceived instrumentality in commercials seem to be the most important; the cognition will affect the emotion toward the object, and will be strongly related to actual behavior. The questions usually refer to past actions, while the emotions and cognitions continue into the present.

H_1: The attitude-behavior elements of the referent (himself and others) are of a circumplex structure in the order of cognition - affection - instrumental.

Note: A circumplex is defined as a circular order of sizes of the correlation coefficients. The circumplex order is described as follows (10): "It is an order which has no beginning and no end, namely, a circular order. A set of variables obeying such a law will be called a circumplex to designate a circular order of complexity." (p.260).

a. Behavior toward commercial information:

Questions were asked regarding the total universe of behavior toward commercial information. The results of SSA appears in space diagram 2 (See page 108). It turns out that this body of data may be adequately represented in two dimensions with a coefficient of alienation of .054. The coefficient for m = 3 is .048. The coefficient does not decrease (improve) much for m = 3 relative to m = 2.[1]

Upon analysis of the space diagram from left to right, it appears that the space is divided into three regions. The emotion items occupy one region in the left side of the space. Close by are the cognitions grouped in a half circle somewhat surrounding the emotion variables. The instrumental responses are located in the upper and lower right region of the space diagram. Thus, it is possible to partition the space into regions that reflect the *a priori* definition of the subuniverses. This lends support to the structural theory of behavior towards commercials.

Most important is the fact that the variables in the space diagram are spread around in a circular or ellipse pattern in the lower half of the space.

A simple inspection of Table 1 (See page 109) suggests that the coefficients tend to follow the typical circumplex pattern: as we move away from the main diagonal, the size of the coefficients decreases and then increases again towards the corners of the matrix.

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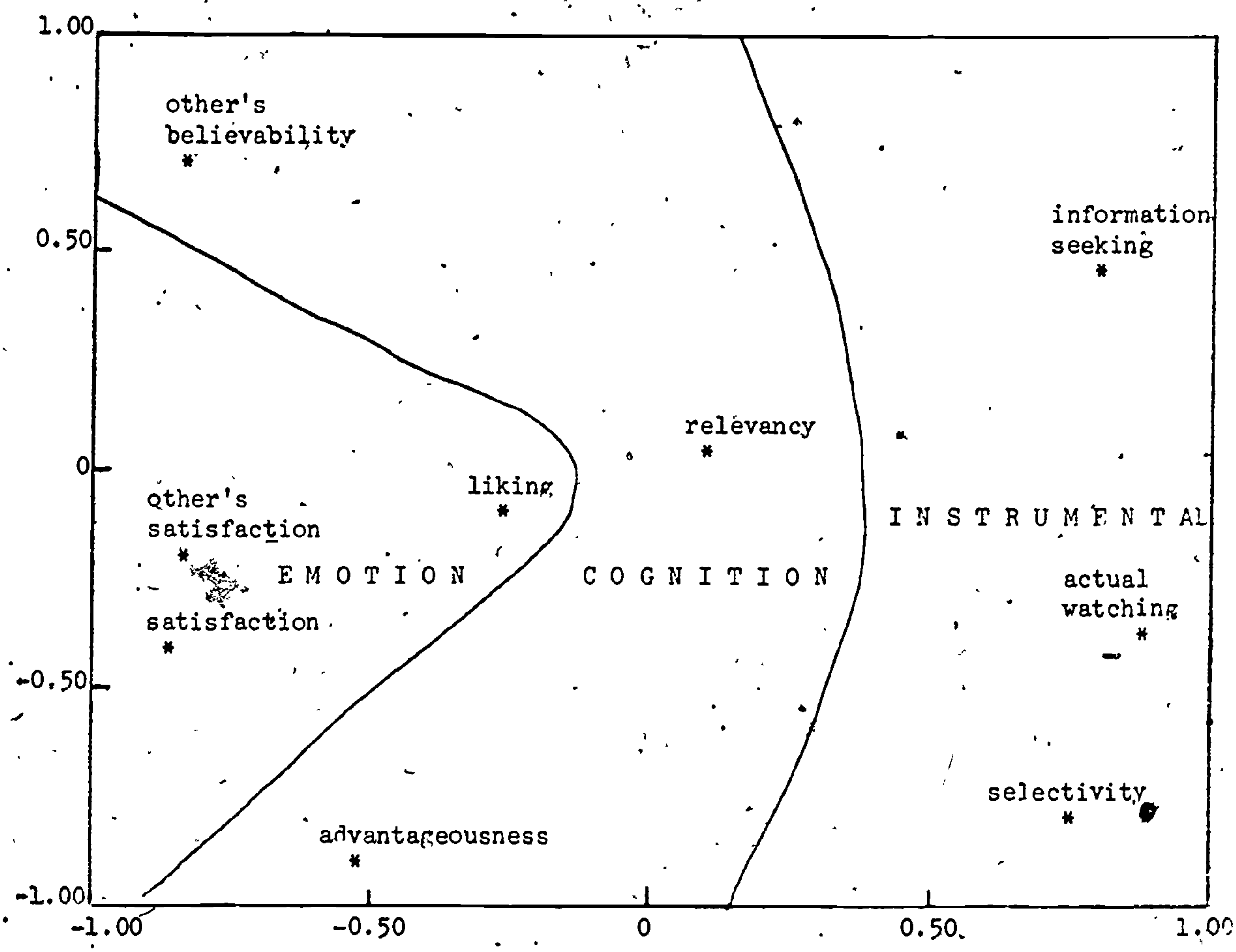
[1] In all the following cases, a two dimensional space gives a very good fit, therefore, all our discussion will be concerned with m = 2.

SPACE DIAGRAM 2
BEHAVIOR TOWARDS INFORMATION



Coefficient of alienation .054

TABLE 1: CORRELATIONS BETWEEN THE BEHAVIORAL ITEMS TOWARD INFORMATION

Item #	33	13	9	12	11	2
33	--	.39	.35	.39	.05	.32
13	.39	--	.46	.39	-.08	.32
9	.35	.46	--	.58	-.03	.26
12	.39	.39	.58	--	-.01	.18
11	.05	-.08	-.03	-.01	--	.03
2	.32	.32	.26	.18	.03	--

TABLE 2: CORRELATIONS BETWEEN THE BEHAVIORAL ITEMS TOWARD CHANGE

Item #	26	22	21	25	23	38
26	--	.35	.34	.21	.16	.41
22	.35	--	.34	.13	.20	.31
21	.34	.34	--	.24	.15	.30
25	.21	.13	.24	--	.16	.20
23	.16	.20	.15	.16	--	.20
38	.41	.31	.30	.20	.20	--

TABLE 3: CORRELATIONS BETWEEN THE BEHAVIORAL ITEMS TOWARD INFLUENCE

Item #	6	5	3	4	8	34
6	--	.19	.13	-.18	.25	.35
5	.19	--	.10	-.11	.23	.19
3	.13	.10	--	.10	-.08	.10
4	-.18	-.11	.10	--	-.27	-.20
8	.25	.23	-.08	-.27	--	.32
34	.35	.19	.10	-.20	.32	--

TABLE 4: CORRELATIONS BETWEEN THE BEHAVIORAL ITEMS TOWARD INDUCEMENT

Item #	17	16	15	14	18	37
17	--	.26	.25	.21	.00	.19
16	.26	--	.22	.14	-.01	.12
15	.25	.22	--	.17	.17	.22
14	.21	.14	.17	--	.17	.23
18	.00	-.01	.17	.17	--	.24
37	.19	.12	.22	.23	.24	--

The highest correlations exist between the cognition and the emotion variables, and between the cognition variables and the action variables. Lower correlations were found between the emotion variables and the action variables.

The pattern of the correlations corresponds to the predicted structure, supporting the suggested theory of behavior towards television advertising.

b. Behavior toward change:

In space diagram 3 (See page 111), the smallest space analysis of the relation between eight items concerning the behavior toward change is presented.

SSA reveals that the responses to the cognition items occupy the lower-right corner of the diagram. The instrumental items are spread out in the middle section of the space. The emotion items are located in the middle-right half of the space diagram. Again, the variables are located in a quasi circular order in the space. Table 2 (See page 109) reveals a circumplex order of the correlation coefficients.

c. Behavior toward influence:

In space diagram 4 (See page 112), the smallest space analysis of the relations between eight items regarding the behavior toward commercial's influence is presented. The variables in the space reveal a circular pattern and the space is divided into three regions. Also, in this case the correlation coefficients reveal a circumplex structure (Table 3, See page 109).

d. Behavior toward spending-inducement:

Space diagram 5 (See page 113) shows the structural relation of nine responses regarding behavior toward television commercial's inducement. A point indicates the position of the response in the space.

Analysis of the diagram from its upper end toward its lower end shows that the responses are grouped in three main regions according to the predicted structure.

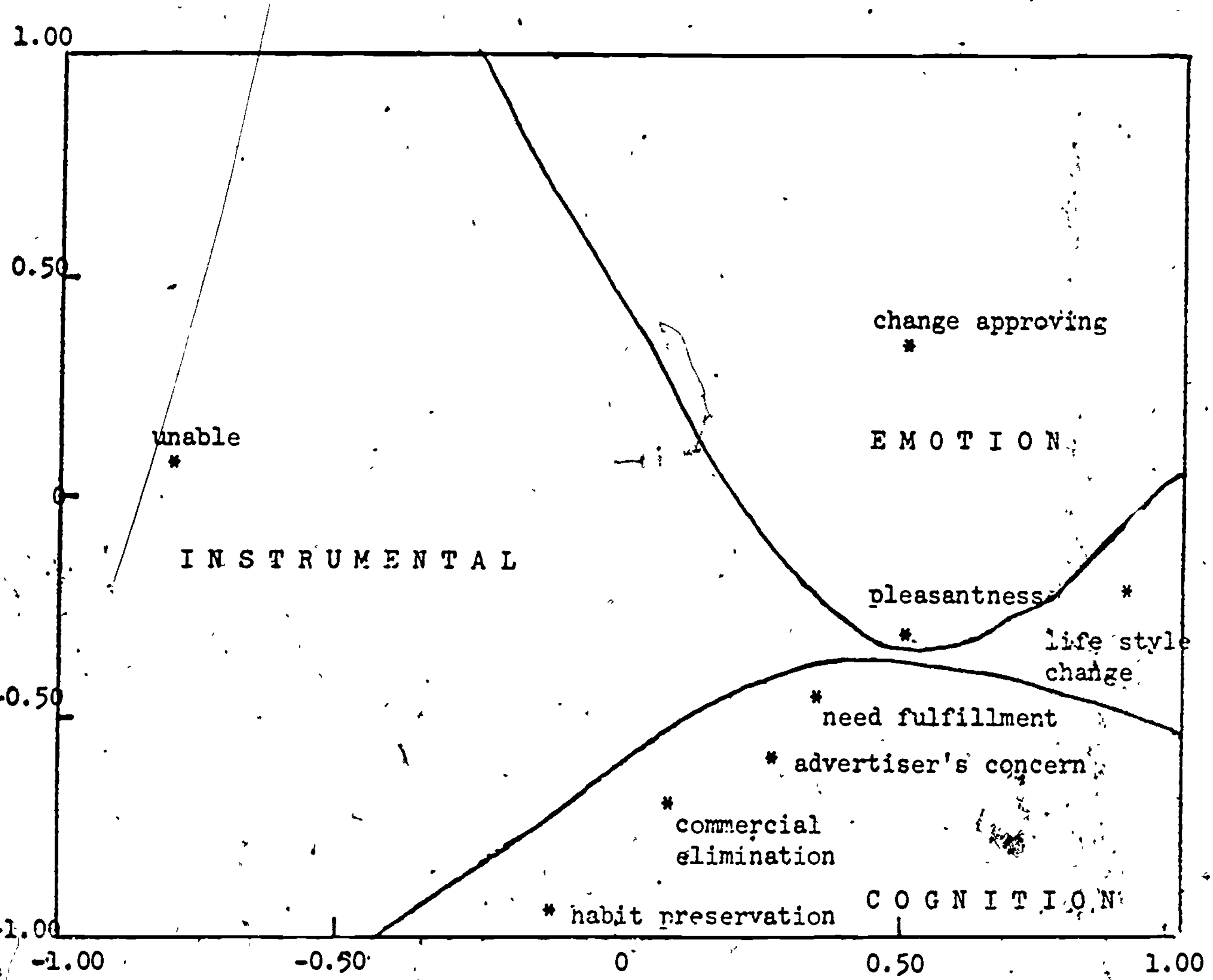
Table 4 (See page 109) reveals a circumplex order like in the previous cases.

A Simplex Structure of the Aspects Relationships

The simplex is a statistical structure of intercorrelations which reveal a "simple order of complexity" (10). Variables that are closer in their structural relations should also show closer statistical correlations.

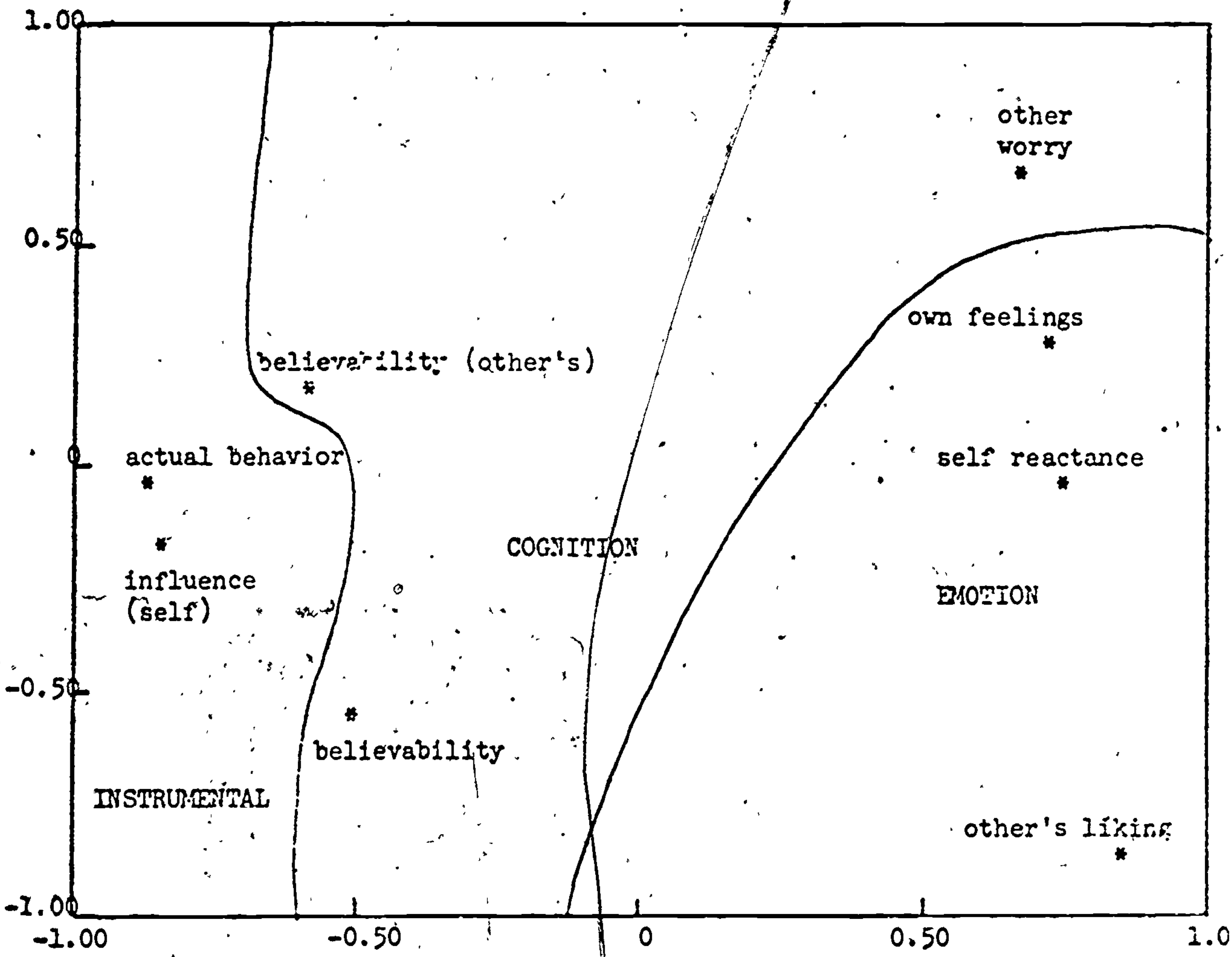
A correlation matrix is called a simplex matrix when it reveals a simple gradient of the correlations. "The largest correlations lie along the main diagonal, where the features are closer together in their a priori order, and taper off toward the upper right and lower left corners of the matrix -- where there is the greatest difference in a priori order" (11, p. 220).

SPACE DIAGRAM 3
BEHAVIOR TOWARDS CHANGE



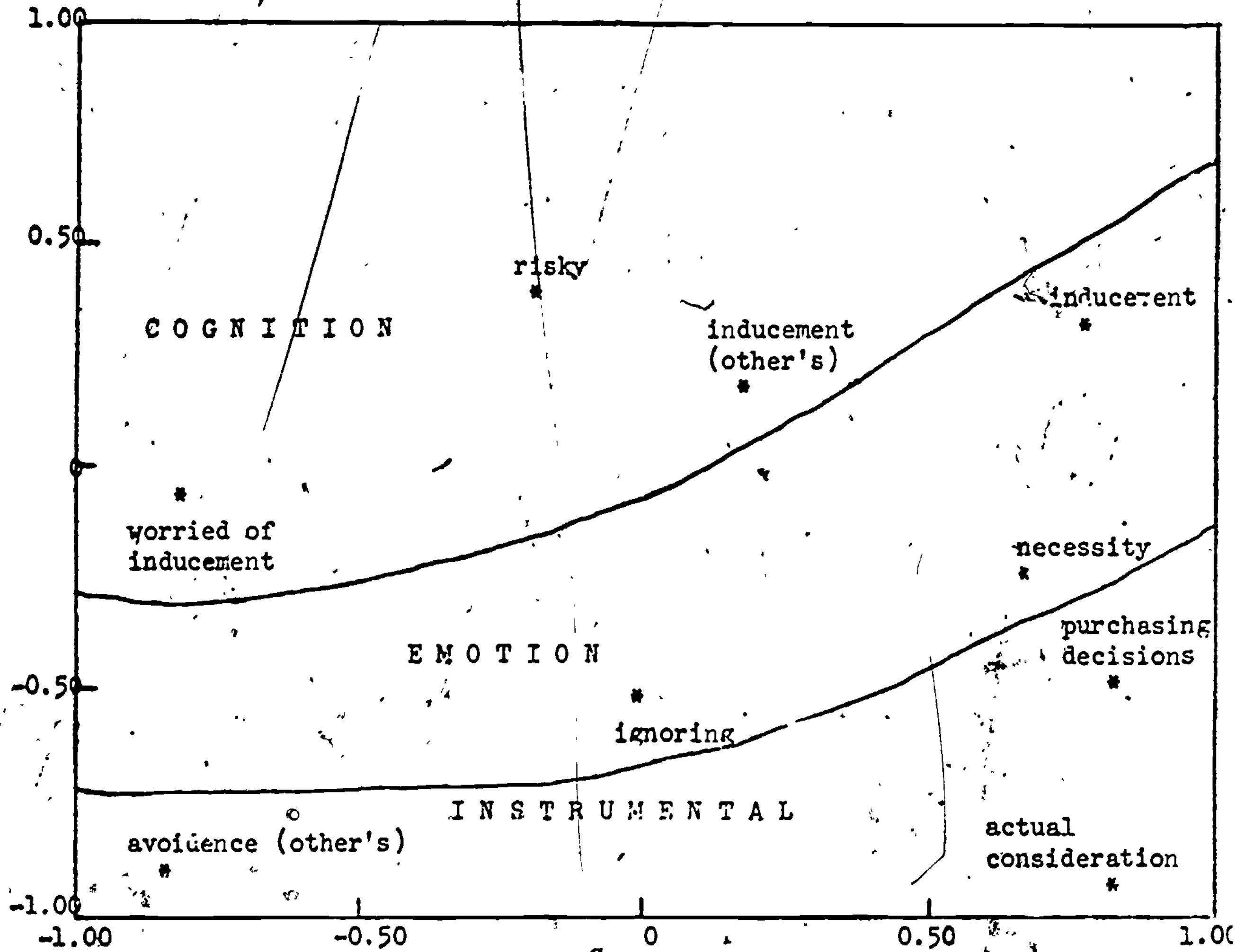
Coefficient of alienation .001

SPACE DIAGRAM 4
BEHAVIOR TOWARDS INFLUENCE



Coefficient of alienation .09

SPACE DIAGRAM 5
BEHAVIOR TOWARDS INDUCEMENT



Coefficient of alienation .09

H_1 : The relations between the four aspects of television advertising will form the following simplex structure: information - change - influence - spending inducement.

a. Emotions toward commercial's aspects:

Each subuniverse of the emotions toward commercial's aspects was observed through several responses. In space diagram 6 (See page 116) is presented the smallest space analysis of the relation among ten responses regarding the emotion toward television advertising.

It was possible to partition space diagram 6 into regions that reflect the a priori definition of the subuniverses. This fact supports the structural theory concerning commercials.

The influence variables are located in the lower-right side of the space; the information items are clustered in the middle of the lower-left corner of the space; the spending items are correlated in the left side of the space; and, the change items are found in the middle and upper-left side of the space diagram.

The matrix of correlations for space diagram 6 is presented in Table 5 (See page 115).

The table illustrates an almost perfect simplex structure. The four aspects yielded a correlation table in which the largest correlations were next to the main diagonal and tapered off towards the northeast.

b. Cognitions toward commercial's aspects:

In space diagram 7 (See page 117), the responses to eleven questions regarding cognitions toward commercial's aspects are presented.

Space diagram 7 reveals that all the inducement items occupy one region in the left-hand corner of the space. The information items are located in the right-hand corner of the space, surrounded by the change responses. The influence items occupy the lower-right region of the space diagram.

The four factor-aspects of television advertising can be clearly distinguished; and the space can be partitioned into regions, according to the definition of the universe. The order of the aspects in this area is: Information, change, influence, and money-spending inducement.

The correlation among the four aspects variables are presented in Table 6 (See page 115). This table reveals a perfect simplex structure.

c. Instrumentality toward commercial's aspects:

In space diagram 8 (See page 118), the smallest space analysis of the relations among eight responses regarding action toward television advertising is presented.

In the space diagram, the responses to the information items are located in the left-hand section of the space. The influence items occupy the right-hand. The change and money-inducement responses are spread within the upper-middle sections of the space diagram.

Table 7 (See below) presents the correlations among the four aspects-factors. The table reveals a perfect simplex structure. This pattern corresponds to the predicted structure.

