Advertising: The future is now

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There are two forces that are having a simultaneous and compounding effect on the media in Canada today—fragmentation, and the erosion of traditional borders. Nowhere is this more evident than in the world of advertising.

As radio, television, and specialty and pay broadcasters are facing unprecedented competition for the eyes and ears of consumers from a multitude of new media, the traditional models of advertising—the foundation on which the broadcast industry's business model has been built—are increasingly becoming obsolete.

The revolution in advertising isn't "coming". It's already here.

As the pace of life speeds up for most of us, Canadians' leisure time has become increasingly valuable, and we are all thinking strategically when planning our down time. The audience now is less likely to have appointment viewing, and now works entertainment into their schedule at their convenience.

This shift in consumers comes as advertisers are also thinking strategically about the effectiveness of their campaigns. Though many marketers view television or radio campaigns as the gold standard, and for good reasons, pressure is increasing from the executive suite to control spending on advertising and produce figures that ensure that they are receiving maximum return on investment for their marketing dollars.

What can broadcasters do to make sure to reach target audiences?

For starters, we have to think as strategically as the audience and marketers. Innovative strategies include tactical partnerships with sponsors, such as the one undertaken over the past three seasons between CTV's ratings monster *Canadian Idol* and key sponsors L'Oréal and Canada Post. In addition to having their products exclusively featured in the program, L'Oréal also sponsors the "Backstage" section of the Idol.ctv.ca Web site, while Canada Post sponsors the "Inspire" section of the Web site as well as a contest that offers the opportunity to viewers to meet their favourite idol.

Radio broadcasters are also developing strategic relationships with their advertisers. Toronto's CHUM-FM partnered with Mazda for the CHUM-FM Summer Search for Mazdas, a contest in which five 2006 Mazda5s were given away to listeners who could decipher the enigmatic clues that were broadcast several times throughout the day. Listeners could make use of the station's Web site or text message capabilities to review older clues, and could also receive supplemental clues by taking a Mazda for a test drive. This strategic alliance between broadcaster and sponsor made for compelling, integrated content on the station, and resulted in a significant spike in interest for the advertiser.

Branded content can also integrate the program sponsors into the substance of the programming. Good examples of this include TVA's *Ma Maison Rona* and Global TV's *Rona Dream Home*, where broadcasters prominently featured the title sponsor within the popular home improvement programs. The sponsor received significant exposure to an audience who would obviously be receptive. Unfortunately, the CRTC denied the Global program a Canadian content certification because of what they deemed to be too much commercial content. Broadcasters will not succeed in developing innovative strategies to remain relevant to viewers and advertisers if the Commission does not work with them to craft a sensible regulatory framework that allows for these new initiatives.

Television and radio broadcasters still have much to offer to audiences and advertisers, but we need to meet head on the challenges posed by the new models and new rules facing us. Audiences are the ultimate decision makers on what advertising and programming strategies work, and broadcasters must provide them with the sort of compelling content they demand. Broadcasters need to keep pace with the rapidly changing demographics, both in terms of the new youth markets as well as the increasingly diverse audience, and continue to be at the leading edge in adopting the rapid advances in technology, embracing the changes in how content is delivered.

The Future Summit 2005, the CAB's annual convention, will address how broadcasters, advertisers and regulators can work together to ensure that we continue to serve our audience. From November 6 to 8 in Winnipeg, we will delve into these crucial issues as part of three days of panels on the future of broadcasting in Canada. Featuring a stimulating lineup of guest speakers, the CAB convention will be *the* essential industry event of 2005.

For more information on *The Future Summit 2005*, or to register on-line, visit the CAB Web site at www.cab-acr.ca.

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