Table 5

CORRELATIONS AMONG THE EMOTION RESPONSES
TOWARD THE COMMERCIALS ASPECTS

Item Number	9	21	14	3
9	--	.45	.30	.23
21	.45	--	.42	.27
14	.30	.42	--	.17
3	.23	.27	.17	--

Table 6

CORRELATIONS AMONG THE COGNITION RESPONSES
TOWARDS THE COMMERCIAL ASPECTS

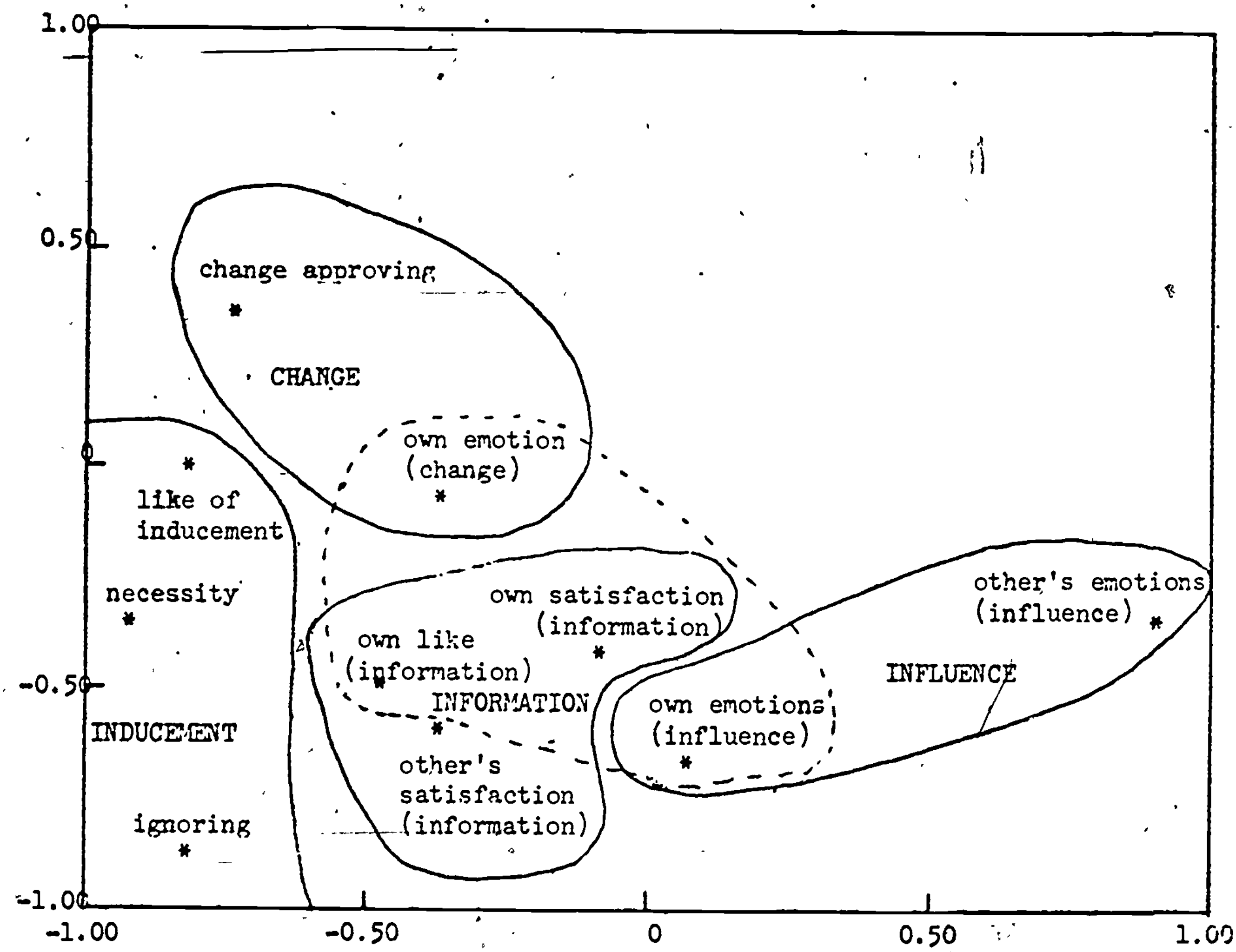
Item Number	13	22	5	16
13	--	.38	.20	.15
22	.38	--	.21	.16
5	.20	.21	--	.16
16	.15	.16	.16	--

Table 7

CORRELATIONS AMONG THE ACTION RESPONSES
TOWARD THE COMMERCIALS' ASPECTS

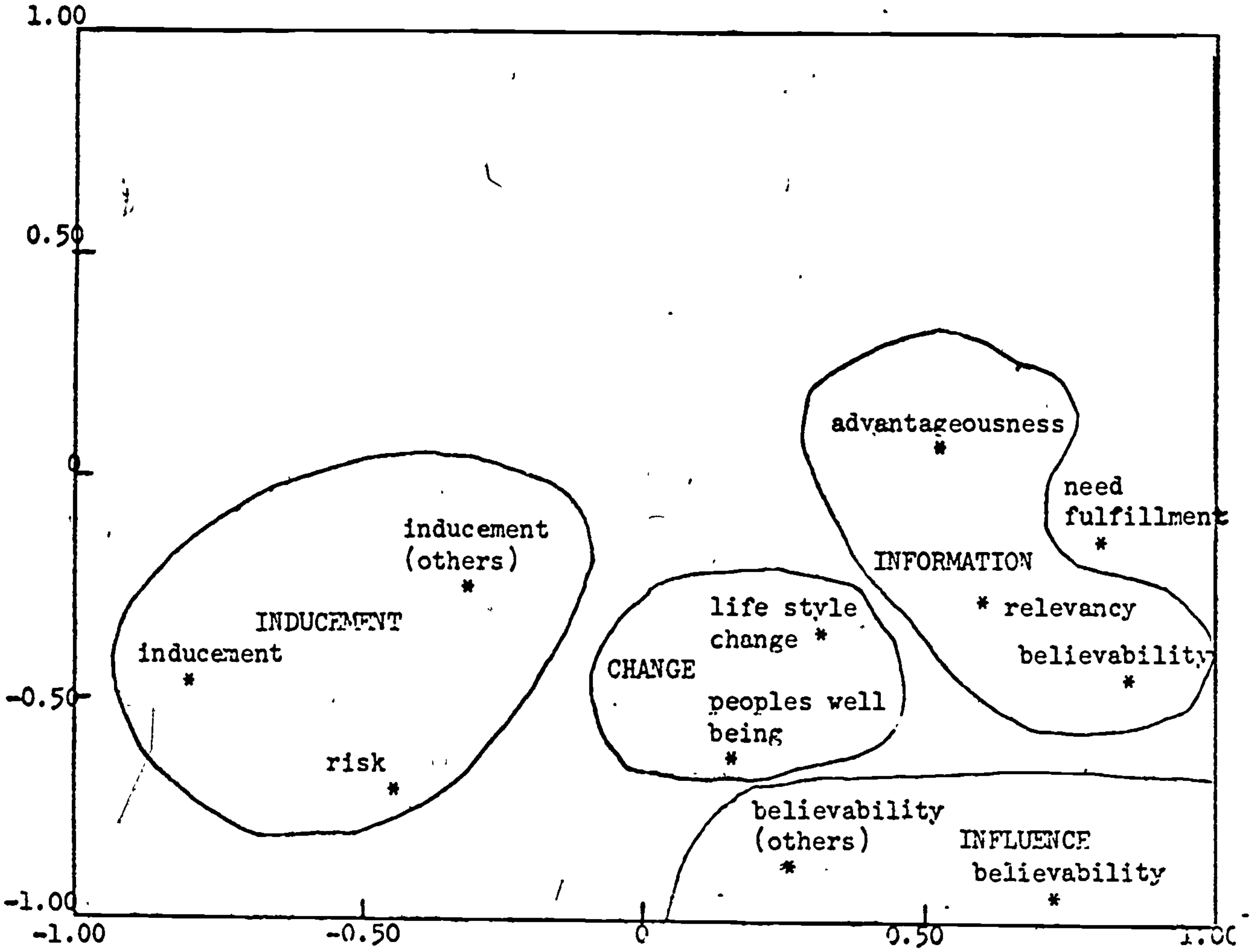
Item Number	2	18	34	23
2	--	.24	.21	.18
18	.24	--	.33	.25
34	.21	.33	--	.38
23	.18	.25	.38	--

SPACE DIAGRAM 6
EMOTIONS TOWARD COMMERCIALS' ASPECTS

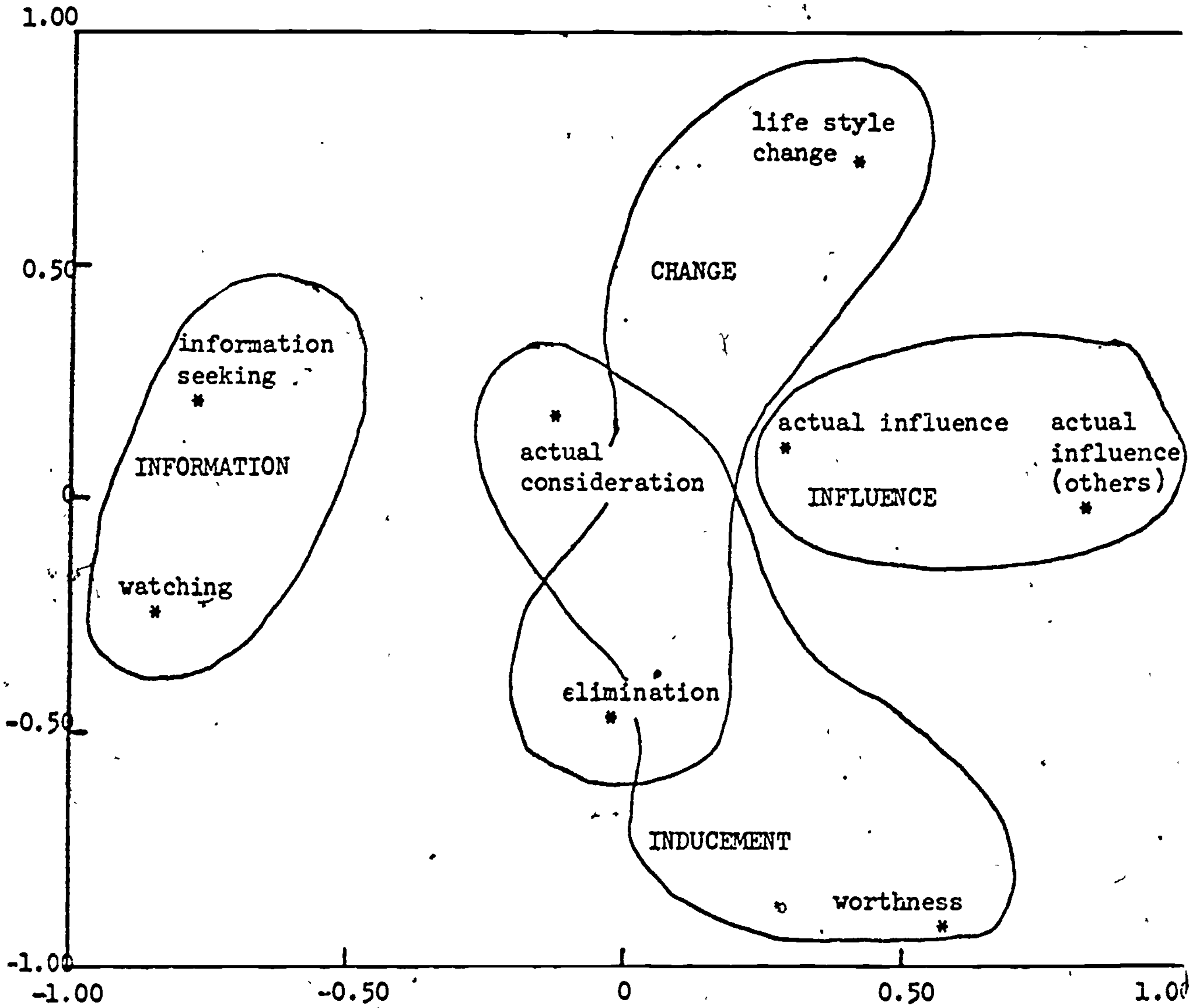


Coefficient of alienation .09

SPACE DIAGRAM 7
COGNITION TOWARD COMMERCIALS' ASPECTS



SPACE DIAGRAM 8
INSTRUMENTAL BEHAVIOR TOWARD COMMERCIALS' ASPECTS



Coefficient of alienation .12

DISCUSSION

The findings concerning the structure of the variables suggest, in essence, that the different modes of behavior are interrelated; and that the emotional, cognitive and instrumental aspects of behavior cannot be dealt with independently. This interdependence may explain, in part, how conflicting needs presented by television commercials require mediating and integrating mechanisms within the audiences themselves. The lack of origin in the interrelationships among the behavioral functions may well explain the phenomenon that different individuals might follow the advertising communications process through different mental routes either through the attitude change or the behavioral change. All this may lead to an accelerating pace whereby an attitude change might follow a behavioral change.

The concept of circular relations among variables -- the circumplex -- is used here as a substitute for the concept of "hierarchy" of effects in the advertising process; for, as Guttman indicated, "..., in trying to apply this hypothesis of hierarchy to observed data, it was found that it didn't work ... the data often could not be regarded as anything near a hierarchy" (10, p. 264).

One major conclusion that follows is that commercial communication proceeds on several tracks simultaneously, and not along a unidimensional cognitive-affective continuum.

Under the prevailing market conditions of mass information, persuasion and product differentiation, a buyer's decision-making is extremely complicated. He is faced with several offerings, each a little different from the others in terms of physical attributes, availability, etc. Under these circumstances, a buyer must face the formidable task of weighing the information in terms of his evaluation of the satisfactions or values to be derived from the alternative offerings. Since most buyers cannot program such a multi-variable problem, they must go through some mental process whereby they choose the particular offerings that seem to offer the best value and resist the others.

The results of this study would seem to indicate that variables which have been studied from the point of view of attitude-change research may also apply to the problem of increasing resistance to persuasion.

The concept of resistance is integral to the concepts of information, influence, persuasion and change. Advertising messages intend to change, evaluate, and refine behavior; therefore, they encounter unfavorable predispositions in the receiver. Consequently, change must take place in an inherently resistant atmosphere. Consumers must be stimulated to convert some of this resistance to change.

This investigation certainly supports Krugman's series of studies (12) -- which conclude that television is popular, interesting and time-consuming, but that it is a low involvement medium. It seems that the number of personal connections between the commercial's stimulus and the viewer's awareness is substantially low. Advertising use of the television medium has limited impact. Consumers do not pay attention to all advertisements to which they are physically exposed. The evidence is that a great many of the consumer's physical opportunities for exposure to advertising do not result in the engagement of his attention. Any impressions received from advertising are assimilated in a complex set of interconnections according to relevance, importance and expected use.

In this investigation, facet design has led to the correct prediction of empirical results. These variables of response comprise the immediate cognitive response level in the proposed model.

In conclusion, the advertising communication process is qualified and modified by certain interrupting and interacting variables. Variables like perception, attention, and intention, for example -- all germane to how advertisements are formulated, transmitted, received and resisted. These variables must be taken into account when analyzing the advertising process. An adequate analysis of this process considers not only what advertising does to people, but also what people do with advertising.

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INFORMATION INPUT AND CONSUMER CHARACTERISTICS AS DETERMINANTS OF CONSUMER ATTITUDE FORMATION

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ABSTRACT

Relationships among perceived marketing communication content dimensions, evaluations of and intentions towards products advertised, and the psychological and sociodemographic characteristics of adult consumers are explored. Certain content dimensions are related to evaluations of and intentions toward products advertised. The results indicate that perceived advertisement content explains product attitude formation more than the psychological and sociodemographic characteristics of consumers, but that the psychological and sociodemographic characteristics are also important. In addition, it was found that the sociodemographic and psychological characteristics of consumers influence how they perceive advertising content.

* * * *

The purpose of this paper is to explore relationships among perceived marketing communication content dimensions, evaluations of and intentions towards products advertised, and the psychographic and sociodemographic characteristics of consumers.

The questions asked are:

1. Which content dimensions of advertisements are related to consumers' evaluations of and intentions towards products advertised?

2. Do the content dimensions of advertisements, the psychographic characteristics of consumers, or the sociodemographic characteristics of consumers explain more consumers' evaluations of and intentions towards products advertised?

3. How much do consumers' psychographic and sociodemographic characteristics explain their perceptions of the advertising content dimensions most related to their evaluations and intentions towards products advertised?

Methodology

Two hundred adult consumers from central Illinois participated in a field experiment. Each subject was shown eight different advertisements and asked to evaluate the product in the advertisements on seven point semantic differential very bad-very good scales. Each subject was asked to indicate his intention toward buying or trying the products in the advertisements on seven point semantic differential very unlikely-very likely scales. One hundred different magazine advertisements from twenty different magazines were responded to. Advertisements were randomly assigned to consumers. Subjects evaluated each advertisement on thirty different content dimensions measured on seven point semantic differential scales. Thirteen psychological needs of consumers were measured with a short form of Stern's Activities Index (1). Seventeen sociodemographic characteristics of consumers were measured. After subjects were presented with each advertisement and their product evaluations and intentions were measured, they responded to the advertisement dimensions, psychographic, and sociodemographic questions in random order. See Table 1 on page 131, for the list of variables considered in this study.

Analysis

Relationships between perceived content dimensions of advertisements and consumers' evaluations and intentions towards products advertised were analyzed with Pearson product correlations (2).

Relationships between each of the dependent variables of consumers' evaluations and intentions towards products advertised with the sets of independent variables of content dimensions of advertisements, the psychological needs of consumers and the sociodemographic consumer characteristics were analyzed with linear step-wise multiple regressions (3).

Relationships between each of the dependent variables of advertising content dimensions highly related to product evaluations and intentions with the sets of independent variables of psychological needs and sociodemographic characteristics were analyzed with linear step-wise multiple regressions.

Step-wise regression was used in order to determine the order of independent variable importance among potentially intercorrelated independent variables and to avoid artifically high R^2's which occur when the number of independent variables are increased indefinitely.

Results

1. Which content dimensions of advertisements are related to consumers' evaluations of and intentions towards products advertised?

Advertising content dimensions correlated higher than /.25/ with evaluations of products are:

Content Dimensions	Evaluations of Products
Ad is interesting	.4307
Ad is believable	.3956
Ad is lying	-.3490
Ad attracts attention	.3394
Ad explains benefits of product	.2799
Ad is misleading	-.2569

Advertising content dimensions correlated higher than /.25/ with intentions to buy or try products are:

Content Dimensions	Intentions Toward Products
Ad in interesting	.2811
Ad attracts attention	.2729
Ad is believable	.2641
Ad is misleading	-.2528

All correlations are significant with p less than .001. Correlations greater than /.14/ are significant at p less than .05. See Table 2 on page 132 for all dimensions' correlations.

2. Do the content dimensions of advertisements, the psychographic characteristics of consumers, or the sociodemographic characteristics of consumers explain more consumers' evaluations of and intentions towards products advertised?

Results of step-wise multiple regressions of product evaluations against the sets of content dimensions, psychographic, and sociodemographic characteristics are:

Dep. Var.	Order Ind. Var's Entered	Cum. R^2	F Ratio	P less than	Direction of Relationship
Evaluation of Product	Ad Dimensions Set				
	Believable	.5565	88.4	.01	positive
	Misleading	.6000	15.4	.01	negative
	Interesting	.6335	13.5	.01	positive
	Explains benefits	.6640	6.9	.01	positive

Dep. Var.	Order Ind. Var's Entered	Cum, R^2	F Ratio	P less than	Direction of Relationship
	Socio-Dem's				
	Religion	.2066	8.8	.01	
	Entertainment Spending	.2582	5.0	.01	negative
	Sex	.2947	4.3	.01	Female more
	Race	.3408	6.4	.01	Blacks less
	Psych Needs				
	Egoism	.1566	4.9	.05	negative
	Intellectual	.1904	2.4	.10	negative

Only variables which contribute more than three percent to the cumulative R^2's are presented among the independent variables.

Results of step-wise regressions of intentions toward products against the sets of content dimensions, psychographic needs, and sociodemographic characteristics are:

Dep. Var.	Order Ind. Var's Entered	Cum. R^2	F Ratio	P less than	Direction of Relationship
Intention Toward Product	Ad Dimensions				
	expert testimonial	.3070	20.6	.01	positive
	misleading	.4039	16.2	.01	negative
	irritating	.4340	6.0	.01	negative
	interesting	.4542	4.4	.01	positive
	Soc-Dem's				
	Race	.1455	4.2	.05	Blacks less
	Liberal-Conservative	.1940	3.3	.05	positive
	Political Party	.2635	6.7	.01	
	Social Class	.3000	4.4	.01	negative
	Psych. Needs				
	Audacity-Timidity	.1220	2.9	.10	negative

3. How much do consumers' psychological needs and sociodemographic characteristics explain their perceptions of the advertising content dimensions most related to their evaluations and intentions towards products advertised?

Results of step-wise regressions of advertising content dimensions against the sets of sociodemographic and psychological characteristics and needs are:

Dep. Var.	Order Ind. Var's Entered	Cum. R^2	F Ratio	P less than	Direction of Relationship
Ad Interesting	Soc-Dem's				
	Income	.1640	11.0	.01	negative
	Age	.1996	5.3	.01	positive
	Psych. Needs				
	Fatalism	.1674	11.4	.01	positive
	Closeness	.2207	8.6	.01	positive
Believable	Soc-Dem's				
	Liberal-Conservative	.1228	6.1	.01	positive
	Occupation	.1580	4.0	.025	executive less

Dep. Var.	Order Ind. Var's Entered	Cum. R^2	F Ratio	P less than	Direction of Relationship
	Psych. Needs				
	Sensuousness	.1108	4.9	.05	positive
	Egoism	.1655	6.1	.01	negative
	Intellectual	.1861	2.9	.05	negative
Attention	Soc-Dem's				
	Income	.1246	6.2	.01	negative
	Race	.1584	3.9	.025	Blacks more
	Psych. Needs				
	Self Assertion	.0825	2.7	.10	positive
Misleading	Soc-Dem's				
	Education	.1607	10.5	.01	positive
	Expectation of Future Economic Conditions Good-Bad	.2054	6.79	.01	positive
	Occupation	.2326	4.98	.01	executives more
	Psych. Needs				
	Sensuousness	.1308	6.93	.01	negative
	Motivation	.1955	8.71	.01	positive
	Submissive	.2289	5.9	.01	negative
Benefit Explanation	Soc-Dem's				
	Expectations of Future Economic Conditions Good-Bad	.1280	6.6	.01	negative
	Occupation	.1805	6.6	.01	executives less
	Psych. Needs				
	Closeness	.1243	6.2	.025	positive
	Orderliness	.1511	2.9	.10	negative
	Fatalism	.1820	4.2	.01	positive
Ad Lying	Soc-Dem's				
	Education	.1737	12.3	.01	positive
	Liberal-Conservative	.2375	6.5	.01	negative
	Race	.2524	3.0	.05	Blacks more
	Own-Rent Home	.2985	11.0	.01	Rent more
	Psych. Needs				
	Audacity	.1469	8.7	.01	positive
	Submissiveness	.1856	5.2	.01	negative
	Friendliness	.2086	3.7	.025	positive

All the results were first analyzed with two groups of one hundred randomly selected consumers. There were no significant differences. The data presented above is for the two hundred subjects taken together.

Conclusions

The results presented above indicate that certain perceived marketing communication content dimensions are related to evaluations of and intentions toward products advertised. In particular, interesting, believable, expert testimonial, attention attracting, and benefit explaining contents are positively related to product evaluations and intentions. Advertisements perceived as misleading and lying were negatively related to product evaluations and intentions.

The results indicate that perceived advertisement content explains substantially more product evaluations and intentions than consumer sociodemographic and psychological characteristics. This suggests that the advertisement stimulus is more important than the characteristics of the consumer.

The results indicate that the sociodemographic and psychological variables explain perceptions of advertising content. That is, the characteristics of the consumer influence how he perceives stimuli. The sociodemographic variables explained slightly more content perceptions than the psychological need characteristics.

These results suggest that the objective advertisement stimulus characteristics explain more response variance than the consumers' characteristics, but that the consumer characteristics are also important.

Areas for future research include investigating: what it is about advertisements that induce consumers to perceive them as believable, interesting, or misleading; and, which market segments respond most to which advertising content dimensions. After objective characteristics of advertisements which explain particular market segments' content perception are determined, these characteristics should be tested in a laboratory or field experimental situation to reduce the problem of confusing correlation, explanation, and causation.

Table 1

Variables

Content Dimensions

1. attention
2. easy to read
3. long text
4. colorful
5. use of color pleasing
6. pleasing arrangement of picture and text
7. entertaining
8. interesting
9. shows product in use
10. funny
11. recommended by celebrity
12. recommended by expert
13. believable
14. price factor in ad
15. hard-soft sell
16. suggests conformity
17. confusing
18. emotional
19. good impression of company
20. misleading
21. appeals through few
22. shows product as innovative
23. shows product as new
24. picture and words related to product
25. explains product benefits
26. exaggerates product benefits
27. lying
28. benefits in ad functionally related to product
29. number of benefits claimed
30. benefits in ad irrelevant to functions product can perform

Sociodemographic

1. sex
2. age
3. family income
4. occupation
5. marital status
6. number of children
7. own-rent home
8. education
9. race
10. religion
11. liberal-consv.
12. political party preference
13. number of times moved in last ten years
14. number of times expect to move in next ten years
15. expectations of future economic conditions
16. intentions to buy in next six months
17. perceived social class

Psychological Needs

1. self assertion
2. audacity
3. intellectual
4. motivation
5. applied interests
6. submissiveness
7. orderliness
8. closeness
9. sensuousness
10. friendliness
11. expressiveness
12. egoism
13. fatalism

Product Attitude Variables

1. evaluation
2. intention

Table 2

Content Correlations With Product Evaluations and Intentions

Perception that advertisement is:	Product Evaluation	Product Intention
attracts attention	.3394	.2729
easy to read	.2459	.2402
has long text	.0295	.0208
colorful	.0655	.2130
use of color pleasing	.1362	.1816
pleasing arrangement of picture and text	.2486	.2099
entertaining	.1366	.1627
interesting	.4307	.2811
shows product in use	.0898	.1435
funny	.0880	.1514
product recommended by celebrity	.0614	.1997
product recommended by expert	.0144	.0426
believable	.3956	.2614
price factor in ad	.0185	-.0254
hard sell-soft sell	-.1986	-.0611
suggest conformity	.0945	.0468
confusing	-.1986	-.1505
emotional	.0105	.1687
gives good impression of company	.3193	.1873
misleading	-.2569	-.2528
appeals through fear	-.1104	-.0499
shows product as innovative	.1101	.0101
shows product as new	.0546	-.1199
picture and words in ad related to product	.1821	.0520
explains products benefits	.2799	.0988
exaggerates product's benefits	-.2098	-.1473
lying	-.3490	-.1850
benefits shown in ad functionally related to product	.2069	.0953
number of benefits claimed	.1455	.0605
benefits in ad irrelevant to functions product can perform	.0024	.0556

Correlations greater than/.14/ are significant at p less than .05.

FOOTNOTES

1. George Stern, People in Context (New York: John Wiley and Sons, Inc., 1970).

2. Paul E. Green and Donald S. Tull, Research For Marketing Decisions (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1970); W. W. Cooley and P. R. Lohnes, Multivariate Data Analysis (New York: John Wiley and Sons, Inc., 1971).

3. Ibid.

CRITIQUE --

DEVELOPMENTS IN RESEARCH

by

EMMA AUER
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School of Business
Florida State University

This is certainly a diversified selection of research papers to critique. Since I have twenty whole minutes in which to evaluate four, I will assess each on the basis of its greatest strength and its greatest weakness in terms of: 1. theoretical basis, 2. methodology, and/or 3. analysis and implications.

Hendon

This paper's greatest strength lies in the fact that it attempts research in an area which is genuinely in need of investigation.

There are some methodological weaknesses in the paper which may be based in part on at least one assumption (theoretical in nature) on which the study is based. I think we have had evidence here this morning that the hierarchy of effects assumption is no longer tenable. Your own data may be indicating something like that to you. You got a higher percentage of "insistence" rate than of "recall" rate. My guess is that you should go back to the drawing board on designing an "insistence" measure, as a minimum. You may need a better "recall" measure. If all of your questions had "yes" answers you do need a new one.

Nielsen

I was quite interested in Dr. Nielsen's safari into perception land as I think that is the way we have to go on future heuristic investigation of consumer's views of advertising.

I am surprised, that as a native of Osgood territory, Nielsen did not take more than good/bad or evaluative dimension data on his products. I'd like to see him try for at least the three main dimensions of meaning of a product to consumers in subsequent research. We take as many as seven down my way. Three are the most important--no question about it.

One point is not clear in your study. You say "Subjects evaluated each ad on thirty different content dimensions measured on seven-point semantic differential scales." I question the use of the word dimension if you are using it in the usual factor analytic or Osgood "meaning of meaning" sense. Are you saying you evaluated thirty different concepts of content on identical seven-point good/bad scales or are you saying you put the thirty "dimensions" on the polar ends of your semantic differential scales? If the latter, how did you get seven kinds of answers out of "use celebrity" or "shows product in use?" Either an ad "did" or "didn't" in either of those cases. Is this not so?

Hornik

Hornik's study is certainly an ambitious one and from a theoretical standpoint an elegant one. As a fellow toiler in the field, I take my hat off to you for this presentation. You have explicated in most lucid form a kind of research which could be of great value in an area of investigation which this morning's discussion proves is still subject to controversy in the advertising "fraternity."

I believe that it is upon the foundation of the type of research that you have shown us, that we may begin finally to build viable theory in the consumer attitude and behavior area.

Fletcher

While Al admits this is a fledgling exploratory study, it has potential. It fits in with one of my biases so I register a high "Geiger count" on this one. In this day and age of social indicators, we may well wish to develop a rigorous use of the more highly sensitized or empathic communicators or bell weather types in the advertising arena as an early warning system in changes in perception in taste in advertising communication. I think that professional advertisers realize that they are that intuitively--therefore, why not research the system in organized fashion. Maybe we should start a Fletcher Poll of advertising people.

COMPUTERIZED INSTRUCTION IN ADVERTISING EDUCATION

by

Frank N. Pierce, Robert L. Moore,
Robert E. Simmons, and Kurt Kent

Three of the authors are on the staff of the University of Florida. Dr. Pierce, who presented this paper, is Chairman of the Department of Advertising. Professors Simmons and Kent are Co-Directors of the Communications Research Center. Mr. Moore, formerly a graduate research assistant, is Training Director of the Florida Regional Cooperative Computing Activities, Gainesville.

INTRODUCTION

The College of Journalism and Communications at the University of Florida is one of the largest and fastest growing in the country. In the ten-year-period between 1960 and 1970, the number of undergraduate majors soared from 126 to 825 -- an increase of 555 percent. In 1972 for the third consecutive year, Florida led all other universities in the number of undergraduate degrees granted, 383; if only juniors, seniors, and graduate students are counted, Florida was the nation's second largest college in the total number of majors enrolled with 945.[1] (Statistics for the Winter Quarter 1973 showed 305 students majoring in public relations and technical writing, 240 in advertising, 205 in broadcasting, 175 in news/editorial, and 62 graduate students for a total of 987.)

* * * *

Associated with this rapid growth and large number of students in the College are several problems of corresponding magnitude. They fall into three major classifications:

1. Administrative

Keeping accurate and up-to-date records for nearly 1,000 students requires the services of a number of full-time staff members. Administrators, faculty, and staff all spend a large portion of their time attempting to anticipate the needs and interests of their students, determining the specific content of the necessary courses, scheduling students effectively into continually more crowded classrooms and other facilities, and keeping adquate records of their progress through the several sequences of instruction being offered.

As student-to-faculty ratios continue to mount, the effective budgeting of professorial time for teaching, for developing new or additional course materials, for counseling and student guidance, and for research becomes more complex.

2. Academic

Heavier emphasis in education today continues to focus on recognizing individual differences among students and attempting to individualize instruction to meet these perceived needs. Saalberg commented astutely on the range of individual differences among Journalism School students at the master's degree level when he wrote that

> A March 1970 survey taken at Kent State University's School of Journalism ... shows that the percentage of students without journalism background pursuing an MA or MS degree in journalism at ... 43 (graduate journalism schools) ranges from 0 to 90 percent. The average percentage was 42. The spread is tremendous ....[2]

With close to 1,000 students at the undergraduate and graduate levels, even if individual differences can be ascertained accurately, the mere logistics of sorting out students' requirements and planning the best instructional mix to meet the needs of each as effectively as possible place an increasingly heavy burden on an already over-burdened staff. For example, in a beginning Advertising Copy and Visualization laboratory enrolling 18 students where ten objectives are to be taught within each of four major-content areas (such as magazines, newspapers, direct mail, and outdoor), there is a possibility of 720 student and learning unit combinations.

A neglected area of individual differences--one which further complicates the problem--is that of determining instructor profiles based upon the teacher's compentencies, interests, and motivations, and then attempting to arrange the "best-fit" matches among teachers and students. At Florida, we take as a given the premise that a sizable proportion of our students are self-actualizing and achievement motivated. We expect that they will function best when they are matched with instructors of like motivation.[3] A problem in the past has been our inability to determine exactly which match-ups would be most helpful to each student.

3. Logistical

Assigning classrooms, scheduling the effective use of equipment such as projectors, recorders, and tapes, and procuring and maintaining supplies consumes a great deal of staff and faculty time. We have said that we believe there is a trend towards individualizing instruction and placing more reliance upon using a variety of equipment and instructional materials; if this is so, the logistical problem can only increase with swelling enrollments such as we have experienced at Florida.

Paradoxically, however, there are times even now--early mornings, evenings, and weekends--when classrooms are largely empty and equipment is not used for hours at a time. But at other times--Monday through Friday during the late mornings and early afternoons--instructors in various sequences or even the same one often find themselves in strong competition for these facilities and resources.

In the remainder of this paper, we will discuss how an integrated systems approach directed at individualized advertising education can be used to help solve these problems. We hope that at least a portion of the following discussion will prove useful and relevant to your situation as you assess it today.

The Role of CMI in the System

Computer-managed instruction (CMI) is an administrative tool not unlike computer-based systems used in industry and the advertising agency business. Data bases are provided to the system, usually in the form of student records and teaching input such as testing materials and learning objectives.

CMI is more than just an administrative tool, however. It implies a teaching philosophy that emphasizes recognizing individual differences and providing individualized instruction. It implies also motivation, feedback, recognition, and rewards to capitalize on the self-actualizing needs of the students involved."

In a fully implemented CMI situation, details such as administration, testing, allocation of resources and even, to a great extent, guidance and counseling are taken over by the system. Faculty and staff are thereby allowed more time to concentrate on individual problem solving and the more abstract areas of instruction.[5]

The College of Journalism and Communications has under development two experimental CMI courses--one related to editing and print media production, and the other in communication theory and introductory research as related to advertising. Robert E. Simmons, who is associated with the advertising and journalism faculties, has received grants from both the University's Office of Academic Affairs and its Office of Instructional Resources to support work on the modules. Modules from the CMI courses are being tested in existing courses, as the development of the new units permits. The modules are integrated with assigned readings, programmed instruction units, slide/tape materials, or cassette tapes. For experimental instruction, the College's Communication Research Center has a computer terminal for programming and students' testing of the modules; a self-study carrel with a rear-screen projection unit and a cassette tape unit which will control a slide projector; and several professional quality cassette tape players. Also, the College is participating in a grant proposal that is expected to gain a cathode-ray tube computer terminal (CRT) and a color cassette videotape recorder and playback unit that would be used in development of the CMI projects next year.

It is possibly of interest that other areas of the University of Florida also are working on CMI projects or computer-assisted instruction (CAI) projects that could be adapted to CMI. The College of Dentistry has developed a CMI module called MEDEMRG (for "medical emergency"). It is expected to be part of a larger CMI curriculum structure, provided that adequate support can be obtained. The College of Education is working on a CAI sequence on Bloom's Taxonomy that could be converted to CMI.

The computing system that supports the work at the University of Florida is an IBM 370/165. Access is obtained presently either by time-sharing through IBM 2741 communications terminals or by batch-mode processing. Courses using time-sharing are written in IBM's Coursewriter III,[6] a relatively easy-to-learn author language which is used to prepare CAI materials. Programming can be established to collect data automatically on each student's performance each time he or she types a response to a computer-generated question or problem. These data are then used as feedback to appropriate "module development teams" to refine and improve the system.

Figure 1 (See page 144) shows an overall block diagram of a CMI system as it is envisioned for the College of Journalism and Communications. You will note, however, that it is not discourse-specific and might be applied to any learning situation where individualized instruction is the goal.

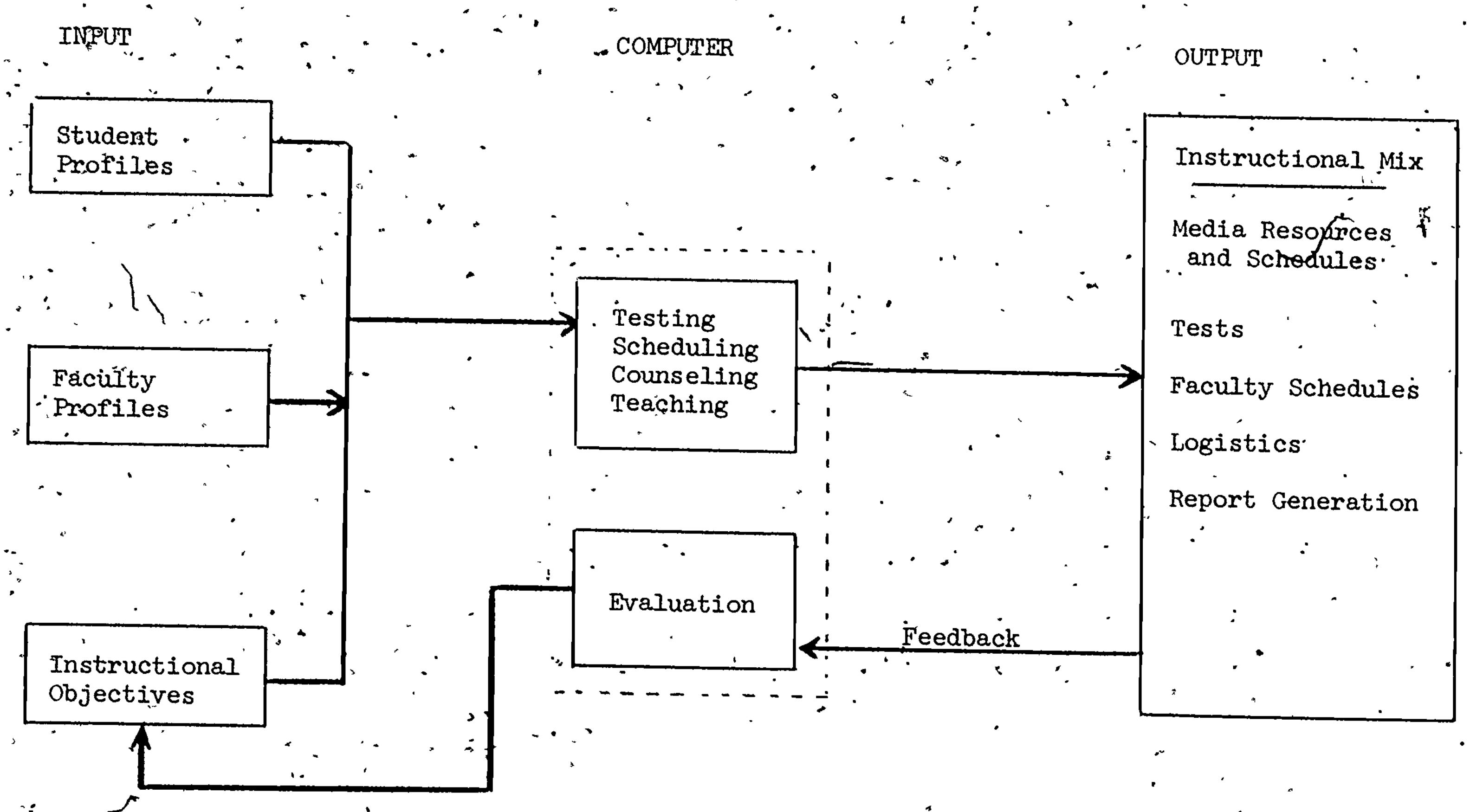

FIGURE 1. Block Diagram of a CMI System

Several of the components of the diagram are examined in this section to show the role of the computer in initializing, evaluating, and improving the system.

Student and Faculty Profiles

Instruction in the advertising sequence (or any other sequence) should reflect individual student requirements. The system we are describing anticipates these needs in its provisions.

For example, it should be possible for a student to by-pass various modules of instruction if he is qualified to do so. The CMI approach allows this by administering tests based upon the terminal behavior expected of the student. This means that if entry behavior for a particular module equals or exceeds the terminal requirements the student should be able to by-pass that module and proceed to more challenging work.

On the other hand, prerequisite testing would show whether or not a student is prepared to enter a particular module of instruction.

Figure 2 (See below) shows a branching and looping system used in mathematics. The originators--Suppes, Jerman, and Brian--use the model in their CAI program.[7] The seven objectives shown are related to a given module of instruction, and each must be met with a given level of competency before passing on to the next one. Levels A, B, C, and D indicate depths of instruction for each objective. Thus, students can by-pass instruction entirely (Level A), be given increasingly deeper instruction (Levels B, C, and D), or as usually is the case be given a mixture of these as they proceed through the module. Suppes' model is not presented here as the best possible one for advertising instruction, but it is an example of the kind of planning necessary to individualize and optimize instruction in this field.

The dynamic characteristics of instructional needs as shown in Figure 2 occur at a micro-level of learning. At a macro-level are needs such as self-actualization and other psychological characteristics, desires, intellectual and vocational interests, technical skills, capabilities, and limitations.

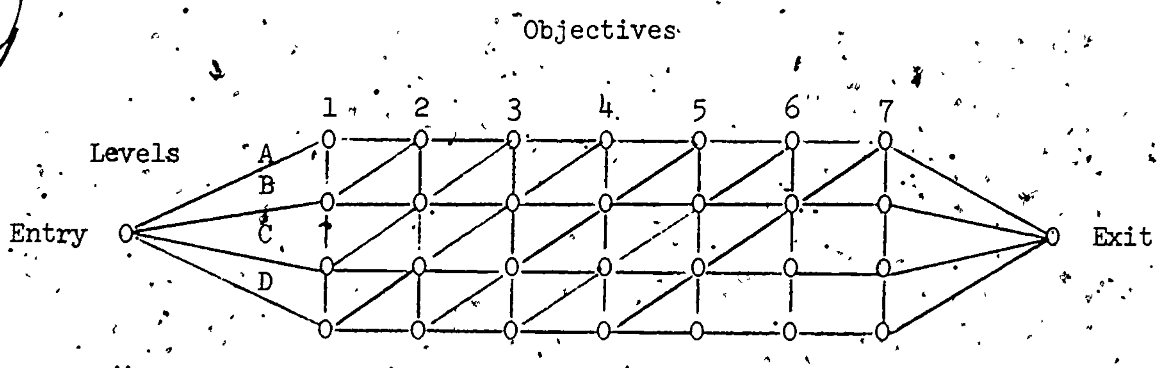

FIGURE 2. CAI Branching and Looping System

These needs, skills, and interests can be stored as a permanent part of students' records in the system (in computer money) and provide the raw data for a "best-fit" instructional mix at every level of instruction.

Faculty profiles can also be given to the system so that a student, for example, who is not a "self-actualizer" and who may not function well if left mainly to self motivation can be given a great deal of interaction with a teacher whose interests and even personality type best match his or her own. Options can be provided, of course, when personality clashes occur or when the theoretical "best-fit" fails to provide the desired learning behaviors.

Record keeping such as we have suggested here and the large number of possible student/learning combinations are nearly an unmanageable task for humans--but they are trivial for a third-generation computer.

Instructional Objectives

We want to make a distinction here between educational goals and instructional objectives. Educational goals are dynamic entities which reflect changing institutions and changing student and faculty requirements. All of us are preparing our students to the best of our ability to live and work in environments both as we see them today and as we think they may be in the near future. If our educational goals do not reflect changing institutions and environments, we are not providing our students with the best possible education.

The work in the field of technological or computer-based instruction has relevant impact. Already, computers are being used in marketing and advertising for research, media-buying, and market simulation; data for market analysis are being retrieved through computerized data banks; computer-linked optical character readers and CRT terminals are being used in hot-type and cold-type systems in the production of advertisements; and professionals have along made use of self-instructional cassette tapes, film-strips, and movies, and now use self-teaching materials utilizing programmed instruction, such as does the Interpublic advertising lecture series (from Simon and Schuster), or videotaped instruction. It would appear that an advertising student leaving college in the 1970s without at least a minimal understanding of computers and allied technological media of instruction is not fully prepared to relate to the needs of sophisticated clients.

Instructional objectives reflect educational goals. Each major content area is dissected to identify those parts which taken together constitute the goal. By dissecting, identifying, grouping, and regrouping, modules of instruction are formed. Modules are further broken down into instructional units and instructional objectives are established at various levels of cognition.[8] Here are three examples:

- ADV 306 (Elements of Advertising) students, after studying an audio tape-looseleaf notebook instructional unit on advertising terms, will score at least 90 percent correct on a multiple-choice test on these terms. The test will be given at the end of the week in which the material is to be covered (Knowledge level).

ADV 410 (Advertising Copy and Visualization) students, given a client fact sheet for this exercise in the laboratory, will correctly identify and state in a copy platform: (1) the primary (target) audience; (2) the "secondary" audience; (3) the "unique selling proposition," and (4) four copy points that can be developed in support of the USP (Application level).

ADV 507 (Public Opinion Theory and Advertising) students, given a problem in which a research designer proposes to use cluster sampling design with three interviews per block in a situation in which there is a great degree of homogeneity within blocks in respect to the most critical demographic variable, will be able to (1) state that the homogeneity may be a problem, and (2) state that the expected effect would be a reduction in the precision of the data collected in the population (Evaluation level).[9]

Entry and terminal behavior tests for most modules of a system can be stored in the computer and updated as the need arises. Machine-readable data cards and CAI can be used to combine record-keeping and test administration.

For behaviors not readily adaptable to machine presentation and evaluation, levels of performance and evaluation criteria may be kept in computer storage as part of students' records and retrieved as they are needed.

When instructional objectives are carefully laid out, there is nearly a one-to-one mapping of these objectives into the CMI model. The student either masters the objective and is allowed to move to the next area of instruction, or does not master the objective and is given remedial work and retested.

Clearly, preparing instructional objectives is not a small or insignificant task. Rather, it is one of the most time-consuming and important parts of the CMI system. Stolurow has pointed out that objectives must meet these three minimum substantive criteria:[10]

1. Every unit of behavior must be described.

2. The conditions under which the behavior is to occur must be specified.

3. The minimum level of acceptable performance must be specified.

In addition to these criteria, certain psychological ones are often stated, such as rate of learning, amount of retention, and degree of transfer to other areas of learning.

Ease of refining objectives and their associated criteria in light of student experience and feedback is a major advantage of CMI over traditional instructional systems. This is due to the enormous amounts of data that can be collected and analyzed, and to a characteristic of the CMI concept: dynamic alteration of modules as educational goals—evolve.

Instructional Mix

As we have indicated, the appropriate instructional mix for a given student under given conditions depends a great deal upon student profiles and the instructional objectives. Once these matches are obtained, there are a variety of teaching aids from which to choose, and the results of numerous studies provide indications of what particular kinds are most appropriate for various types of learning.[11]

Examples of the aids available include audio and video tapes, instructional television (ITV), films, slides, programmed texts, CAI, conventional texts, and traditional instruction (lectures, labs, etc.).[12] Of these, conventional texts and traditional instruction are the two most widely used in present-day classes. They may, however, be the least effective methods of teaching the current generation of young men and women. Roberts[13] has analyzed relationships among learning objectives and teaching aids (his term for the latter is "media," which is understood quite differently in advertising). Roberts rates conventional texts and oral presentations as medium-to-low for the following objectives: learning factual information; learning visual and audio identification; learning principles, concepts, and rules; learning procedures; performing skilled perceptual-motor acts; and developing desirable attitudes, opinions, and motivations. Certain of these conclusions have been corroborated in the advertising teaching area by one of the authors of this paper (Pierce) and an earlier collaborator, Pisani.[14]

In addition to the teaching aids mentioned above, group discussions, one-to-one teach/student dialogues, field trips, individual research, and other non-teaching-aid methods can be applied effectively to certain learning situations.

The point is that CMI compels us to examine closely the learning activity we wish to take place and to choose the teaching methods and aids best suited to that activity.

We have indicated in Figure 1 that the instructional mix includes facilities other than teaching aids and non-teaching aid resources. Such facilities are the administrative ones which are aided or performed by the computer and include effective manpower utilization, time and space allocation, record keeping, counseling, report generation, immediate and over-time program evaluation, and program generation.

One of the obvious problems in self-paced instruction is the record keeping that is necessary to determine whether the student has met content mastery requirements for graduation. One might consider an extension of a computerized self-counseling system used at The University of Texas at Austin, where one of the authors (Pierce) taught before joining the Florida staff. A student's transcript serves as a data base and a report is generated for the counselors and the student showing the number of major and minor credits needed for graduation and the requisite and recommended courses that will fulfill these requirements. This system could be adapted to direct or to monitor the progress of the student as he goes through CMI sequences.

The full calculating powers of the computer can be used in a CMI system to prepare and generate reports. Correlation or other statistical processes are easily implemented in a CMI system since constantly-upgraded student records constitute a part of the data base, and cases can be selected for analysis based upon a wide variety of specific characteristics.

CMI also allows subsystems to be incorporated into the instructional mix as they become available. For example, the University of Florida's Computing Center has implemented the Basic Information Retrieval System (BIRS) that was developed for Michigan State University. This system, if incorporated into CMI, would give students, administrators, and researchers access to a powerful information storage and retrieval system.

CAI as a Component of CMI

Computer-assisted instruction, CAI, can be a component of CMI and we make a distinction between the two. CMI, as we have described it above, is the overall management system used to achieve individualized instruction. CAI, on the other hand, implies a student/computer dialog relating to a specific discourse or area of instruction.[15]

We might, for example, use CAI to teach students the basic elements of radio or television commercial writing or common copy-editing symbols.

CAI is normally used in much the same way as the familiar programmed instruction (PI) books in that instruction is given in small bites, feedback is immediate, and branching and looping techniques can be used to skip material or to provide remedial work. Two major advantages of CAI over PI are greater flexibility for branching and looping, and the ease with which changes in the material can be made. Also, response data are automatically collected as the students use CAI, and analysis of these data facilitate course revision.

CAI for actual advertising copy must be viewed as a more complex one than others handled through languages such as Coursewriter III. Critiquing ad copy and providing immediate feedback to the writer means that a large amount of text must be analyzed rather than a one- or two-word response as in conventional CAI.

Bishop[16] has used a set of syntactical analysis programs to critique certain news stories for which he has already stored in computer memory certain key words and phrases. (This can be used in advertising although we have not yet tried it at Florida.) Another of Bishop's programs--and one which is discourse-independent--checks students' stories for certain stylistic errors such as the overuse of passive verbs or adverbial clauses, lengthy sentences and paragraphs, and common spelling and abbreviation errors. Similar programs can be developed for critiquing advertising copy.

One of the authors of this paper (Moore) has worked to implement CAI at both the syntactic and semantic levels; the assumption is made that development and cohesion are two very important characteristics at the sentence, paragraph, and entire-text level. Experiments have been conducted to help define what is meant by development and cohesion, and what their indicators are in journalistic writing. (There has not been any activity of a similar nature in the advertising curriculum at Florida to date.)

Specifically, Moore created a 1,000-word concordance and a rapid dictionary-search algorithm for the most commonly used words in the English language.[17] This concordance and search algorithm have been used to detect word-occurance similarities between an instructor's and his student's stories (all of which were written about the same set of facts) and whether or not this similarity plays a part in the instructor's grading.

In later research, semantic evaluation of students' stories would involve a "beyond-the-sentence" analysis--initially at the paragraph level and later at the entire-text level. Moore and others have been working to define and formalize those journalistic "rules" of writing that are used by students in their assignments and to critique their use of those roles. Intuitively, it is expected that such rules will include transition, development (going somewhere), cohesion (unity), and certain logical relationships (such as temporal, spatial, and causal).

The efforts of an advertising professor at the University of Florida should be mentioned here. Donald R. Holland, the former owner of an advertising agency in Connecticut which still bears his name, has two programs under way. The first involves his course in basic copywriting, in which he requires his students to study Rosser Reeves' book, "Reality in Advertising." After reading the book, students use Holland's CAI testing program, which is designed to aid them in assimilating the concepts involved. The system is an ungraded examination which includes a number of multiple-choice questions plus several others in which the student may reply with a sentence. The computer allows the student to proceed, with reinforcement, until the test is completed successfully or an error is made. If the latter occurs, the computer immediately refers the student to the chapter and page where the correct answer can be found--and requires a sign off "study break" of at least an hour. This shutdown is designed to encourage careful studying of the assigned material. Once the hour has passed--and the student presumably has reexamined the area in question--access may again be obtained and the test will be resumed.

Holland first began work on the program last summer, which he spent learning and experimenting with Coursewriter III computer language. During the fall quarter, he designed and wrote the examination. He tested it during the winter quarter with eight selected students, all volunteers. During the spring quarter he will conduct a formal evaluation of the program by dividing his classes into matched samples to determine whether the learning which takes place among CAI students is superior to, equal to, or inferior to that shown by students who use traditional methods of study.

Holland also is planning to develop a CAI unit for use in JM 201 (Writing for Mass Communication), a course that serves students in all majors within the College, to help train students in the use of basic library resource materials relevant to the communication field of study. As envisioned, the program would include discussion of basic references, give assignments in data-searching that require use of the materials, and conduct testing of students who have completed the assignments. In the first and third stages mentioned, the CAI program would conduct a dialog to eliminate misunderstandings or clarify the instruction. Additionally, there is a possibility that the program may include a key-word information retrieval feature, to be made available to the student after he completes the instructional section of the program--the student could specify key-words identifying his interest and the computer would print out the most relevant research source, as a starting point for his research.

A second advertising professor at the University, Robert J. Rice, has been using another form of CAI: a computer "game" simulating the processes involved in the winning of a market share in a competitive advertising media-buying situation. The program, called ADMAG, was developed at Michigan State University and programmed for Control Data Corporation computers. Three of the authors of this paper (Moore, Simmons, and Kent) managed the programming conversion so it could be used on IBM computers.

<u>CMI in College Relationships with Professionals</u>

Newspaper executives were asked in a recent nationwide study, undertaken by a University of Florida graduate student,[18] whether journalism education (news/editorial) had given its graduates adequate instruction about how new technology such as computers might be utilized in the medium. Nearly 63 percent of the respondents said it had not. Only about five percent said that it had.

A pressing problem in the newspaper medium, as expressed to one recent job-hunting student, is that "We need people who can tell us <u>how</u> or <u>where</u> we can use computers." The emphasis in all sectors of the communication industry seems to be on the need for innovations, not just the recognition of the obvious computer applications such as in payroll processing or machine management. A probable fringe benefit of CMI is that students themselves are likely to project applications of the systems that are being used in instruction.

Another aspect is that educators may develop CMI applications in extension education services. Here are a few that might be possible:

CMI courses in advertising that are designed by a university for undergraduate or graduate use might be "challenged" for credit by examination by professionals who are working for either basic or advanced degrees and hope to shorten the time required.

Under a new type of extension education department of a university, an employee working in an advertising organization that has a computer terminal and the necessary equipment for a long-distance hookup to a university computer (e.g., through use of an acoustic coupler--a type of signal converter--and an adequate phone line) could take a course for credit in an office hundreds, or even thousands, of miles away. One might think, for example, of upgrading or training on the job for such work as media-buying that involves mastery of basic skills such as interpreting Standard Rate and

Data Service Publications or analyzing demographic information. Or a candidate for a creative position who shows promise as a writer but is viewed by the management as being in need of selective backgrounding in advertising or marketing processes might be helped efficiently in a situation where the management ordinarily might not be able to assign a staff member as a tutor.

Unique author numbers are assigned to the author to protect his computer-stored materials from being altered by another. Authorized authors can easily update their courses through the central computing center; there is less danger of being the acknowledged author of an educational work that has all-too-soon become outdated.

The general idea of extending CMI and CAI to professional organizations has been broached to some Florida newspaper executives, but no such effort has been made within the advertising community in the Southeast. Among newspaper men the response has been generally favorable, with "When?" being the main question.

Some discussion of other applications has focused on special language-skills training for members of minority groups or persons who show promise as communication professionals but have language-skills deficiencies. Other discussion has focused on the development of instructional units dealing with specialized reporting tasks--e.g., reading and interpreting financial reports, census and other government documents, and relatively technical materials. At a very pragmatic level, a CMI sequence might be developed for students, advertising personnel, and executives about the functions and editorial operation of computers in advertising.

It is expected that the needs of the mass media will result in major leaps in production technology--such as that exemplified in Media General's Financial Daily in Richmond, Virginia. However, it is likely that journalism educators' interests in the analysis by computers of writing and the development of other CAI programs will not duplicate those other efforts, but could make valuable new contributions.

Advertising Research Possibilities Using CMI

A wide variety of research possibilities is suggested by the CMI format described above. Some of the most relevant here concern the overall communication process. A few notions along these lines will be indicated briefly, and then some other types of research will be suggested.

One line of possible work is a systems approach to the communications processes as related to student learning. Among the questions that might be studied usefully using the data gathering and evaluation potentialities of CMI are the following: What are the optimal mixes of information teaching aids for different advertising learning situations? When do information overloads start to impede useful advertising communication? Within the framework of allowance for individual differences in rates of progress through instructional material, are there optimal levels of psychological pressure on the student so far as his or her advertising learning is concerned? How would these optima vary by psychological characteristics of the students? What effects would varying administrative structures have on communication feedback processes within the CMI system? Is it possible to apply the principles of statistical linguistics fruitfully to machine evaluation of student advertising production?

The match of student and teacher profiles as a basis for assignment of "mentors" raises a number of interesting questions, both theoretical and methodological. What types of psychological, professional, and other information should be considered? How should these matches be made? What are the effects of developing different forms of relationships between the students and the faculty, for example, mentor, advisor, or colleague?

Characteristics of teaching messages offer another field for research. Would one-sided or many-sided arguments be preferable? Should materials use humor, and if so, how? Should there be an attempt to make the student-computer relationship appear to be a personal one, as if the student were communicating with an instructor on a terminal in another room?

Since it is now possible to store, in easily retrievable form, an unprecedentedly wide variety of entry and progress evaluation data on each advertising student, the area of testing is open to new approaches. How should advertising students be evaluated? How can success on the job after graduation be used as an input for feedback to instructional and evaluation strategies and materials? Is it possible to develop "early warning" indicators relating to post-graduation professional advertising performance? What is the relative importance of advertising psychological and work-habit factors, as compared with ability to negotiate traditional testing and evaluation procedures successfully?

One of the more subtle, but also more important, areas of research that can be developed in relation to computerized instruction is that of evaluation of curriculum behavioral objectives. Superior programming of content requires extensive planning and testing of behavioral objectives. This forces a continuing review of the behavioral objectives in very precise terms. One benefit of such work may be to reduce the number of "fuzzy" areas in curriculum development, perhaps bringing about an improvement in the areas of accountability and relevance.

It is visualized that cathode-ray tube (CRT) terminals will be an important mode of student-computer interaction, among others. This opens the possibility of programs of research in application of these devices to professional situations: advertising copywriting in various media, library searches, gathering of data from governmental agencies, and other activities.

CMI in advertising as viewed here will also require considerable research in computer software and hardware. While the results may not be as important for advertising teaching, theory, and professional work as the research activities suggested earlier, the possibilities for computer science and administrative applications to advertising and all communication education are exciting. Among the approaches that would have interest are, for example, optimizing strategies for on-line interactive systems that require sophisticated information storage and retrieval functions.

These are only a few of the many possibilities, presented in only the most cursory fashion. It is important to realize, however, that the CMI approach brings with it such opportunities for the advertising education of the future.

* * * *

NOTES

1. These figures may be compared with those of other journalism schools in Journalism Educator, Vol. 27, No. 4, January 1973, pp. 4-5, 56-60. Syracuse leads in total enrollment (1,155) when freshmen and sophomores declaring a journalism major are counted. Missouri reported 1,007 majors and Georgia 982, although the former, like Florida, counts only juniors, seniors, and graduate students in its total.

2. Saalberg (1970), p.22.

3. This combination may or may not be a "best fit," but the point is still made that teacher/student profile matching can result in better interaction and better teaching than if this selection is left to chance.

4. Maslow (1954) identified self-actualization as the most important need satisfier. In descending order following self-actualization are esteem, belonging/love, safety, and basic physiological needs. McClelland (1961) identified a triangular relationship among achievement (Maslow's self-actualization), power, and affiliation. Lafferty (1970) added security/avoidance to form a quadrangle of needs.

5. Cooley (1971) has described resource allocation, data bases, curriculum scheduling, student monitoring, and teacher roles in a CMI system.

6. Another author language called A Tutorial System (ATS), developed at Cornell University, also is being tested at the University of Florida.

7. The model shown here is actually an adaptation of Suppes' more complex model (1968). His model is used for CAI at the elementary school level, but the approach can be used at any grade level as a technique for branching and looping.

8. See Mager (1962) for preparing instructional objectives and Bloom (1956) for levels of cognition.

9. These examples are partially based on a handout, "Writing Behavioral Objectives," prepared by Kurt Kent, Communications Research Center, College of Journalism & Communications, University of Florida (1971). Advertising course examples have been contributed by Pierce and Simmons in this paper.

10. Stolurow (1970), p. 1019.

11. A good overview of these studies and CMI in general is given by Brudner (1968). See also Rossi and Biddle (1967) for a discussion of the "new media and education." Note that the word "media" is not used in an advertising sense here.

12. Several programmed and computer-assisted instructional units have been developed for our teaching use at the University of Florida's College of Journalism & Communications, Stadium Building, Gainesville, Florida 32601. Information about these may be obtained by writing to Professors Kent or Simmons at the above address. We also publish a quarterly newsletter, <u>CAPRICE</u> (Computer-Assisted and Programmed Instruction in Communications Education), by which we attempt to keep readers informed of the latest developments in individualized instruction for journalism. If you would like to receive copies regularly, write to Editor, CAPRICE, at the above address.

13. Undated, untitled handout prepared by Dayton Y. Roberts, Institute of Higher Learning, University of Florida. The bibliography section of this paper lists another work by Roberts dealing with humanizing learning through the systems approach.

14. Pierce and Pisani (1971).

15. A recent survey by Stolurow (1971) describes CAI languages, systems, response types, research, modes of instruction, behavioral objectives, instructional materials, and testing.

16. Personal correspondence. See bibliographic entries also.

17. This concordance was created from a corpus of 1,014,232 words of natural-language text (Kucera & Francis, 1967). The words were taken from 500 samples representing 15 genres. Eighty-eight of the samples were taken from three press genres: reportage, editorial and reviews.

18. Bennett (1971).

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EXPANDING ADVERTISING EDUCATION TO ENCOMPASS THE TOTAL BUSINESS SYSTEM

by

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The positioning of educational preparation for careers in advertising within the university community has long been a matter of controversy. For many years parallel, and somewhat competitive, programs were offered on many campuses by the School of Journalism and the School of Business. To a degree, the offerings were differentiated with the journalism school orientation leaning more to the creative side of advertising, while the B-School emphasized the managerial function in the advertising process. There was often no inter-disciplinary communication between the two programs. Students enrolled in one sequence did not venture across campus for work in the "other advertising department." Faculty interchange was also rare.

This ambiguous situation cleared somewhat after 1960. Two exhaustive studies of education for business were published in the 1960's. Critical in tone, the studies hit hard at the "vocationalism" found in most business programs, and Schools of Business embarked on a long period of soul-searching and curriculum revision. The upshot was that several courses, such as salesmanship, retailing, credits-and-collections, and advertising, were either eliminated from marketing programs, or became free electives. The idea of a major in advertising within the business school context became nearly extinct. Alert journalism school administrators saw a marketing opportunity and started to expand and promote their advertising major. In many Schools of Journalism today ad majors equal or overshadow those majoring in the editorial side of the curriculum.

Thus, one premise of this paper is that most advertising degrees pursued today in American colleges and universities are taken under the aegis of Schools of Journalism, or as they are sometimes labeled, Schools of Communication. From a total of 30 years of college teaching of advertising, including one three-year and one four-year stint with different Schools of Journalism, we would like to share our views respecting what ad majors should know about business. This is done with humility, for it is a complex subject. Our goal is to start a dialogue which may lead to curriculum re-examination and possible revision.

Business Today

First of all, let it be said that most young people in the United States today do not know much about business. There is a backlog of antipathy toward business activity, especially among those youth whose father has had a successful career in business. Surprisingly this negative attitude is to be found in business and advertising majors, as well as among those majoring in the liberal arts and sciences. But the advertising major will be a business practitioner, or at least will be interfacing with businessmen. Thus, a thorough understanding of how the business system operates is essential.

Today, business is a highly complex system of interrelated activities. In addition to the art of administration itself, business involves three major functions: marketing, finance, and production (manufacturing). The underlying premise of this paper is that advertising majors are not adequately learning the relevant doctrines of modern business philosophy and practice. This paper airs the authors' ideas of what advertising majors need to know about business administration in order to function effectively as advertising practitioners.

First of all, it is essential that a student has an understanding of business structure and of how the various communications and organizational systems relate. This must be followed by an understanding of the management process: planning, organizing, motivating, and controlling.

In addition, an understanding of marketing, finance, and production is critical. The importance of the marketing function is sometimes recognized in advertising curricula. However, little attention is placed on the production and financial functions. The success of any firm is often related to product development, and advertising students must be able to work with product and brand managers when school days are over. Many of the new product and brand managers now hold MBA degrees from prestigious business schools and have been trained in the fields which are discussed in this paper.

To accomplish these objectives, it may be necessary for journalism schools to generate an eclectic course in business administration, which not only covers the line management and business support functions, but which also integrates and shows the relationship between these functions and the advertising subsystem. An alternative to this approach may be that journalism schools will have to begin to work more closely with the School of Business Administration, who do offer courses in these areas.

Given these premises, this paper provides ideas on the following topics:

1. Why advertising students need to understand the business system.

2. What students need to know.

3. How these concepts can be taught.

4. When they should be taught.

5. Who should teach them.

Why the Advertising Major Needs to Understand the Business System

One operational perspective through which business is currently being studied is via the systems approach. The complexity of today's business environment has made the adoption of the systems approach to business quite appropriate. This new approach to the total business environment affords the advertising educator an opportunity to develop materials which allow the student to become more familiar with the relationship of advertising to the other business functions. This in turn should lead to better management of the total advertising operation. As such, there is an opportunity for the educator to serve as a catalyst with the objective of teaching students how to develop, position, and manage the advertising operation within the framework of a comprehensive business system.

Traditionally, advertising education has looked at its own discipline only in terms of its own functional units. It has treated the functional areas--media, creative, production, and research--as independent and somewhat mutually exclusive events. It has failed, in most cases, to provide an effective linkage between these units. As a result, the product of an advertising curriculum has been what we might call "technician oriented." It is not wrong to suggest that we should continue to supply the advertising industry with technical specialists. However, it is wrong to limit these specialists to only the technical or functional aspects of advertising.

What is needed today is an understanding on the part of the student as to how the advertising subsystem affects and is affected by the other business subsystems. Such things as copy writing, media planning, pre-testing copy, etc. are only technical ingredients which comprise the framework of only one business subsystem--advertising. True, advertising faces its own problems and must find its own solutions; however, it must interact with the other business functions or subsystems to reach its goal. Perhaps it is necessary as educators to decide that we should be developing people for higher-order positions in the managerial hierarchy.

In order to develop advertising systems analysts, it is necessary to familiarize the student with a structure of the total business system. The major elements, again, include the functions of production, finance, and marketing. Other functions such as personnel administration, accounting, research and development, and operations research would be considered as subsystems which support the three basic functions. Within this framework, advertising then becomes a tactical subsystem supporting the strategic system of marketing which in turn supports the total corporate system. As such, advertising in terms of its objectives, strategies, etc. is governed by the objectives of the total corporate system. For the advertising manager to effectively operate within these parameters, he must understand his relationship and the impact of his decisions on the other parts of this total system. In order for this type of organization to survive and grow, it must obviously achieve some level of symbiosis (i.e., the mutually beneficial living together of two organisms).[1]

What the Ad Major Needs to Know

In addition to work in the organizational systems area, there should be a solid understanding of economics, both macro and micro. The case for macro-economics can be made on the grounds that it is essential for a person to be a well-informed citizen. When a Republican President states, "I am a Keynesian," it is time for every American to know what that phrase implies. It is our belief that, as American Government became a required course two generations ago, macro-economics should be a part of the educated person's kit of tools.

Recently micro-economics--the economics of the firm--has experienced a revival of interest partially because the New Economics hasn't worked as smoothly as its supporters had hoped. But aside from this fact, micro-economics contains many of the key concepts underlying an understanding of

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[1]Telles, Seymour, "The Manager's Job: A Systems Approach," Harvard Business Review. Vol. 41, No. 1, (January-February, 1963), pp. 73-81.

how businesses operate. Advertising majors should be required to take both forms of economics instead of being treated in such ambivalent fashion as this phrase from one catalog reads, "Strongly recommended."

With a grasp of economics and the business system firmly in hand, the ad major is ready for grounding in what may be called the "business skills." Certainly, the elementary concepts of accounting -- profit and loss, break-even analysis, ratio analysis--are needed by the account executive and the advertising manager. The same can be said for the silent concepts from finance--budgeting, cash flow, ROI, and so forth. If the advertising executive has a leadership role, he should understand management fundamentals such as planning, organizing, motivating and controlling.

However, the greatest contribution can come from the marketing discipline. The typical marketing major today will take, after a basic course in the subject, at least two essential courses: marketing research (sometimes called marketing information systems) and consumer behavior. It is submitted that all ad majors need the knowledge that the basic marketing, marketing research, and consumer behavior courses provide. Whether further work in marketing is needed depends on the individual needs of the student. Many ad majors will want to take a course in retailing, one in personal selling, and so forth.

In order to show why it is necessary for the student to have an exposure to the various business skills, some examples are provided which demonstrate how advertising affects and is affected by these other business functions. At this point, we offer an inventory of tools along with a brief discussion of some elementary business concepts, decision-making models, and management techniques applicable to the advertising operation.

Marketing Function

The adoption of the marketing concept implies the coordination of all company activities which focus on the consumer. Given this truism, an understanding of the consumer and his/her behavioral patterns and attitudes becomes necessary prior to the development of either advertising messages or media strategy. Traditionally, marketers have used demographic factors, i.e., age, income, sex, etc. to isolate relevant target markets. Recent research has indicated, however, that there may be more effective ~~ways~~ to segment markets. Such concepts as social class, life cycle, life style, personality, reference group behavior, etc. have been developed and used as explanations for behavior. This has led the advertiser to develop more effective segmentation strategies which have included both message and media plans. Obviously, the rising cost of most media, particularly television, suggests that the concept of market segmentation or even market fragmentation be adopted by most companies. As such, the advertising manager needs to be aware of the behavioral theories and concepts which have application to market segmentation.

New product development is, perhaps, the key to survival of the firm. It incorporates a number of marketing activities necessary for product success. These include: sales forecasting, marketing research, market segmentation, test marketing, the setting of marketing objectives, et. al.

A forecast of the market potential is essential if R & D is to plan effectively. Identifying the optimum consumer requirements, and then translating these into engineering specifications is then required. This leads to the testing of product ideas in the market place to determine consumer reactions. As a result of this process, marketing objectives are then set. These objectives include: 1) a description of the target market, 2) a specific sales or market share goal, and 3) a statement of the time period in which the goal is to be accomplished. Given these marketing objectives, it is now possible to determine advertising objectives, message and media strategy, scheduling, and budget requirements.

Finally, most organizations attempt to blend personal selling with advertising. Thus, it is necessary for the student to understand how the salesman merchandises the company's advertising. Knowing how to effectively integrate in-store advertising with mass consumer advertising can go a long way to accomplishing the marketing objectives. Media advertising can also be used primarily to support retail promotions such as coupon drops, cents-off labels, and special packages. Due to the high cost of personal selling, it is necessary for the advertising manager to know specifically which selling tasks can be performed by advertising.

Production Function

The success of a firm is often closely related to product development. As such, the constraints implicit in the manufacturing process should be realized. The major concepts to be considered within the production function include:

output level
product technical specifications
production processes
production scheduling
production cost[2]

Each of these factors can have an impact on the advertising operation. For example: as far as output level is concerned, a number of models are available for determining optimal output level. One of these is the break-even chart.

Management obviously should plan an output level above the break-even point and below the point of diminishing returns. Advertising managers, however, are heavily burdened with the anxiety about their "share of market," a matter on which considerable prestige is thought to depend. In reality, it may be too costly to operate at higher levels with their present production capacity. The benefit of the break-even model is that it can actually lead to a reduction in advertising expenditures while still producing greater corporate profitability.

[2] Timms, H. L. and Pholen, M. F., The Production Function in Business, Irwin Company, Homewood, Illinois, 1970, p. 137.

Production scheduling also becomes a critical factor. Inefficient scheduling may lead to out-of-stock conditions which can result in the development of negative attitudes on the part of consumers and middlemen. On the other hand, inefficient scheduling may also lead to an over supply in inventory, thus reducing a company's flow of funds which may result in a total reduction in marketing budget. Better planning throughout the entire corporate system can help correct these problems. As one can see, firms must economically control their output as well as develop a product line which reduces the fluctuation in load on the plant which may have occurred as a result of the variability in demand of the firm's products throughout the year. Advertising as a tactical component of the marketing system can help correct these situations.

Finance Function

The financial plans of a firm also have great relevance to its advertising operation as well as to its production function. Much of the financial operation of a business is tied to its product life cycle. Applying this concept, sales and profit margins tend to rise in the early years after introduction. This is followed by a sharp rise in profit margins during the growth period when customer acceptance is rising. During maturity, sales volume may continue to rise while profit margin falls. This is due to the introduction of competitive products which force price down and promotional costs up. Eventually new products will be required if the profit margin curve is ever to rise again. At this point, it is necessary for a company to have a large cash flow which will allow it to change direction into new lines or adopt new techniques without much new financing. In this case advertising, when effectively tied into the product life cycle, can play a major factor in increasing the company's cash flow which allows for new product development.

Other factors which also influence the cash flow of a company include: inventories, accounts receivable, and accounts payable. It would seem necessary for the advertising manager to understand how each of these affects the flow of funds and how each is affected by advertising.

Other concepts of importance within the financial operation include: capital budgeting, payback period, and return-on-investment. It is necessary for the advertising manager to operate within the framework of the investment decisions that management must make. In the case of a new product introduction, it is first necessary to compute the net return that the product is expected to yield. Next, compute the cost of raising the funds needed to purchase the investment goods, to convert them, and to initially sell the finished product. If the expected rate of return exceeds the cost of capital, then the investment will be profitable. At this point, it is now necessary to understand the concepts of present value and the rate of discount since we are actually dealing with future cash flows from the investment and current cash outlays for the project. Of importance to the advertising managers is that advertising will have an effect on the net return due to its ~~influence~~nce on sales. Understanding these concepts allows the advertising manager a method for selecting various alternative programs. In addition, knowing the relationship between advertising and sales allows for a more accurate judgment of the various net returns.

As far as payback is concerned, it is a technique practiced in business but, perhaps, not discussed at length in most advertising courses. Payback has its strong points, but also its limitations. It is primarily used since it is easy to measure, to compute, and to explain to others. However, it usually gives some very misleading return figures. It remains the most popular method of capital budgeting but must be considered inferior to the discounted flow method.

In conclusion, the basic objectives of the finance function are to have funds available to go out when there is a need and finally to achieve a pattern of flows that keeps the margin of revenues over costs as wide as possible. What is needed from advertising is some knowledge of what advertising contributes to cost and to revenue. Answers to these questions go part of the way toward helping both financial managers and advertising managers accomplish their objectives.

Integrating Marketing, Production, and Finance

From the previous discussion, one can see that a great deal of integration is required between these organizational units. Goods and services must be produced in advance of certain marketing efforts. Production scheduling makes certain quantities of goods available at specified distribution points at selected times. Sales forecasting, the basis for production planning, allows the production manager to determine the proper amount to be produced. Given the specifications, production people can then deal with the problems of inventory, plant size and location, and equipment and manpower requirements.

The finance group must, at the same time, consider the effect of the marketing plan on cash flow. Marketing, on the other hand, must be able to evaluate its contribution to corporate profits. Finally, advertising, as a component of the marketing plan, must be able to know its effect on sales, cash flow, and must be able to evaluate its own contribution to the total corporate system.

Decision Models and Management Techniques

Now that we have provided a framework for the interaction of the major business subsystems, it is necessary to superimpose a decision-making philosophy on the total system. Focus should be on educating advertising students in systems design, analysis and operations. It will be necessary to stress integrated components, feedback, interaction, and the adjustment of elements.

In recent years, the behavioral as well as quantitative disciplines have generated tools which allow the advertising manager to become a more effective decision maker. These tools have been developed as a means of handling the explosion of information, which for the businessman comes in the form of accounting data, production statistics, sales data, marketing research data, etc. A brief listing and description of only a few of these techniques is provided below. Important mathematical market behavior models include:

Brand share models
Brand loyalty models
Learning models
Diffusion models
Adoption models

Market behavior models allow the advertising manager to analyze buyer behavior through mathematical modeling. These can be of assistance in evaluating advertising plans and in predicting sales.

Statistical techniques applicable to advertising include:

Correlation Analysis
Regression Analysis
Analysis of Variance
Inference Techniques
Bayesian Analysis
Probability Theory

These techniques allow the advertising manager to effectively design research projects, analyze the resulting data, and make more meaningful advertising decisions.

Additional management and research techniques include:

Simulation
Experimental Design
Network Analysis ("CPM" and "PERT")
Game Theory
Management by Objectives

Proper application of these tools can provide for more effective messages, media combinations, and budget levels.

<u>How, When and Who Should Teach These Concepts</u>

What we are saying in effect is that the advertising major really needs exposure to numerous concepts and philosophies. This, perhaps, should take the form of a mini-major or minor in business administration.

A major constraint, of course, is that of the traditional four year collegiate time frame. In an era where the pressures for shortening the undergraduate experiences are great, it would be very difficult to lengthen the time needed for completion of the ad degree. How can the dilemma be solved?

At least two alternatives come to mind. One, the collegiate advertising department may design its own special courses into which the relevant information from economics, accounting, finance, production, management and marketing may be compressed. Staffing would be the most serious limitation, as finding one or two people who could man such omnibus courses would be difficult, although the challenge would be exhilarating for the instructors.

The other route would be to establish a working relationship with the School of Business so that advertising majors could take the necessary work in the cross-campus location. Hopefully, some of the prerequisite hurdles could be set aside, or if numbers warranted special sections could be offered to advertising majors. In either case, this work should be taken prior to the student taking his functional work in advertising. Finding room in students' programs might be accomplished by eliminating some of the traditional journalism (editorial) courses now found in advertising curriculum, i.e., history of journalism, copy-editing, and so forth. This approach may be hard to sell, but it is warranted on the basis of that much-sought characteristic these days, "relevance."

The goal is an advertising graduate who leaves the ivy-covered halls ready to work effectively in the world of business. The graduate should have some sense of the idea that business is a system of interacting activities, and that advertising is one of the components of the system. The new worker in advertising, regardless of his job title--copy writer, media buyer, or account executive--will be more productive if he understands how it all hangs together. Thus, we urge you to look at your advertising curriculum with these broadly-stroked ideas in mind.

* * * *

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PROPOSAL AND

SUPPORT MATERIAL FOR

NATIONAL CLEARINGHOUSE FOR

EDUCATION IN THE MASS MEDIA

by

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SYNOPSIS OF THIS PROPOSAL

1. The study of media and advertising -- the way it uses words and the way it affects society--is becoming an integral part of American secondary and college education.

2. In the media classroom certain key documents and principles remain unchanged, but the bulk of the day-to-day materials a teacher must use do change. Few good teachers have the time to read, to choose, to review, in the ever-changing field of media, while their compatriots in other language disciplines deal with a much more stable curriculum.

3. There is a need, then, to assist thousands of English, Social Studies, and Home Economics teachers in designing their curriculums, and in making their presentation of advertising and industry accurate, objective, and topical.

4. To this end I am proposing the creation of a National Clearinghouse for Education in Mass Media. Its functions and the anticipated benefits for business and education are detailed in the proposal which has been distributed to you.

5. What I am asking from advertising, business, and education, if it feels the proposal worthy, is moral and financial support for establishing the Clearinghouse on a regional or national basis. The letters, publicity reprints, and articles which are in your packet demonstrate that my work has been well-received by advertising, business, and education who I hope, will lend their reputation, expertise, and backing to an enterprise which will offer greater understanding of each other at a time when mutual understanding seems an unattainable goal.

IN SHORT:

TEACHERS NEED A LOT OF HELP TO DO THE BEST POSSIBLE JOB OF TEACHING ABOUT ADVERTISING AND MEDIA

YOU MAY BE IN A POSITION TO OFFER THIS HELP TO EDUCATION IN A WAY WHICH WILL BE MUTUALLY BENEFICIAL

THE CLEARINGHOUSE PROPOSAL IS ONE WAY TO FILL THIS NEED

IF YOU AGREE WITH THE NEED AND THE APPROACH, PLEASE HELP

SOME BACKGROUND

Courses called "Mass Media and Propaganda," "Communications, "Communication Arts," or just "Media" have been among the most numerous and popular of the language arts electives during the past few years. The study of the impact of advertising--the study of the impact of television--the study of our semantic environment--have been more and more a part of courses not only in language arts, but also in Business Education, Social Studies, Home Economics, and Consumer Education. As with anyone on the cutting edge of a new field, these teachers are faced with problems and frustrations not faced by those teaching in more established courses.

While excellent teaching materials, lesson plans, realia, etc., exist for such courses as American Literature, World History, and Home Economics, the newness of "media" courses has caught publishers and curriculum people off guard. A lot of the teaching materials that have become available resembles the glut experienced by all teachers when overhead transparencies nominated themselves as the savior of education; it is slick, and without evidence of solid planning. Too many of the books which have been published have for the most part put together a fascinating montage of pictures, calligraphy, and typography--which misses the basic concepts and practices necessary for students to come to grips with a concept as broad as "media."

Many of the new texts and courses which purport to deal with "Media" are in fact great experiences in photography, often designed more for a teacher's ego trip than for enhancing the student's understanding of free speech, bias, advertising, or communication skills.

THE NEED FOR A CLEARINGHOUSE

Because of the great need for assistance by so many teachers from all disciplines, it is evident that help must be forthcoming. I suggest therefore, the following step be taken by representatives of business, advertising, and education:

FORMATION OF THE CLEARINGHOUSE

Representatives of advertising, business, and education meet and confer regarding the establishment of a nation-wide clearinghouse for education in the mass media.

FUNCTION OF THE CLEARINGHOUSE

The clearinghouse would:

a) Assist teachers and administrators in developing curricula for local school districts in all areas where media instruction is called for;

b) Hold regional meetings with teachers, students, and advertising and business people, so that all three groups could hear new ideas, make presentations, comment to each other about the general quality of consumer goods, advertising claims, and the education of students;

c) Produce a newsletter for teachers and other subscribers to the clearinghouse, advising them of new publications, good ideas in teaching, sources of free or inexpensive aids, etc.;

d) Supply, in coordination with a local business and advertising people, speakers, films, tours, video tapes, charts, brochures, etc., in response to inquiries from teachers or students; and

e) Maintain and furnish a directory of advertising agencies, businesses, and media willing to supply realia necessary in any class studying the media as a part of its work, such as:

1) Spot commercials on 16 mm film no longer used by TV stations

2) Advertising tear sheets

3) Slugs, veloxes, lino tapes, etc., from printing plants.

4) Video tapes of certain network or non-network programs available for copying

5) Audio commercial spots

6) Wire Service copy

f) In the same directory furnish the following information:

1) How to obtain copies of <u>Newspaper Rates and Data</u> which supplies names and addresses of thousands of newspapers all over the U.S.

2) How to obtain copies of previous year's Standard Directory of Advertisers (for addresses of advertising agencies and manufacturers).

3) How to obtain English-language newspapers from consulates, legations, embassies, etc.

4) How to obtain schedules and wavelengths of English-language broadcasts from foreign propaganda outlets as well as VOA.

g) Act as a clipping service for articles from all media, reproducing them and making them available to subscribers on a regular basis.

h) Funnel pertinent information to the classroom from government regulatory agencies.

i) Review books and texts.

j) Work closely with professional organizations in the fields of education, advertising and business.

k) Assist both education and business in making the ad claim testing idea function smoothly for the greatest benefit of all parties concerned.

FUNDING

The clearing house would be funded by subscriptions to the newsletter and services, by support from relevant professional organizations (NCTE, AAAA, NAB, etc.) and by underwriting from business.

SOME ANTICIPATED RESULTS FOR EDUCATION

1. Heavy use by teachers of sources of free or inexpensive classroom aids which would be supplied either directly by the clearinghouse or from sources which the clearinghouse would identify for the teachers.

2. Heavy use of directory and clipping services.

3. Clearinghouse would enable teachers to get top-notch lesson plans, study guides, bibliographies, etc., from a "bank" of such plans maintained by the clearinghouse.

4. The ad testing idea, as it becomes circulated through the various disciplines, will increase the opportunity for inter-disciplinary use of English, Science, Home Economics, Consumer Education, Political Science, Mathematics--all of which are called into play by the student who is testing an ad claim, and who will receive help from the clearinghouse.

SOME ANTICIPATED RESULTS FOR BUSINESS

1. Curriculum trends, especially in areas of concern to business and advertising, would be evident more rapidly than now, where business appears to take on faith that schools are "telling it like it is" and that students are getting as accurate and complete a picture of American Business as possible.

2. The clearinghouse can become a vehicle whereby advertising and industry can gather information from an identified teen-age market. Business should be able to request a limited number of market surveys, consumer opinion polls, etc., from participating classes.

3. A chance to perform a service for the community and the schools which will pay dividends for all segments of society.

SOME ANTICIPATED RESULTS FOR BOTH GROUPS

1. A tremendous increase in contacts between the schools and business, advertising, politics, and the news media, contacts which can work towards increased understanding between all parties.

2. A resultant decrease in the prevalent badmouthing of students and education by business, and of business by students and education.

3. A better-educated consuming public.

SOME ANTICIPATED PROBLEMS FOR CLEARINGHOUSE

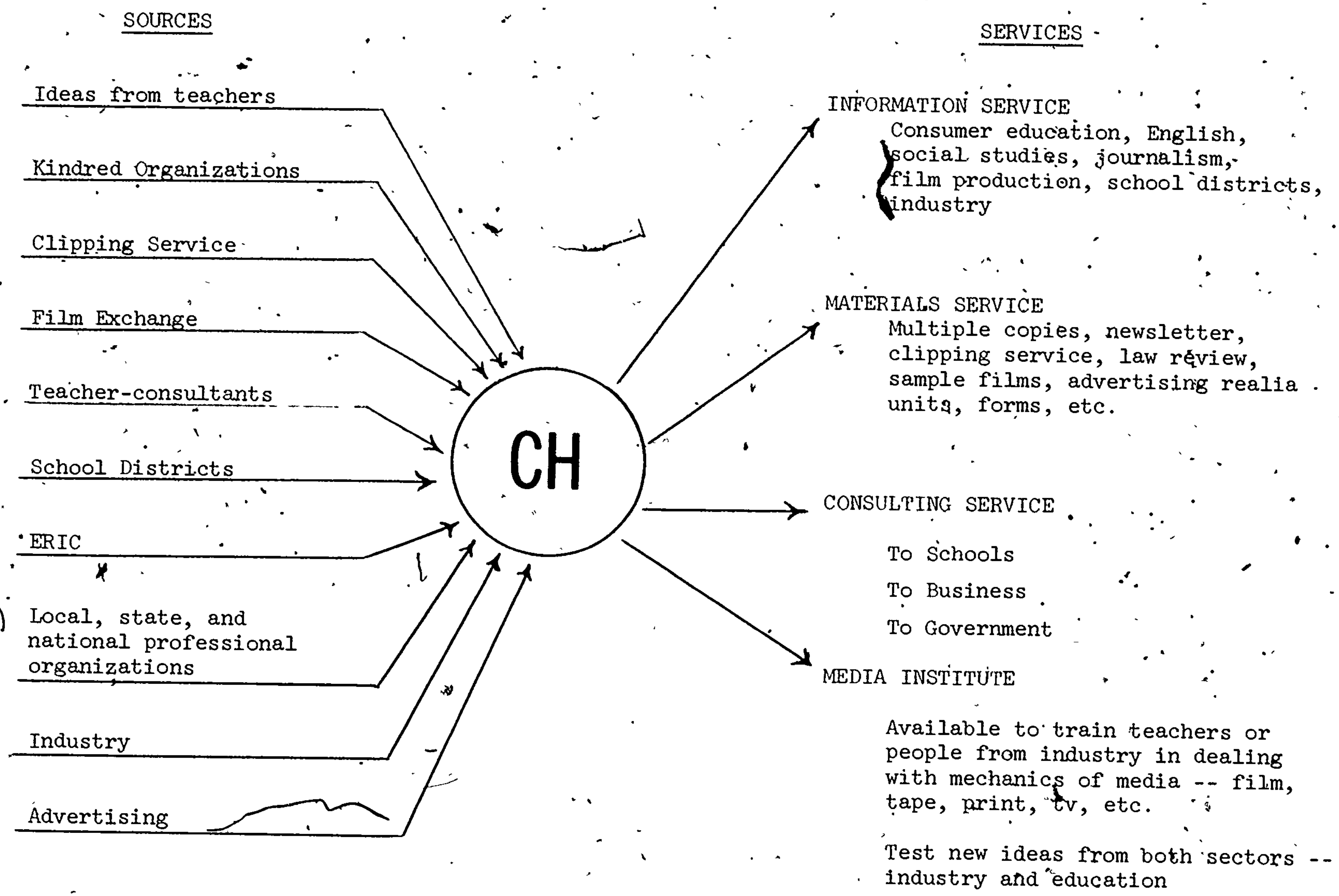
1. A start at the national level might be ill-advised; perhaps a regional clearinghouse would be better, to establish a "track record."

2. Organization by one person is impossible, but getting groups together is even more so (sic!). While no respondent to date has knocked the concept, (Over 30 businesses and advertising agencies have complimented the ad claim testing unit and the clearinghouse idea--even when their product was found wanting!) getting all interested parties together, ready to commit cash and support, is frustratingly hard.

3. Business, on whom a large part of the expense would fall, may be looked on with suspicion by teachers, who often look with total distrust on "the system."

A FINAL NOTE

The clearinghouse would be devoted to helping teachers teach better. If in so doing it fosters trust between the business and education sector of this country, it would pay added dividends.



Flow Chart for National Clearinghouse for Media Education

Draft #1, December 5, 1972:: Bruce Reeves, Acalanes High School, Lafayette, Calif. 94549.

SERVICES TO BE OFFERED BY CLEARINGHOUSE

B.R. DRAFT #1 (12.3.72)

HOW CAN THE CLEARINGHOUSE HELP: <- - - - - MOSTLY FREE - -><- - -MOSTLY COST $ - - - - ->

THE CLASSROOM TEACHER WHO WANTS TO:	INFORMATION BANK	MATERIALS SERVICE	PEOPLE SERVICE	MEDIA INSTITUTE
1. Teach about the media 2. Teach the use of " 3. Use Media as teaching tool 4. Use the media as part of career education 5. Use the media as part of consumer edu. 6. Use the media in social studies, business education, home economics, English, etc.	-Give names of teachers or schools nearby who have been successful. -Direct you to publications, articles, or actual units to deal with your specific quest. -Put you in touch with media, advertising people, etc. who will help you.	-Supply you with reprints, monthly newsletter, digest of laws pertaining to media, etc. -Supply you with sample scripts, video tapes, storyboards, ad layouts. -Supply you with realia of the media business. Clipping service does what no individual classroom teacher can do!	Provide consultants from either education or industry who can speak to your specific need. -We can draw on the best minds in the country, and get them to you at a cost somewhat lower than you are used to paying. -We can set up inservice training sessions for an entire district, or have a 1-to-1 session with a department chairman.	Provide training at the Media Institute in Biscayne using all media in classroom -Facilities include lodging, classrooms, actual work experience in laboratories for TV, Radio, film, printing, advertising, etc.
THE SCHOOL ADMINISTRATOR WHO WANTS TO:				
1. Put on an in-service workshop? 2. Know what are best filmstrips for...? 3. Hire a teacher in field of media? 4. Evaluate a class in media? 5.	-Give names of districts which have established courses in media, and who are willing to share. -Supply performance objectives, goals, cost analysis, etc. -Supply lists of teachers whole ideas have been demonstrated as successful.	-Supply curriculum consultants or department chairmen w/monthly newsletter. -Supply media "hardware" and realia at considerable savings. -Give quick reference to "best buys" in all media-related purchases. -Constant review of AV equipment by teachers, not media salesmen.	-Supply consultants for in-service training. -Supply business/industry expertise to speak to your specific needs.	Train teachers to train others. Refresher courses offered at regional laboratories.
THE PUBLISHER OR BUSINESSMAN WHO WANTS TO:				
1. Keep tabs on current trends in the classroom? 2. Find out whether his product plans include what teachers and students are asking for?	-An up-to-date insight into classroom practices from trained, practicing teachers rather than eager, but untrained salesmen. -A pipeline into many 1000 classrooms across the country. -Know what is going on, to praise or criticize.	-Names of teachers and schools interested in teaching materials in your area. (sell mailing lists?) -Current evaluations of AV hardware and software from unbiased, in-the-field professionals	-Evaluation of your products at costs considerable below going rate for consultants. -Free hours of consulting service as part of membership fee. -Field testing of products at cost much less than you are now paying.	-Train salespeople in up-to-date laboratory you couldn't afford yourself. -Train in industrial uses of TV, radio. -Train journalists? Business writing?

Course Outline

Mass Media and Propaganda

PHILOSOPHY In order to be a more intelligent consumer of ideas--and goods and services, too--an American citizen should understand both the techniques of persuasion which are practiced on him and the mass media through which they are most often practiced.

GOALS Mass Media and Propaganda will enable the student:

1. To become familiar with persuasive techniques used in advertising and propaganda.
2. To appreciate the power for good/evil inherent in the mass media, and methods used in exercising that power.
3. To gain practical communication skills.
4. To gain insight into the general areas of freedom and control of information.

OBJECTIVES By the end of the course, as measured by teacher observation and teacher-made tests, the student will be able to:

1.1 Identify the techniques of persuasion common to advertising, as measured by the production of a satisfactory notebook.

1.2 Identify the exponents most common to advertising.

1.3 Identify methods used in reporting news in all media.

1.4 Demonstrate that he has tested the claim of at least one advertiser--completed project to the satisfaction of the teacher, using scientific method.

1.5 Identify techniques of propaganda in use currently, as well as in the past.

1.6 Identify and apply basic logical fallacies.

1.7 Identify particular political biases of various newspapers, cartoons, news reports, and the methods used to achieve the bias.

2.1 Demonstrate an awareness of the growth of "information explosion."

2.2 Demonstrate an awareness of the financial, social, and economic strengths and weakness of "baronies" of media.

OBJECTIVES (cont'd)

2.3 List and discuss arguments pro and con TV as a medium for kids.

2.4 List and discuss arguments pro and con TV as an objective, dependable source of news and social commentary.

2.5 Demonstrate an awareness of the impact of cable TV on the broadcasting industry and its ultimate effects on the public.

2.6 Demonstrate an awareness of the bearing which the growth of TV has had and is having, on the availability of information for the American public.

2.7 Demonstrate an awareness of similarities and differences in media, and of uniqueness of each.

2.8 Demonstrate an awareness of the functions of the news services, and their implications for the consumer of ideas.

3.1 Demonstrate and apply knowledge of business letter form and conventional wording by corresponding with a manufacturer, ad agency, and newspaper, as directed by teacher.

3.2 Demonstrate knowledge of rudimentary, scientific analysis by successfully completing projects.

3.3 Demonstrate ability to interpret simple graphs and charts, and apply the information to problem-solving, and show awareness of how "figures can lie."

3.4. Demonstrate a grasp of exposition and argumentation by reacting in writing to a number of articles presented by the teacher.

3.5 Demonstrate an ability to organize material and present it orally to the class, and field questions regarding the report to the satisfaction of the teacher.

3.6 Demonstrate enough self-control to guide himself through the semester with little or no teacher-prodding, in an environment where pressures, deadlines, quality, etc. are self-induced.

3.7 Demonstrate the ability to organize and execute a simple advertising and propaganda appeal, such as might be used in a small business, a club, or organization or charity.

OBJECTIVES (cont'd)

4.1 Demonstrate awareness of the history of freedom vs. control in United States and the world.

4.2 Demonstrate understanding of the function and character of pertinent regulatory agencies.

4.3 Demonstrate awareness of the function and character of self-regulation in advertising and media.

4.4 Formulate a personal philosophy which he can use as a touchstone to guide him in his dealings with mass media and its voices of persuasion.

* * * *

SOME SUGGESTED ACTIVITIES

QUARTER ONE

1.1 Student identifies acceptable examples of each technique of persuasion, after introduction by teacher, and prepares them properly for his notebook.

1.2 Student identifies consumer exponents accompanying each of the above techniques, labels as such, and demonstrates awareness of the power of the exponent.

1.3 Student, after teacher introduction, shows familiarity with all facets of NP makeup and the most common methods for slanting the news, using Bay Area papers as examples. Students practice vocal intonation themselves, striving for biased, straight, etc., impressions. Use of facial gestures, etc. compared with radio and TV.

1.4 Identifies testable claims, puffery, etc. Choose a claim, test, and report, as described in project ___________.

QUARTER TWO

1.1 Student applies knowledge of persuasive techniques when constructing ad or propaganda campaign, as demonstrated in a major project.

1.2 He also demonstrates awareness of exponent power and techniques when consuming both propaganda and advertising.

1.3 Student acquires paper from out-of-state and analyzes it for regional biases as well as for excellences in make-up, reportage, editing, etc. If it is possible to get all papers with the same date, obtain AP or UPI copy for that day, and compare and contrast what happens to the wire service copy.

1.4 Use this knowledge as in 1.1. Continue testing process.

QUARTER ONE	QUARTER TWO
1.5 Examine the 9 techniques of propaganda, as well as Communications Principles; practice them on each other; observe them at work, at home, etc., Read at least one piece of propagandistic literature during the quarter. Compare and contrast methods of propaganda used in the literature with those of advertising, including exponents.	1.5 Listen to foreign attempts at propagandizing and compare with ours. Read at least one piece of propagandistic literature. (When appropriate) Follow campaigns, stratagems, etc., of politicians in election to detect <u>their</u> approach.
1.6 Study basic fallacies of logic to which our flesh is heir. Demonstrate knowledge of same.	1.6 Apply in analysis.
1.7 Bring in examples of political cartoons showing different biases--and newspaper broadcasts, etc.	1.7 Correspond with media.
2.1 Study the history of communications.	2.1 Plot possible future expansions of information explosion with implications.
2.2 Read such articles as Media Barons, Medialand, Update.	2.2 Report on status of local media outlets.
2.3 Read and discuss articles dealing with TV and impact on children.	2.3 Conduct surveys and in-depth Q-sessions with young children, teenagers, etc.
2.4 Read and discuss articles re: TV, news objectivity (Agnew).	2.4 Analyze specific programs, by preview, tape, review.
2.5 Read and discuss articles re: Cable TV. FCC rules and regulations. Guest Speaker.	2.5 Investigate local situation re: Cable (Ch.8)--can we get on, what is history of local, etc.
2.6 Compare charts, statistics, etc., of sales, profits, etc., for all major media, to see who is succeeding, who is failing.	2.6
2.7 Teacher lectures; students analyze difference and similarity between all media in general, and print and broadcast in particular.	2.7 Compare and contrast media coverage of same story. Tie in with wire service. (See 2.8)

QUARTER ONE	QUARTER TWO
2.8 Read and discuss articles re: Wire Services, and possible implications for consumers.	2.8 Contrast and compare handling of same wire service copy in newspapers from all over the nation.
3.1 Study forms of business letter; demonstrate ability to do so without fault. Practice this with ad claim and other projects.	3.1 Continue business letter practice by writing to businesses, ad agencies, etc.
3.2 After introduction by teacher, use form for ad-claim successfully.	3.2 Use scientific method of attacking <u>any</u> problem of analysis.
3.3 Graph and chart exercise.	3.3. Continue practice with advanced projects.
3.4 React! in writing to given situation; demonstrate grasp of thesis and support.	3.4 <u>Ibid</u>.
3.5 Report on ad test claim and second project; answer questions, etc., to satisfaction of teacher. Attend public meeting--compare your coverage of the event with that of the "real" media.	3.5 Continue oral reporting on all projects.
3.6 Establish due dates if necessary for reports, etc. (other than major 2)	3.6 <u>Ibid</u>.
3.7	3.7 Put together ad campaign as described in project.
3.8 Demonstrate ability to use the Red Book and other sources of information for direct contact with appropriate parties.	3.8 <u>Ibid</u>.
3.9 In addition to 3.3, study rudimentary statistics, etc., for survey preparation.	3.9 Conduct survey.

QUARTER ONE

4.1 Study Press Theories, etc. Read English language foreign papers and identify the press theory involved.

4.2 Read and discuss lectures and film strips on regulatory agencies. What implications, source of power, etc.

4.3 TV Code, AAAA Creative Code, etc. Read and discuss. (Guest Speakers)

4.4 Philosophy

QUARTER TWO

4.1 Compare and contrast Newspapers from foreign countries, broadcasts, etc. Major Propaganda effort.

4.2 Examples--real or imaginary--of cooperation with the rules or breaking of the rules. Write.

4.3 Examples of cooperation with, or breaking of rules (all media.) Write.

4.4 Philosophy

EDUCATOR INVOLVEMENT IN

LOCAL ADVERTISING

SELF REGULATION

by

MARTIN L. BELL
Professor of Marketing
Graduate School of Business
Washington University

I will confine my comments today to some of the problems of self-regulation of advertising at the local level. Except for some attempts by merchants and dealers associations and the work of the Better Business Bureaus which extends back many years, there was relatively little attention paid to local self-regulation of advertising until about a year ago. Largely because of the success in launching the National Advertising Review Board, conversations were initiated in several parts of the country directed towards the formation of counterpart boards at the local level. According to Jonah Gitlitz of the American Advertising Federation, there are presently seven cities in which boards have been created and are operational, another seven in which some organizational work has commenced, and about ten where initial discussions have been held. St. Louis was one of the first areas to form a local review board and may have been the first to consider a local advertising complaint. It has also been, I must regretfully report, probably the first to falter badly. My purpose in talking to you today is to review briefly the experience in St. Louis and to draw from it conclusions regarding educator involvement in the local advertising regulation process.

A Brief History of the St. Louis Advertising Review Board

The formation of the St. Louis Advertising Review Board was formally announced at a press conference on July 6, 1972. Several months of lengthy discussion preceeded this formal announcement. The St. Louis Advertising Coub and the Better Business Bureau were the prime movers behind these discussions. Also at the forefront were two Ad Club members who were also members of the National Advertising Review Board and of two if its sponsoring associations--the ANA and the A.A.A.A. A steering committee was formed. A resolution creating the St. Louis Advertising Review Board was prepared and subsequently adopted by the sponsoring organizations. Modest funding was provided by the Ad Club and by the BBB.

The St. Louis Review Board is made up of 18 members--six from the business community (primarily retailing and home services establishments), six from advertising, and six from the public at large. Public members, beside myself, include the head of a local consumer activist group, a representative from the Missouri Attorney General's staff, and several citizens representing consumer and minority groups. The Chairman is a prominent gentleman, a former Chairman of a large advertising agency.

Since its formation, the Board has met on only two occasions. Initial attendance by the 18 members was reasonably good, but there was a pronounced drop after the first meeting which was held on August 9th. It was largely organizational, although two matters which proved subsequently to be of considerable importance did arise. The first had to do with an expressed concern that local cases would have to be reviewed and acted upon with considerable dispatch in order for the review process to have meaningful benefit to the public. Local advertisements are generally short-lived in their purposes and effects. Announcements of promotional events, used car ads, and the like, only have significance, at best, within a few days after insertion. To correct misleading ads by a review board procedure seems to require fast action in the processing of complaints. I will return later in my talk to this agreement on the need for fast response since it may well have been a factor in the unfortunate outcome of the first complaint which the Board considered.

The second issue which was raised, and which also did not become a matter of serious concern to the Board until after the first hearing was completed, concerned the problem of liability for civil actions which might be taken against members of the Board and its sponsoring organizations by those who judged themselves to have been damaged by actions of the Board. The matter was not discussed in depth and the Chairman offered to obtain more information about the liability insurance which had been taken out to cover this contingency. A surprising aspect of the discussion was that several Board members had not questioned their legal responsibility or vulnerability.

As a sidelight to this first meeting, it was interesting to observe the tendency to drag the Board off of its main responsibility--the review of false and misleading advertising. Three issues were raised. One involved the case of a local agency, some of whose employees had been cited by a grand jury in connection with a fraudulent bond issue petition. Another issue concerned the role the Board should take in endorsing impending consumer protection legislation in the City of St. Louis. Both issues were discussed and the Chairman interpreted the consensus of opinion to be that they were beyond the area of the Board's main concern. A third question was referred to a subcommittee for evaluation. This was a proposal that the Board should promulgate a code of ethics and/or develop a set of advertising guidelines. I served on this subcommittee. We recommended that the Board postpone a decision on setting specific guidelines until a need was definitely established and suggested that "The Advertising Code of American Business" be adopted by the Board as its initial statement of advertising standards.

The second, and to date the last, meeting of the Board was held on September 13. At this meeting the Chairman reported that liability coverage had been increased to $2 million. The increase in coverage was reassuring to Board members, but several remained concerned over the implications of the need for any protection of this kind. Indeed, those who has expressed the most alarm at the first meeting did not even attend the second. There is no way for me to assess the actual impact of this concern, but I am sure that it was an important cause of the fear and dissonance expressed after the Board heard the report on the outcome of the first case. I do not wish to minimize the importance of this aspect of the problem, but we know that it is not peculiar to the local review situation and that it has been resolved at the national level.

The item of most significance to the second meeting was the report of the chairman of the panel which heard the first case. No formal transcript of the hearing was made, nor do the minutes of the Review Board contain enough detail to restudy the case carefully. However, from the account in the minutes and my personal recollection of the chairman's verbal report, it is apparent that at least three important things happened which caused the panel to turn on its heels and run for cover. First, in the words of the panel chairman, the panel members had expected the advertiser--an aggressive used car dealer--to "roll over and play dead." Instead, the dealer brought his attorney and came prepared to fight. (Incidentally, there was no attorney representing the Review Board present.) The ensuing contest was one-sided. The advertiser made no attempt to substantiate the advertising claims which had been challenged, but he questioned instead the authority of the Review Board and the Better Business Bureau to investigate his advertising practices. The thrust of his attack is largely irrelevant, but the inability of the panel to complete the hearing and to keep it on the advertising issues involved was effectively destroyed. The failure of the panel to keep control evidenced other major problems which were involved.

The case had been poorly selected as a test of the Review Board's role in local self regulation. It involved a situation which had been in and out of the Better Business Bureau on several occasions and also one in which the local automobile dealers' association had attempted unsuccessfully to obtain voluntary conformance. It was a case which, in fact, the BBB had virtually given up on after numerous frustrating efforts to get the advertiser to change his copy. The Bureau staff was very involved emotionally and the individual who presented the Bureau's findings was the same person who had tried unsuccessfully to deal with the advertiser in the past. Also, regretfully, the Bureau's case was not as thoroughly documented as desirable, since its shoppers had been unable to verify that bait advertising had actually been used. Unfortunately, the Bureau did not limit its complaint to the misuse of advertising, but included a number of complaints about unrelated, although repugnant, business practices. The result was an unclear complaint which made it easier than necessary for the dealer to react defensively.

In all respects, then, the first case handled by the St. Louis Advertising Review Board was a disaster. No other cases have been presented by the Bureau, and no meetings have been held by the Review Board.

A frank assessment of the operation of the St. Louis Board up to this time must be that its viability as an approach to self-regulation has been severely threatened. I feel personally that the damage is not fatal, but that concentrated, vigorous, and immediate efforts should be made to strengthen and revitalize it. I know that others are as deeply concerned as I am, and I hope that there will be progress to report to you at a later date.

Reasons For the Problems Encountered in St. Louis

In looking ahead to what can be done in St. Louis and in attempting to discover the lessons which might be most helpful to others, I have thought a good deal about the problems encountered with our local Board. I have discussed these with others who are similarly concerned.

Let me first state, without qualification, that there was genuine interest and reasonable commitment to the concept of a local advertising review board by those involved at the very beginning. Their motives for supporting it undoubtedly differed; and their impressions of how the Board should function were not necessarily identical. However, there was a sincere desire to cooperate to bring about a functioning local Review Board which would perform for our community what the National Advertising Review Board has done for American marketing in general. But good intentions and good will are not always enough. Indeed, they may cloud or even distort reality with the result that latent but important problems are left unresolved. I am sure that this was partly the case in St. Louis.

Let me here briefly identify some of the reasons which I think underly the difficulties encountered in our attempt to get a local review board going. I will follow this list of reasons with some concluding comments about the role of the educator in the local review process and suggest ways in which we, as teachers of advertising, can contribute to this process.

Lack of Experience

Every pioneering effort is faced with the same problem which the St. Louis Advertising Review Board encountered. There is no past to rely on; there have been no comparable efforts elsewhere. Understandably, a new venture of this kind moves slowly and with great uncertainty. Fortunately, in one sense, this problem should not affect others--or St. Louis itself again. There has been experience and it is partly in the hope of exposing it more broadly that I have elected to make these remarks today.

The lack of experience ran deeper than lack of precedent for a local review activity. On the board itself there was probably no one who had practical experience in working with violators of business practice at the local level. The Better Business Bureau people had certainly faced the saber rattling of the indignant advertiser whose claims are challenged. The Board was never briefed on the tactics it might encounter. We were treated more like white knights who somehow would manage to rise above the muddy battlefield to defeat the evil of advertising misuse on some mountaintop where lofty rules of chivalry would prevail. This fairy tale world does not exist. The Board's lack of experience in the jungle where the fighting actually takes place was a serious limitation.

Questionable Assumption That National Review Procedures Can be Used Locally

On the basis of our limited efforts, we really cannot say that the national procedures will not work locally; but we are ready to challenge the assumption that they will. It is certain that the attempt to use the investigative personnel of the St. Louis Better Business Bureau, the local counterpart of the NAD, did not work well in our first and only case. Granted there is no apparent alternative to this process, but it is certainly conceivable that an entirely different organizational and procedural scheme might have been more effective. As I have already mentioned, it was recognized at the Board's first meeting that action would have to be taken with much greater dispatch than is necessary in the case of national advertising. The entire machinery of complaint processing may have to be streamlined drastically in order to achieve the prompt action which local self-regulation may demand. It is possible that the local board might have to recruit and supervise its own investigating staff.

Failure to Assess Clearly the Need for Local Self-Regulation

I honestly do not know if a need for local advertising control really exists in the St. Louis area--or, indeed, in any local market. I must simply state that from the time I was first asked to join the Board as a public member I assumed that such a need existed. I am confirmed in this by the statements of advertising leaders locally, by managers (past and present) of the Better Business Bureau, and by acquaintances at the top of the advertising industry. I have engaged in some modest research to assess the state of consumer dissatisfaction with marketing practices and have concluded that misrepresentation in local advertising is a real, if not an extremely significant, problem and that efforts by advertisers to improve the quality of communications in local media are worth supporting.

On the other side is the obvious fact that local media are not convinced that the problem is serious. Nor are they particularly responsive to efforts to control misleading advertising by outsiders. Ignoring the possibility of prejudice against self regulation which might affect their incomes, I know that some newspapers and broadcast stations have made sincere and continuous efforts to improve the quality of the copy which they use. These efforts imply that the problem exists, at least potentially. The evidence is mixed. But, I do believe that one reason for the slow and faltering pace at which the St. Louis Board moved can be traced to a failure to assess clearly and objectively the need for this service and the attendant lack of a sense of urgency to supply it.

Faltering Leadership

I have suggested previously that the prime movers in the creation of the St. Louis Advertising Review Board were sincerely dedicated to the task. I cannot here change that opinion, but it is also clear that the original enthusiasm has waned somewhat and the dispersion of responsibility for sustaining the Board's status and activity has taken its toll. The question has to be asked, "How badly do you want a local advertising review board?" The answer in part should reflect some reconsideration of the basic need, as I have mentioned already; or it may reflect that after one year's experience it is now apparent that the effort to establish an on-going review board will be arduous, expensive, and time-consuming. Leadership of this kind of endeavor is only effective when it is highly motivated and not dependent upon the voluntary services of those who are primarily and busily engaged in other activities. A community must have someone who is willing and able to contribute this leadership, or it must face the necessity of paying a professional administrator to handle the work.

Lack of Adequate Funding

A local review board requires funding. I know that at least one early exploration of the feasibility of creating such a board was terminated when consideration was given to the practical aspects of funding the activity. I think in that particular case an overly ambitious program had been envisioned and a correspondingly high financial commitment was involved. In contrast, I am sure that the St. Louis planners imagined that the local board could operate at almost zero cost. This proved to be quite wrong. I have suggested the practical necessity of a professional administrator. In addition, we have learned that such items as insurance, secretarial or electronic transcribing of hearing proceedings, attorney's fees, telephone, travel, and related expenses can all legitimately be involved. I doubt that the lack of funding has been a serious factor in hampering the work of the St. Louis Board up to this time, but I am sure that it represents a very serious problem as we face the future. It is a factor which should be resolved at the outset.

The Handling of the First Complaint

I mentioned earlier that the first and only case which the local Review Board has heard was a complete disaster. I have indicated some of the reasons why it went so badly. The case itself was probably not well selected as one with which to start. Notwithstanding this, it appears in retrospect that the preparation of the complaint, its presentation at the hearing, and the handling of the advertiser's response were not carried out with adequate care and skill. I should not and cannot blame anyone personally for this: it is simply additional evidence that the lack of experience in this area made it extremely difficult to know how to proceed. If there is blame to be attached, it must be borne equally by all concerned--including those who conceived and formed the Board initially. To put it very bluntly and briefly, the advertiser in our first case was better prepared for the hearing than either the Bureau or the panel and was far more skillful in managing the adversary relationship which prevailed at the hearing. In view of the fact that the Board had previously discussed the importance of the first case to its long-term prospects for success, it is surprising and unfortunate that it turned out so badly. Perhaps some blame must be placed on the concomitant decision to move swiftly, for there was actually no compelling reason why this particular case had to be pushed to such a fast and unfortunate conclusion.

I realize that if this first case had gone well (even if the advertiser's ads had been cleared) and a precedent had been established for an effective dialogue between advertiser and critic, none of these points would or could be made. However, the first case did not go well. Of course, failures abound in the marketing world, as Tom Berg has so cleverly developed in his book Mismarketing. But there is a particularly savage effect in failing on the first try. Like the timid adolescent who is rebuffed on his first attempt for a "goodnight kiss," the unsure and fearful organization may retreat to its attic in confusion and disappointment. The adolescent is probably more resiliant and persistent than I think is our Review Board. He will get his kiss on the second try; I am not sure the Review Board will ever try again. How I wish that the first case had been more successful--or, at least, less of a failure. But the past cannot be relived and if the Board is to go on to make its place, it will have to learn from this experience and adapt its attitudes and procedures to become more aggressive and to be better prepared.

Lack of Understanding of the Retail Advertising Climate

I also believe that a misconception of the retail advertising climate contributed somewhat to the difficulties of the St. Louis Advertising Review Board. I have inferred from the report of the chairman of the first review panel that there was a serious lack of perception of the environment in which used car advertising is used. There was a similar naiveness concerning the behavior of the retail operator. Board members, in general, are far removed from the competitive arena in which the small businessman struggles. His is a vicious struggle in which the goal of survival more than justifies the use of any means available. When challenged to defend or explain the means, including potentially misleading advertising, the threatened advertiser responds by equally unexpected methods in attacking those who are attempting to control his behavior. Those who are involved in the day-to-day work of the Better Business Bureau and in the self-regulatory activities of the major media and merchants associations have learned to anticipate this kind of reaction and are prepared to meet it. Regretfully, the local Review Board neither anticipated the response nor was it prepared to cope with the events as they developed. I have mentioned previously that the Board was not briefed on these things. I am stressing here that they were not sufficiently aware of the retail advertising environment to have anticipated these problems on their own. I think that I have some feeling for this environment, for I have worked with Better Business Bureau seminars on the topic. But I did not attempt to help my fellow board members understand it, and I fault myself for failing to recognize the need to do so.

The Liability Issue

Liability suits for damages claimed by an advertiser are bound to arise in the process of self-regulation. As I have already mentioned, this contingency had been anticipated and provided for. It was, however, an unexpected revelation to the members of the local Board and their sponsoring organizations. The concern, however, quickly became a smoke screen covering other reasons for declining interest. Some dissonance might well have been expected--both because of the failure of the first case and the unpleasantness associated with it. To this point in time, however, the Board had not met to deal candidly with the concern over the liability issue and I am reasonably hopeful that this question can be quickly and reasonably settled.

Lack of Public Regulation of Local Advertising Abuses

The National Advertising Review Board has a distinct advantage compared to the typical local board in that it can refer unresolved cases to the Federal Trade Commission or other appropriate agency. There is no effective St. Louis ordinance governing advertising. Several consumer protection bills were placed before the Board of Alderman last year, but none was enacted. In fact, the advertising community, for various reasons, opposed these proposed ordinances. The State of Missouri has a consumer protection law and the office of the Attorney General investigates and prosecutes violators. However, the consumer protection office is small and underfinanced. It cannot follow through quickly or thoroughly on advertising complaints. Those who engage in misleading advertising probably recognize the lack of a strong enforcement agency to which the local board might refer unresolved cases. The impact of public disclosure of a violator has not been judged to be nearly as significant to a local seller ~~as it~~ might be to a national advertiser. Serious doubt has been expressed that this exposure would receive adequate attention in the local news media or that it would represent much of a punitive threat to those involved.

Educator Involvement in Local Self Regulation

When it was first decided that I might make a presentation at the Academy meeting, I initiated an effort to identify other teachers of advertising involved in local review board activities. Since I was interested in also learning more about other local boards, I elected to go the route of first locating these boards and then identifying educators working with them. I had great difficulty in discovering where these boards are operating, and I am in as much uncertainty today as I was several months ago about other advertising teachers' concern with the problem to which I have addressed myself. I must rely on the judgment of Ken Atkin that my interest is neither quixotic or parochial and that you are also interested in the ways in which advertising educators can get involved or make a contribution to self-regulation of local advertising.

Let me now first consider what the educator's potential role in this process should be. It is not easy to determine, because by the very nature of self-regulation educators involved in review board activities are not regulating themselves. They are merely helping others to do so. Of course, the same can be said of public members generally. But the business educator, including the advertising teacher, does have roots in the business community and he should be concerned with the problems of the businessman in regulating his own behavior. This dual perspective of the educator puts him in a particularly useful, but difficult, position with respect to self regulation. Assuming he can control his own biases--either as consumer or consultant--he is in a position to be the most objective participant in review board activities. At the same time he is probably the most informed individual who could be involved in the process. As an educator he is familiar with the needs and demands of the consumer, the objectives and methods of consumer activists, the mechanics and theory of mass communications, and the practical aspects of business decision-making. I became involved in the St. Louis Review Board activities because I am an educator--not because of any outspoken position as a consumerist or because of my consultation role with advertisers and agencies. As an educator, I think I have been able to contribute something to the very limited activities of the Board--including my present efforts to help move the Board off of its limbo status and to again become active in the local self-regulatory process.

I am going to suggest, however, that while this kind of involvement is interesting to the educator and probably useful to the self-regulatory process, a much more meaningful educator involvement might be developed. I will look at this in three ways. First, I see a genuine and imperative need for educators to initiate research to identify and measure the extent of the problem of misleading advertising at the local level, to assess the need and prospects for regulation (including public and voluntary), and to determine the most viable approaches to local self-regulation. With regard to the extent of the problem, I am presently convinced that there is a genuine opportunity to improve the general quality of mass communications in local media. However, I have not seen nor heard of research to measure and document the nature and extent of this problem. Among the areas of social concern related to advertising, the question of the misuse of advertising in the local marketplace certainly deserves some attention. Hopefully, it can and will be undertaken.

More directly related to the experience of the St. Louis Review Board, and presumably of other communities, research is needed to assess the need for regulation--either public or private--to control the abuses of advertising in the local area. I would see this research as closely correlated with the assessment of the extent of the problem.

Whether self-regulation itself is a meaningful approach to the control of local advertising is still uncertain. The Better Business Bureaus have been active in the campaign to improve local advertising for many years and ~~there is~~ some evidence to support the Bureaus' belief that they have made progress. Whether the Bureau approach, Bureau work supported by other mechanisms (such as the local review board), or an altogether different method is the most viable generally--or for selected marketing situations--is worthy of study.

I believe the educator-researcher is in the best position to assess the need for self-regulation and the viability of all alternative approaches, since ~~he is not~~ only informed about the problem and methods which have been attempted in the past, but he is relatively free from commitment to any of them. He also, hopefully, has access to resources within the academic community which could bring entirely new and creative suggestions to bear.

The educator has another unique opportunity to play a part in the regulatory process. My concern here has been with self-regulation; but the educator cannot, in good conscience, restrict his involvement in the effort to improve advertising to those activities which are voluntary. Business educators, with a few exceptions, have been reluctant to take part in the political process and have seldom lobbied for the enactment of legislation. Perhaps the more comfortable role for the educator is to serve as an information resource for those who are responsible for the enactment of appropriate laws and ordinances concerning advertising. Whether the educator chooses to play a passive role or decides to engage actively in the legislative process, he should, I believe, be involved. Public policy is presumably the expression of public interest and need. We exist in a countervailing society and the educator cannot insulate himself completely from the world around him. He inevitably finds himself in one camp or the other. He must oppose or support public regulation and those who prefer to restrict governmental control to a minimum have the obligation to seek viable means by which self-regulation can be made more effective. In my opinion, it is not a question of whether the educator should be involved in the regulatory issue, it is <u>how</u> he should be involved.

The last thrust of the educator as it involves self-regulation is <u>to be an educator</u>. There is an apparent lack of knowledge about local advertising problems and procedures and there is an even deeper ignorance of the problems of self-regulation. I can see a potentially important role for the educator--not as a member of a regulatory body--but as a consultant to it. Educators should belong not on boards but on the policy committees which create them. They might be used extensively on consultive panels. They might be involved in the very tricky business of framing guidelines and standards and testing these for workability in the field. Then the educator can explain the meaning and value of these standards to those involved. And, of course, they can carry the results of this exposure back to their classrooms so that the next generation of advertising people will be better informed and realistically tuned to the problems of local advertising. I am convinced that most businessmen would be better citizens if they knew better how to use marketing and advertising tools effectively. The task is to get them to listen, to think, and to understand the problem. This is what educators do, and what they probably do best. To educators, I suggest we go out and look for these opportunities. To those practitioners who are with us this afternoon, I suggest you come to us and ask for this kind of help. Either way, let's get more involved.

YES, VIRGINIA

THERE IS ANOTHER BOOKSTORE

OR

WHEN WE SAY FALL DOWN

WE DON'T MEAN HURT YOURSELF

* STUDENTS ADVERTISING FOR EXPERIENCE (SAFE)

by

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In this paper I am supposed to relate what it's like to form an ad copy and layout class into an advertising agency.

Borrowing from the "Slice of life" technique of television commercials, let me set the scene for you.

The time is 4 p.m., February 27, Kansas State University. The ad copy and layout class has been in session for about an hour and a half. It has about 20 minutes to go. The students until this time have been working in clusters of two's, three's and four's. They have been drawing thumbnails, comprehensives, writing copy, and yes, bullshitting. I, the teacher, have felt much like an intruder; no one seemed to want my help, or need it.

A group of five students, who have been huddled near the window, approach me.

"We've got to do something about those KPA ads." (We have promised the Kansas Press Association 30 camera-ready ads which we will present to them at their April 6 state convention. The ads will be for self-promotion.)

An assessment is made of the situation. There are about 18 ads in various stages of completion. Headlines need to be written, or re-written; photographs need to be taken, or re-taken; copy needs to be written and polished.

There is much discussion, during which ideas are presented for a few more ads; six picture sessions are arranged; two students volunteer to investigate the cost of having type set and to obtain type-specimen books from the printer. Another student volunteers to coordinate the efforts of the class and to set up a production schedule for completion of the KPA ads.

Two other students, who have been working with an off-campus bookstore, appear frustrated. As they approach me, one says:

"How the hell do you convince a guy that an ad which says, 'Yes, Virginia, there is another bookstore,' won't get students into his place of business?" We discuss the fact that he is reminding 15,000 students they have another choice and is giving exposure to the competition. (In fact, the other bookstore located on campus is more convenient, more pleasant to shop in; it has better prices, better service, and other plusses.) The students make a list of advantages and disadvantages and resolve to convince their client that he needs incentives to lure students to his place of business.

Another group has a set of problems: They submitted a comprehensive to the paper, and it was run in that stage. Whose fault was it? The ad rep's, they say. (I will have to check.) Also, the client has two clothing stores and wants to use store clerks for models. Until now, he has thought of advertising only when the space salesman appeared and said, "I'm here to pick up your ad. Is it ready?" He has changed his method and currently has scheduled 19 ads in two newspapers and has designated what he will promote, size of ad, and when and where it will be run. He is pleased with the class effort, but they are having problems coordinating artwork, photography, models, ad schedules, rates, production, etc.

Two girls show me a dozen or so design layouts they have done for a cattle magazine. The editor has agreed to purchase for $10 to $25 per ad whatever they send that he can use. The ads have a fresh, creative appearance and the general themes seem to have a logical appeal. I bow to their expertise in communicating with cattle breeders.

So the afternoon goes. I advise a couple of students that an audience survey for two television bank commercials would be worthless. (One would be carried during a televised K-State basketball game; the other in the clutter period following a rather mediocre week-night program serial.)

It is almost 5:30 p.m. The class has run overtime by more than an hour. I will see at least half the 17 students again before class convenes for the next session.

The ad copy and layout class at Kansas State University functions as an advertising agency. We have real clients, real budgets and real advertising marketing problems. We exult in our successes; we despair over our mistakes and failures. We are, in short, accountable for our actions.

Accountability was the ingredient I found lacking in four previous attempts at teaching ad copy and layout. Sure, I had the power of grades. But that made the students accountable only to me. I made the assignment. I judged the product. I evaluated the student's total performance for the semester. But, back of it all, was the knowledge on the part of the student that he was doing it for the teacher, for a grade. I could never fully dismiss the thought from my mind that they must be saving all their "good stuff" for the real world.

Background and Rational for Restructuring the Class

In past semesters I had always welcomed businessmen from the community who sought my help with advertising problems, although I did not solicit them. I would invite the person to present his problem to the class, after which we would work up an advertising program to suit his needs, be it a special promotion or a seasonal campaign.

The students became enthusiastic over this type of assignment. They worked diligently in behalf of the client and in so doing were exposed to the whole spectrum of advertising; product and market analysis, creativity and production, copy writing, media search, etc.

There were two major drawbacks, however, to this type of learning situation: (1) the "clients" who came to us were often on the verge of bankruptcy, or were on such a limited budget they couldn't think beyond a 2 x 4 newspaper ad, and (2) the students perceived they were doing the work for me and not the client.

Reproduced below is an ad that is representative of the caliber of advertising that appears in the local media in Manhattan, Kansas, a university town with a population of approximately 26,000 excluding students.

There are things obviously wrong with this advertisement. If you judged its communicative effectiveness on a scale of one to ten, it would do well to get a one rating. It lacks visual appeal; the graphic design of the ad is atrocious and the worst thing of all: Woody's Ladies Shop is an unaffiliated spin-off from a much larger, more prestigeous men's store, not the newer women's establishment.

It was the above ad which finally caused me to reach the decision that something could be done about poor local advertising, while at the same time serving as a learning experience for my students.

Plan of Action

I showed the ad to the class and suggested that we might organize into an advertising agency. I pointed out the responsibilities the class would have to assume, the benefits they might expect to obtain, and the possibility of failure of the whole scheme.

The class was unanimous in its approval of the idea. Subsequently, we discussed areas of responsibility, possible clients we might solicit and the organizational structure by which we might get work accomplished. They chose sectors of the community they would like to work with, then isolated specific clients they would make a pitch to.

Basically, the plan was to gain a client and invite him to visit the class to present his advertising problems. In the beginning the entire class would brainstorm to determine strategy for accomplishing objectives of the client. During this period two or three students--depending on the amount of work involved--would be assigned to specific accounts. Volunteers were given preference of choice whenever possible. One person was appointed to serve as account representative or liaison, with the understanding that he would let others serve in this capacity.

We decided to charge the client for basic expenses incurred in the production of the advertisements. This amounted to $5 per photograph and from $5 to $10 for each camera-ready ad we produced.

We made an effort to gain as much control of the budget as possible; we wanted the responsibility of media buys, determination of ad size, production, etc.

Our original accounts were a ladies' shop, bank, travel agency, bookstore, waterbed outlet and a major newspaper, the Topeka Capital-Journal.

The students' initial taste of the agency business was bitter sweet. The bank, with deposits of almost $38,000,000 was not about to turn its affairs over to a group of amateurs. Three representatives from the bank appeared before the class and were totally inflexible in their approach to what an advertising program should do.

The owner of the travel agency literally came in on his knees begging for help. The owner and ad manager for the ladies' store were rather authoritarian and irresolute in their perceptions of what type of advertising they should be doing. The bookstore owner was estatic over anything that was produced for him. The students produced several comps for the waterbed outlet but wrote the organization off after he said, "Great, have those reduced to 2 x 2 and run one every other week."

The most prestigious account was the Topeka Capital-Journal which took our comps, storyboards and ideas and produced three television commercials, several newspaper ads, and a saturation billboard campaign. They also insisted on allowing the class to collect the agency commission, which amounted to almost $500.

The bank account was also very productive, leading to the creation of billboards, newspaper ads, television commercials, radio spots, direct mail pieces and special promotions.

Benefits to the Students

Forming the class into an agency brings many benefits to the students: It (1) provides actual experience in dealing with real advertising problems, (2) brings classroom lectures and laboratory assignments into a "real-world" perspective, (3) gives the student a broader perspective of advertising, (4) brings him into contact with persons he will be working with; printers, photographers, clients, artists, advertising representatives, (5) helps the student compile a portfolio of work and (6) aids the student in deciding whether advertising--especially an agency experience--is really the career choice for him.

Benefits to the Department

In this instance: Editor and Publisher (October 28) ran a full-page story about the class. The same story appeared in the Kansas Publisher, official publication of the Kansas Publishing Association, and in numerous newspapers throughout the State. There was also a five-minute taped feature about the class which was carried on the Kansas Radio Network.

Publication of these stories gained the Capital-Journal account and a commission from the Kansas Press Association to create from 25 to 30 ads to promote Kansas newspapers.

There has been a decided increase in the number of calls which have come to our Department announcing job vacancies and internships.

The Department has strengthened its ties with the State press and with local businesses who now have a clearer picture of the task we are trying to accomplish and the level of competence of our students.

And, of course, Kansas State University is being represented for the first time at the annual meeting of the American Academy of Advertising.

ADVERTISING COURSES FOR WHOM: ADVERTISERS OR CONSUMERS?

by

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Advertising, consumerism and consumer psychology are very much in the public eye these days and teachers, teaching advertising and marketing courses, see themselves, and are seen by others, as torn between opposing polar orientations. A survey of one group of teachers of advertising and advertising-related courses shows most such teachers orienting their courses, predominantly, toward the interests of the marketplace "professionals" rather than that of the general public. Yet humanistic and social conscience considerations would seem to demand the opposite. Several alternative, possible positions are considered and a practical, ethically supportable position is indicated.

* * * *

During the past several years, concomitant with the growth in Consumerism, there has been an increasing feeling of identity crisis among those of us who teach any of a variety of aspects of the field of advertising. Perhaps not as sharply and poignantly among those of us who teach in a Business School setting--but certainly, very much so for those of us who propound our specialty in Schools of Journalism, in Departments of Mass Communication, and/or in Liberal Arts Colleges. For, more and more, all of us as teachers, as academicians, and as researchers are being questioned, and are questioning ourselves, as to just what we are doing, how we are doing it--and to what end and purpose.

Specifically, and in particular, I am concerned here today with the question of what is our underlying purpose and goal when presenting courses in Advertising, Psychology of Advertising, Consumer Behavior, and other, cognate courses by whatever other label we identify them. Are we directing ourselves primarily to the training of future practitioners in advertising and marketing so that they may do a better job in their work? Or, are we educating our students in general, as present and future consumers, to be more aware of the ways in which the professional persuader operates? What are the implications of these quite different orientations; and what are the directions that we, as professionals, as citizens, and as teachers, ought to espouse?

It is, or should be evident that the teaching of those aspects of advertising which involve the interests of consumers pose an antinomy for the teacher. At one extreme, these courses could be presented, and often are, as strictly "craftsmanship" courses designed to equip and prepare the student as a future professional in the field of "persuasive communication." The aim and emphasis is on utilizing, and even exploiting, our communication expertise, principles, and technology in the service of the business world. At the other extreme, courses such as the above may be presented from the "humanistic" point of view, with the teacher always cognizant that knowledge is power, and that power may often be misused; and who, therefore, directs himself to educating the consumer as to the social science principles, techniques, and devices that can be and sometimes are, used to his (the consumer's) disadvantage.

Where, as between the above two poles, do we as "professors" stand? As members of a learned profession, do we place the interests of society as a whole, and consumers especially, first and foremost, and present only those aspects of our expert knowledge which will serve to sensitize and alert consumers as to the ways in which commercial persuaders might manipulate them? Or, do we, as teachers of technology disclaim any responsibility as to how, and to what end, our knowledge is applied and simply serve those interests that pay us best? And, if that most often places us, directly or indirectly, on the payroll of business and industry, showing them--the advertisers, the persuaders--how to best exploit their marketing opportunities--i.e., the consumer--well, that's the way the real world is, and it is not our responsibility to change it.

Or, is there a specific point, or perhaps range, in between these extremes as to where our responsibilities as academicians, teachers, and citizens lie?

Also, and perhaps most importantly, if there is such a middle ground, to what extent do our actual practices in the classroom deviate from such a desired and approvable position?

As it happens, I had occasion during this past year to obtain some direct, objective data on just how some teachers of advertising (and a number of other, advertising-related courses) orient or "pitch" their own such courses; and, what they perceive to be the orientation of such courses given by others. Circumstances, outside of the scope of this paper, made it desirable to contact those teachers of a number of advertising and advertising related courses who also are psychologists. Accordingly, questionnaires were sent, in April of 1972, to 351 of the 449 members of the Consumer Psychology Division of the American Psychological Association. Of these, a total of 168, or 47.1% were returned.

In this questionnaire, I asked the respondents to answer, in effect, four questions. In the first question I asked: "With regard to courses offered (by others than yourself) at the collegiate level, with such titles as 'Consumer Psychology,' 'Consumer Behavior,' 'Consumer Research,' 'Advertising Research,' 'Psychology of Advertising,' etc.,--how familiar are you (as either associate or friend of the teacher, or student) with the content and orientation of such courses?".

Of the 161 respondents who answered this question, 12.4% indicated that they knew the content and orientation of such courses "very, very well," 28.0% indicated that they knew such courses "moderately well," 24.2% indicated that they know such courses "slightly" and 35.4% answered "Do not know at all." In short, over 40% knew the content and orientation of such courses either "moderately well" or "very, very well"; while nearly two out of three (64.6%), or a total of 104 different respondents, indicated that they knew at least something about such courses being given by others.

Next, in answer to the question, "To the best of your knowledge, or judgment, are these courses presented primarily as profession-oriented training for marketers and/or advertisers or as general education for consumers and/or scholars?". The respondents were asked to check their judgments on a six point scale ranging from "Consumer Interest" at one extreme to "Professional Training" at the other extreme. Their answers were distributed as follows:

Judgment of Orientation of Courses Taught by Others
(Percentage of those responding)

3.0	7.0	11.0	11.0	46.0	22.0

Consumer Interest ... Professional Training

$\underbrace{\text{3.0 + 7.0 + 11.0}}_{21\%}$ $\underbrace{\text{11.0 + 46.0 + 22.0}}_{79\%}$

It is clear that the 100 or so respondents who knew enough about these kinds of courses to rate them, judged them to be predominantly "profession" oriented. In fact, when we take the 65 responses from the individuals who had indicated that they knew such courses either "moderately well" or "very, very well," we find that the "Professional Training" half of the scale is checked by 86% of the respondents as against only 14% whose judgments fell in the "Consumer Interest" half of the scale.

The third substantive question asked was "Do you, yourself, teach (or have taught in the past ten years) courses in any of the following (or their equivalents)?". Multiple responses were provided for, and the answers were as follows:

Courses Taught by Respondents

	No.	%
"Consumer Behavior" or "Consumer Psychology"	55	32.7
"Consumer Research" or "Advertising Research"	33	19.6
"Psychology of Advertising"	24	14.3
Any other "Advertising" Courses	16	9.5
"Marketing Research"	33	19.6
Any other "Marketing" Courses	31	18.4
Do not teach any courses like the above	(87)	(51.8)
Total (Teaching) Responses*	192	114.2
Total Respondents	168	100.0

(* Equals more than 48.2% because of multiple responses)

Even with a little over half of our total respondents (51.8%) indicating that they did not teach any course in the category under consideration, the number and distribution of courses which were indicated as taught is quite impressive. Nearly one out of three (32.7%) of our total respondents teach a course in either Consumer Behavior or Consumer Psychology. Nearly one in five (19.6%) teach a course in Consumer Research or Advertising Research and another (overlapping) one in five teach a course in Marketing Research. One in seven (14.3%) teach a course in Psychology of Advertising. In toto, the 81 respondents who indicated that they do teach courses in this category, checked a total of 192 different courses. Considering that this is based on actual responses from well over a third (37.4%) of the entire membership of the group contacted, this is quite a tally.

And now for the final item in the questionnaire. The respondents were asked: "In presenting such courses as the above, do you structure them primarily as profession-oriented training or marketers and/or advertisers or as general education for consumers and/or scholars?". The self-evaluations that were given in response were distributed like this:

Judgment of Orientation of Courses Taught by Respondents
(Percentage of those responding)

6.2	7.5	15.0	12.5	28.8	30.0

Consumer Interest — 28.7%

Professional Training — 71.3%

Note that the general distribution of these judgments, as to how their own courses are oriented with regard to the consumer/marketer dimensions, is very much like the distribution of judgments with regard to courses given by others. Though there is an indication of a somewhat greater tendency to stress the "Consumer Interest" end of the scale (28.7%) than was true in the case of courses given by others (21%), the predominant (71.3%) orientation is still in the direction of "Professional Training"--i.e., towards stressing the marketer's point of view. Perhaps this should not be so surprising, considering the areas with which each of the respondents identifies himself. When asked to indicate their "own primary area of expertise, practice and interest," "marketing research," "product testing and development," "advertising" and "advertising research" were specified by fully one out of every four of our respondents (25.0%). "Consumer psychology," "consumer behavior," and "consumer research" were named by almost as many--22.6%. And another, better than one in ten (10.7%) indicated their interest as being "consumer psychology and marketing" or "consumer psychology and marketing research." The only other sizeable category of expertise was one in seven (14.3%) who indicated being in "industrial and organizational psychology."

The difference between the judgment of orientation of courses taught by the respondents themselves as against their judgment of orientation of courses taught by others, though small is perhaps meaningful. We might hypothesize that there is a tendency by the respondents to be a little bit more objective in their judgments of courses by others and hence that our respondents rated the latter as somewhat more marketer (or "Professional") oriented than the courses given by themselves. In the other instance we might expect some tendency, at least among a number of those answering the questionnaire, to rate their own courses as being more nearly in line with the more socially acceptable and ethically supportable "Consumer Interest" orientation. This hypothesizing is given some slight support by a further analysis of the ratings assigned to the courses taught by others. Here, if we take the judgments of only those individuals who indicated that they were "moderately" or "very, very well" informed about the content and orientation of such courses, we find that the percentage of judgments that fall in the "Consumer Interest" half of the scale goes down from 21% to 14%, while, concomitantly, the percentage of ratings at the "Professional Training" half of the scale goes up from 79% to 86%.

At this point I am not overly concerned as to whether this difference is, or is not, statistically significant. This entire conjecture is very "iffy" anyway. But the directions of indications here are at least consistent.

In addition to all this, an examination of the ratings shows that not only does the predominantly "Professional Training" orientation hold true for all of these courses in combination, but also for each separate course in particular. The numbers here, of course, are smaller but in each instance about two-thirds to three-quarters of all the judgments are in the "Professional Training" half of the scale.

One final, statistical tidbit. The judgments of orientation of courses given by oneself as against courses offered by others should, reasonably, be correlated. One could postulate, and rationalize, a priori, either a fairly high positive correlation or, contrariwise, a fairly high negative correlation. In fact, the ratings are correlated positively, but only to a very moderate degree. The product-moment correlation between the ratings comes out to be plus 29.2.

All of which raises the question as to whether we are in fact dealing here with an unidimensional continuum. As a matter of record, a number of the respondents questioned the extent to which the scale on which I asked them to rate their judgments of course orientation, did in fact constitute a scale or continuum. In actuality, of course, this is not a very clear, unidimensional continuum. But for practical, rough and ready analysis we can consider it such and the ratings indicated that for most of our respondents, this was a scaleable dimension. They did see their courses as being, more or less, oriented towards either marketers or consumers. And no wonder! This is the way that most practitioners in marketing, advertising, and the persuasion-communication field see it.

It may be, as was pointed out by Shirley Young, Executive Vice-President for Research Services at Grey Advertising Inc., that "The 'good-guys--bad-guys' approach to the consumerist movement is not only silly but downright dangerous to our society's welfare."[1] But that, I believe, is the way that most people in the field do look at it. Even she herself, in presenting the thesis that we should differentiate between four different approaches to the consumer-marketer problem, still ends up with a dichotomy of consumerists versus marketers. She makes an excellent, and illuminating differentiation between consumerists who are "Constructive Consumerists" and those who are "The Militant Moralists." The latter she characterizes as "...that small but highly visible segment of the consumerist movement, who tend to function as self-appointed experts on other people's needs and feel they know what's 'good' for the poor, ignorant, misled consumer."[2] She also makes a parallel differentiation between "Responsible Marketers" and "The Deliberate Deceivers," "... that small, but, alas, also highly visible segment of the marketing world .... (whose) motto might be expressed as 'I don't care how I sell the stuff and make a fast buck as long as I don't get caught.'"[3]

The trouble in our Paradise, according to Miss Young, is caused primarily by the depredatious behavior of the "Militant Moralists" and the "Deliberate Deceivers." She then goes on to point out that:

> "The vast majority of both consumerists and marketers fall into (the Constructive Consumerist and Responsible Marketer) categories ... . They have much more in common than the inflamed rhetoric on the subject indicated.
>
> "They both would agree in essence with ... the belief that satisfying consumer needs is the prime objective of marketing, and that consumers should be allowed freedom of choice in satisfying them."[4]

Which last suggests to me a reconceptualization as to what the consumer-marketer controversy really is, and what are the implications for the teacher of the kinds of courses we have been considering here.

I would like to propose that the possible alternative positions of the educator do not constitute a simple, Aristotelian dichotomy. Quite the contrary. Instead, I propose for our consideration here, what I regard to be the four or five actual alternatives:

1. The Unconcerned and Uncommitted position--This is the "pure scientist" position--the position of the academician who considers himself a scholar and/or researcher--first and last. He deals with the phenomena and principles that operate in the marketplace only as scientific principles. What applications are made of those principles--and who gains or loses thereby--are not his concern.

   (I would like to believe that he belongs, in this day of greater social awareness, to a vanishing breed. But I could be wrong!)

The second and third alternatives are The Concerned and Committed positions--The subscribers to these positions fall in either of two, polar opposite categories--either as:

2. The educator who sees himself primarily as trainer of practitioners (i.e., marketers and advertisers). He is more typically found in Schools of Business Administration and Departments of Marketing, and sometimes in Advertising Departments of Schools of Journalism and Mass Communication. He sees his primary mission as the training of tomorrow's professional "sellers" in the most effective application and utilization of such knowledge of consumer behavior as we may have.

   (That this extreme instance of this class is not an imaginary one, is attested to by a presentation that was made at the 1971 joint meetings of the Consumer Psychology Division of the American Psychological Association and the 55th International

Marketing Congress of the American Marketing Association in New York. At those meetings Dr. Edgar Crane presented this position quite forcefully, logically, and obviously, sincerely. The opening sentence of his presentation was: "Consumer research has been, must be, and should be done in the interest of the seller, not the consumer." And then, a little later, he went on to say "College courses are designed to teach people how to earn a living, not how to live, how to make money, not how to spend it."[5]

3. The other, polar opposite of this position is that of the Concerned and Committed individual on the other side of the fence, namely: The teacher who sees himself as educator of the public (i.e., the consumers). He starts with the ethical assumption that he has an obligation to serve "the greatest good to the greatest number"--and that consumers are, by definition, that "greatest number." And countrariwise, that marketers and advertisers are, by general agreement, a self-interest monority--to serve whom is to prostitute one's science, expertise, and social consceience. This orientation, or something closely akin to it, is most often found in the Psychology Department and occasionally in the School or Department of Mass Communication.

4. Concerned but Uncommitted position--This is the position of the educator who finds both of the preceding polar positions untenable and who tries to assume an intermediate, compromise orientation, in which he feels he cannot be accused of having sold his soul to the Mammon of trade, nor has mawkishly fallen prey to the unrealistic consumerist idealism which loses sight of the real world necessities and imperatives of a free-enterprise society. This is the position that was exemplified by Alin Gruber when, at the aforementioned 55th International Marketing Congress of the American Marketing Association in New York, he stated:

   "Consumer research is the 'voice' of the consumer to the 'establishment'. Most consumer research is executed for 'the establishment'. But the point to keep clear is that the way in which consumer research serves 'the establishment' is, in fact, by continuously measuring, reporting, and interpreting consumer satisfactions, dissatisfactions, wants, and opinions to the producers of goods and services. By representing the consumer (to the extent that this is done with precision and accuracy) consumer research is in fact serving the consumer."[6]

   One highly touted version of this position is the one that proposes the principle that, fundamentally and ultimately, "anything that serves the buyer also serves the seller"--and the usually unstated inverse corollary, that "anything that serves the seller also serves the buyer." That the last is not necessarily so was underscored some years ago by what followed the assertion by former Secretary of Defense Charles Wilson that "What is good for General Motors is good for the country."

So, we have four alternatives: 1) the Unconcerned and Uncommitted position, 2) the Concerned and Committed position which espouses the professional training emphasis, 3) the Concerned and Committed, which espouses a consumer education emphasis, and 4). the Concerned but Uncommitted orientation which assumes an intermediate, compromise position.

Does this exhaust the alternatives? I don't believe so. Let me propose a fifth alternative which is related to the last mentioned orientation, but really belongs as another, third alternative in the "Concerned and Committed" group. This is the position that the Advertising educator has a responsibility, even an obligation, of servicing both the marketer and the consumer; that it is ethically permissible to teach the persuader the most effective tools and techniques of persuasion just as it is ethically incumbent upon the educator to also teach the consumer to know, recognize, and take into account such persuasive devices as he may be subjected to. This position is based on the assumption that knowledge (for any and all concerned) is better than ignorance; that we do not, in the long run, do damage to the consumer, by providing consumer-behavior-knowledge to the marketer; nor that we do a disservice to the business sector by teaching consumers about the ways in which marketers promote the sale of their products and services. It is a position in the spirit of an older dictum that instructs us to "Render unto Caesar that which is Caesar's . . . ."

This is not merely the finding of an intermediate, compromise between the polar extremes of consumerism versus caveat emptor, but rather the acceptance of the possibility, nay desirability of training the professional and educating the public even, and perhaps especially when some of their interests are in direct opposition.

If this poses problems of ambivalence and momentary conflict for the teacher--so be it. Some of us will just have to learn to live with, and enjoy such dual roles just as some of us, as academicians, have had to learn the benefits of suspended judgment rather than the more natural and easy jumping at conclusions.

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PERFORMANCE CONTRACTING --

GOOD OR BAD?

by

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The fatal error of American schooling at almost every level is that it is concerned with providing answers instead of providing experiences from which students can learn. Even in most courses that attempt to provoke thought, the instructor spoils it all by providing his summary, and, finally, by evaluating his students on their understanding and remembering the results of other people's thinking rather than on evidence of their own thinking. This error is not crucial for the fortunate few who learn early that schooling is not education but it is at best a feeble scaffold on which an education can be built.

Every teacher, if he is to assume his leadership role, must impose some responsibility on his students. The most difficult condition to impose - both for the teacher and the student - and the most valuable, is the responsibility of the student for his own effort, progress, and his evaluation.

(Daniel W. Robinson, Phi Delta Kappa, LIII: 141-2, October 1971)

* * * *

Robinson's words had a very profound affect on me. While I think I have been imaginative and innovative in providing an experience/learning environment in my upper level and graduate advertising courses, I asked myself, "Have I done this in the basic, principles sections"? The answer came fast and easy: a resounding NO! Out of habit, of convenience, or even with the best of intentions, my lecturing approach in Principles is without challenge or opportunity of experience and is therefore schooling. Guest lecturers, movies, and other audio-visual aids may add interest but do not place responsibility on the student or do they stress learning by experience.

I should now like to share with you my latest attempt to provide a more meaningful learning experience. I have called this latest effort, "performance contracting," although it barely resembles the form of educational service now being experimented with in elementary schools in different parts of the country.

Performance contracting as an educational service is usually performed on a macro basis. A firm of reading specialists contract with a local school system or board to increase the average reading grade level by a certain amount based on pre- and post-testing. Many such contracts are on an all-or-nothing basis. The approach to be discussed here is a more conventional micro-level, or 2-party contract also based on pre-determined goals.

As seen in the course outline, Figure 1. (See page 222) each student contracts with me on an individual basis. The student determines the grade desired and what effort will be required to attain that goal. This clearly places the responsibility on the student for his own effort, progress and evaluation. Note that out of concern for the student seeking mere schooling, and ~~out of~~ my fear for those unable to cope with drastic change, the lecture and testing procedures have been maintained. It is therefore possible for the "C" student to obtain this grade by mere attendance and an average of 70 on the tests. A's and B's are a little more demanding. What is probably more important is the opportunity of self-determination or goal-setting inherent in this method.

FIGURE 1. Course Outline: Principles of Advertising, ADV. 334-EXP.

This section will be experimental and more will be required of you than in the conventional section. It is hoped that the methodology employed will make your efforts more meaningful and of an educational variety rather than a mere exercise in schooling.

This experimental section will be conducted using:

1. a modified open-classroom approach
2. performance contract grading

Modified Open Classroom

Every Thursday the class will meet in small groups to discuss text material, examine current advertising problems, evaluate advertisements, etc. A chairman should be appointed by the group and this person should develop an agenda or have topics for discussion ready for the meetings. Chairman and/or groups may be rotated as the groups decide.

On Tuesdays, an hour lecture will be presented. Highlights of the chapter will be discussed and questions and discussion as a group will be encouraged.

These procedures will be reviewed and evaluated periodically. Changes will be made upon the recommendation of the class.

Performance Contracting for Grades

You will have the opportunity to contract with me individually for the grade you desire to earn for the course. Each contract will be specially drawn and negotiable if a change is later desired.

The contracting will operate in the following manner: (a mod is equivalent to approximately 15 minutes of effort, or 1-hour is equal to 4 mods)

Grade Desired	Total Mods Required
A	320+
B	280+
C	240+
D or Pass	210+

Mods will be earned in the following manner:

Attendance: perfect attendance will earn 180 mods (30 meetings of $1\frac{1}{2}$ hours, or 6 mods x 30)

Tests: there will be four tests and an optional final or fifth test that will serve as a make-up or opportunity to eliminate a poor test grade. Each test will be worth 25 mods, or a maximum of 100 mods for tests.

Special Projects

Additional mods can be earned by the completion of special projects. These will be of your own choice, and we will discuss and contract each project individually. An attached sheet will give you some idea of the types of projects that will be acceptable. Please use this list as a point of departure and come up with your own ideas or approaches.

Summary

You will be able to set goals for yourself and have the opportunity to evaluate your progress and performance. The following example will illustrate how an A (320+mods) may be earned:

Attendance, maximum	180	
3 absences	-18	
	162	162
Tests, maximum 100, your four test average		84
		246
Mods that will have to be earned by means of special projects to earn an A		74
		320

Having committed myself to the basic idea, I next examined the possible student interpretation of the outline and realized that if a student so desired, one did not have to attend any classes or take any tests and still be able to attain the goal or grade desired. My experience to date, is that the students do attend class regularly and partake in the tests as they would in a conventional section.

Along with the outline, the students were given a sheet indicating possible special project areas. These are shown in Figure 2. (See page 224) I now have some reservation as to the advisability of providing such a list as it may tend to stifle creative thinking. For some students, it is a necessity.

Figure 3. (See page 225) illustrates the contract form used in negotiations. Two copies were given to each student; one to be used as a working form and the other for the finalized contract. Each student specified the grade desired and calculated the possible means of attainment. They took into account the mods obtainable for attending, taking tests, and those still needed as available by doing special projects. The students were cautioned to provide a safety factor for contingencies.

As seen on the contract form, the students were made aware of scheduling problems as time always proves to be an important consideration. The maximum mods for projects involve two factors; the amount of time to be spent on a given project and the quality of the finished effort. If a project were to take more or less than estimated time, the mods could be renegotiated. All projects were to be evaluated by a peer group and this group would recommend to me the percentage of mods to be awarded the project. A project contracted for 30 mods could be awarded the full amount or 80% (24 mods) depending on the evaluation.

I then met with each student individually and went over the proposed projects. In some instances, projects had to be narrowed in scope and/or made more definitive. Some were to take more time than I thought worth and suggestions were made as to limiting the effort. Emphasis was placed on doing several small projects rather than a large one, to give the student as much exposure as possible to varied experiences. Students were encouraged to meet and talk with people; do things that would be meaningful to them; relate what they were doing in this class to their major area or other courses. Upon initial agreement, the students then re-wrote the contracts and attached a brief narrative description of what they were going to do, and this was approved.

A wide range of projects are currently in work. These include: a recruitment project for the Neighborhood Youth Corps; comparison of target age groups, Life Magazine advertisements, 1961 and 1971; a study of the effect of changing background music on a radio commercial; edit a newsletter for the Community Action Board; a photographic essay on non-verbal communications; a study of weight-control advertising; comparison of local advertising agency operations; trading-up and advertising: the J. C. Penney Store; a survey of prices in food advertising; and, many other both interesting and conventional.

The mechanics of the approach are relatively simple but the time required for administration places greater demands on the instructor. Time

FIGURE 2. Possible Special Project Areas

PURPOSEFUL VISITS AND INTERVIEWS WITH ADVERTISING RELATED PEOPLE AND PLACES (some definite topic or idea in mind ..... must be approved beforehand)

TAPE RECORD SOUNDS THAT EVOKE EMOTIONAL IMAGERY (anger, sadness, beauty, fear, happiness, tranquility, tumult, whatever else) will be played to class to see whether class perceives in the same way.

TAPE MORNING, AFTERNOON, EVENING, NIGHT SOUNDS

PHOTOGRAPH ITEMS OR SITUATIONS THAT SET A STAGE OR MOOD

PHOTOGRAPH ITEMS OR SITUATIONS THAT EVOKE STRONG EMOTIONS.

CUT OUT PICTURES FROM DIFFERENT MAGAZINES OR NEWSPAPERS AND WEAVE THESE INTO A STORY OR A TV COMMERCIAL.

ANALYZE A SERIES OF ADVERTISEMENTS

ANALYZE A RETAIL STORE FROM THE IMAGE CONNOTATED IN ITS ADVERTISEMENTS

EVALUATE A LOCAL MEDIUM

PROMOTIONAL INTERNSHIP FOR A NON-PROFIT, NON-PARTISAN SOCIAL ORGANIZATION

DESIGN AND DEVELOP AN ADVERTISING CAMPAIGN

CRITIQUE ADS WITH A DEFINITE AND STATED PURPOSE IN MIND

ESTABLISH A SCRAPBOOK TO ILLUSTRATE ALL DIFFERENT TYPES AND CLASSIFICATIONS OF ADS

RESEARCH A SPECIAL AREA OF INTEREST

CREATE A VOLUME ILLUSTRATING NON-VERBAL COMMUNICATIONS

A STUDY OF ADVERTISING PRACTICES IN A PARTICULAR FOREIGN COUNTRY

FIGURE 3. Contract Form

PERFORMANCE CONTRACT

For Final Grade in Principles of Advertising
ADV. 334-EXP.

I, ______________________________, a student in ADV. 334-EXP. Principles of Advertising, __________ Semester, 197 , wish to earn a final grade of ____. To earn the aforementioned grade, I understand that I will have to attain ______ mods (a unit measure of such factors as attendance, test scores and special projects of my own undertaking, as explained in the Course Outline.)

It is also understood that there will be a mutual opportunity to re-evaluate and re-negotiate the terms of this agreement at some later date during the semester.

Listed below is a schedule of the projects I will undertake to earn mods: (descriptions of the projects are attached to the contract)

TITLE OF PROJECT	EXPECTED COMPLETION	MAXIMUM MODS TO BE EARNED

Signed this day, ______________ by ______________
(Student)

____
(Instructor)

for working with each student is built-into the course arrangements. On Thursdays, the class meets in small groups and it is during this time that many of the individual conferences may be held.

Is performance contract grading good or bad? It is really too soon to know but early indications are positive. Table 1. (See page 227) shows the results of a survey conducted March 1, 1973. The results would indicate a higher level of interest, more time spent on the course than anticipated, more learning taking place and general preference to the grading system. The concern with tests is a rather interesting measure as 21 are more concerned while 16 are less concerned.

The relative lack of concern with test grades is reflected when comparing test scores of a control group, a conventionally taught class, with the experimental class. Although the grade point average of the experimental section is quite high, the test grades were lower than those of the control class. I attribute this to the lowered dependency on test scores for the final grade.

Performance contracting for their grade appeals to the students for several reasons. The following were drawn from comments expressed on the survey forms:

1. Allows student to set own goal

2. Provides for individual incentive (motivation)

3. Opportunity to learn from experience

4. Emphasis taken off tests for grade

5. Involvement with advertising, real world

The major, and almost singular objection to the approach, is the time consumption.

Some direct quotes illustrate the above points; "If I have a 90 average on my tests, attend class regularly, then I only make a 'B'. I feel this is a bit unfair, yet I feel I am more motivated by this grading system." Another wrote, "It's nice to know that it is really possible to get the grade you want. In some courses, it is next to impossible to achieve a good grade no matter how much studying you do." One student wrote, "It is more representative of one's acquired knowledge in the course," while another said, "It takes the 'education game' element somewhat out of play and demands effort and imagination on my part."

In conclusion, performance contracting holds promise in generating a more responsive learning environment. Learning is said to consist of a vital triadic interaction among learner, subject and teacher. The mechanics thus described helps develop such an interaction. The process of individually and personally negotiating a contract or agreement establishes a direct student-teacher relationship. The method is motivational as students set their own

TABLE 1. Performance Contract Grading Survey: Males, 22; Females, 17; Total, 39.

Age Distribution	Male	Female	Total
under 20	0	0	0
20 to 22	20	17	37
over 22	2	0	2

Class Standing	Male	Female	Total
Seniors	7	11	18
Juniors	13	4	17
Sophomores	2	2	4

Overall Grade Point Average (4.0 scale)	Male	Female	Total
under 2.0	0	0	0
2.1 to 2.25	5	3	8
2.26 to 2.5	8	1	9
2.51 to 2.75	0	1	1
2.76 to 3.0	4	5	9
over 3.0	5	7	12

Grades Desired	Male	Female	Total
A	10	9	19
B	9	7	16
C	2	0	2
Pass	1	1	2

Mod Requirements	Male	Female	Total
Too high	14	9	23
Too low	0	0	0
Just Right	7	8	15
Undecided	1	0	1

Questions Comparing Contract Grading Approach to Pure Test Grading Method

1.

Interest in course	M.	F.	Tot.
More	16	13	29
Less	4	4	8
Same	2	0	2

2. Anticipated time

spent on the course	M.	F.	Tot.
More	17	11	28
Less	5	4	9
Same	0	2	2

3.

Concern with tests	M.	F.	Tot.
More	10	11	21
Less	11	5	16
Same	1	1	2

4.

Amount of learning	M.	F.	Tot.
More	18	11	29
Less	3	4	7
Same	1	2	3

Prefer Contract Grading to Conventional Test Grading	Male	Female	Total
Yes	19	13	32
No	3	4	7

Distribution by Majors

General Business	3
Clothing and Textiles, or Merchandising	9
Telecommunications	3
Marketing	2
Business Education and Secretarial Administration	3
Advertising Art	6
Psychology	1
Advertising	7
Finance	1
Management	2
Undecided	1
Home Economics Management	1

goals and develop their own means of goal attainment. The subject matter is more meaningful as the student chooses his own projects and must actively discover and relate as the result of experience.

The importance students seem to place on grades is indicative of their "schooling" experience. Performance contracting encourages "education."

P.S. The students seem to enjoy the modified open classroom, meeting in small groups to discuss their projects along with subject matter. Two suggestions are offered those contemplating such an approach: structure the group sessions by suggesting questions or topics and limit the meetings to approximately 30-45 minutes.

THE BASIC ADVERTISING COURSE . . .

AT WHAT COLLEGE LEVEL

by

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The schools represented here today all offer the basic advertising course. If we took a count in all of our sections we'd find students from the freshman to senior years. Most schools place the course at the sophomore or junior level. The question for this session is where should it be taught. There are conflicting views on this because at the community colleges it is taught at the freshman or sophomore year, in journalism schools it is taught at the sophomore or junior year, and in the AACSB accredited schools it is taught only in the junior or senior year. There are reasons for these discrepancies and this paper will examine some of these reasons. The community college has a set of problems which vary from the senior institutions. Finally a solution will be presented for community college articulation and in the end a suggestion will be made for the most desirable placement of the principles course.

Perhaps the first area we should examine is the community college. It is common knowledge that the community college system has vastly expanded in some states, while not even instituted in others. In Illinois there are 48 state supported community colleges and the 1971-72 headcount was 187,401.[1] Approximately a third of these will eventually transfer to a senior college. That's over 60,000 students transferring in Illinois alone. The majority of these schools teach the principles course in the sophomore year. At some community colleges the beginning course is located in the career program such as in SuperMarket Management, Advertising Art, Retail Management, Petroleum Marketing, to name a few. On the other hand, the course is also taught in the college transfer program. It should be mentioned that a substantial increase in the number of advertising offerings has occurred at these schools during the past five years. You may recall Dr. Billy Ross's Advertising Education Report of '64 in which he analyzed the advertising offerings of only 77 senior schools where most advertising education at that time was taking place. Today in Illinois alone there are some 40 community colleges offering advertising courses.

Here is an example of what's happening. Triton Community College located at River Grove, Illinois, a Chicago suburb, has an Advertising Art sequence of 65 hours that does not even include a principles course or a course in marketing. However, the Triton Food Distribution sequence does include the first advertising course as well as the beginning marketing course. An examination of dozens of these offerings revealed that each school is using a standard advertising text, and the faculty assigned is qualified to teach the introductory course. Therefore its assumed a genuine college level course is being taught.

Naturally the community college teacher is concerned about the transferability of these courses to a senior college, and many times this is a problem. If one adheres strictly to the AACSB ruling on transfer credit, none of the community college advertising courses would transfer. This ruling rankles the community college teacher and confronts the senior school with a major dilemma. The question put simply is: Should transfer credit be granted for a sophomore course even though you may teach it in the junior year? Parenthetically, there is no restriction of the student transfers to a journalism school.

In September of 1972 all member schools of the American Association of Collegiate Schools of Business adopted a new policy specifying certain courses be taught at the Community College and certain courses be taught at the senior college. Unfortunately the faculties of these two groups do not agree on which courses.

A precise examination of the AACSB Standards Book may be of value: "In general the accredited degree school shall limit transfer credit for business courses which it applies toward its degree requirements, taken at a lower division level, to such courses as it offers at that level."[2] What does this really mean? It means if you teach the principles course at your school in the junior year then you cannot grant credit for the principles course from any school that teaches it at the sophomore year.

The AACSB Standards Book also has a section called "Interpretations." Here they state: "Courses transferred from another school and accepted to meet the baccalaureate requirements of a student should be of such quality as to permit the student to take course work at the next higher level in the same field without significant handicap."[3] Put simply ..... it must be a college level course to allow credit.

Let's turn now to the curriculum area which the AACSB schools are committed to follow: "An undergraduate school of business should concentrate its professional courses in the last two years of a four year program and should offer only a limited amount of work below the junior level."[4] In the "Interpretations" the book states: "Examples of the level of courses which might be offered at the lower division are: "Principles of accounting, principles of economics, business law, statistics, and introduction to business."[5] You will note that Principles of Advertising is not included and therefore at all AACSB schools the course must be positioned at the junior year.

Many AACSB schools close the door all these courses by stating flatly they do not transfer .... period. These schools are not popular among community college faculty. Some schools allow the student to follow a validation procedure. Usually this takes the form of a proficiency exam for any non-transferable course listed in its catalog.

The community college transfer question needs to be resolved amicably by all parties concerned. I, personally, believe in order to do this it will take the effort of the standards committee of the AACSB and the National Junior College Board. We can't do it here today. It appears the only thing we can do is to point up the problem and figure out a way to live with it, without allowing our advertising programs to degenerate.

The business faculty of the Walter E. Heller College of Business Administration of Roosevelt University has wrestled with this problem and has a suggestion which might prove useful to you at your school. It so happens that 72% of the advertising majors at RU are transfer students coming from community colleges. It is imperative for our school to resolve the transfer dilemma and be fair to all concerned. At Roosevelt we believe that our responsibility to the transfer student is one of helping him achieve his highest advertising potential within the offerings of the school. We further believe that it is unfair for us to require him to take the first course over again. Therefore, this year we have instituted a validation procedure whereby the student's three hours credit is held in abeyance until such time as he passes a second course in advertising at Roosevelt with a C or better. In this way the student does not lose credit and can pursue his advertising career in a straightforward manner.

The faculty is satisfied that if the student can pass the second course with a "C" or better he should be given credit automatically for the first course. The student also has the right at RU to take a proficiency immediately if he wants credit upon entering rather than waiting for the automatic validation process to occur. It's up to the student.

Those of us who teach advertising at AACSB member schools believe that the basic advertising course should follow the introduction to marketing course. Under present conditions this means teaching it in the second semester of the junior year. In Journalism schools where advertising is a joint venture with business this same pattern must hold. The disadvantage of this constraint is the student takes his advertising in his senior year.

Personally, I feel that it would be more advantageous for the student to get the beginning course in his sophomore year so he can be exposed to the advertising industry over a two-year period rather than a one-year period. I also feel we should allow the beginning course to be transferred in if it is a legitimate college course.

In conclusion Professor Stein and I suggest that the ideal advertising sequence would be to take Econ 101 and 102 the first year, marketing and advertising the second year and the balance of the course work in the junior and senior years. In this way the student could find his particular calling over four semesters. He could examine his options and adjust his thinking to the career of his choice. With this plan he would not be driven to change careers later when it might be far more costly and inconvenient to both him and his family.

* * * *

FOOTNOTES:

1. "Preliminary Enrollment Data; Illinois Junior College Board Publication; Springfield, Illinois, 1972, Page 5.

2. Accreditation Standards and Interpretations: American Association of Collegiate Schools of Business, Inc.; 1971-1972; St. Louis, Mo.; Page 24.

3. Ibid Page 25.

4. Ibid Page 34.

5. Ibid Page 35.

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