

EXECUTIVE SUMMARY

February 2002

**S H O U T I N G
T O B E
H E A R D**

Public Service Advertising in a New Media Age



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H E A R D** Public Service Advertising in a New Media Age



When Nike wants teens to buy its newest sneaker, when a congresswoman wants voters to reelect her, or when a drug company wants patients to try its latest allergy medication, they all do the same thing:

THEY ADVERTISE ON T.V.

Written by

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The Kaiser Family Foundation is an independent, national health philanthropy dedicated to providing information and analysis on health issues to policymakers, the media, and the general public. The Foundation is not associated with Kaiser Permanente or Kaiser Industries.

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PUBLIC SERVICE ADVERTISING: PAST, PRESENT, AND FUTURE

In exchange for their use of the public airwaves, TV broadcasters are required to “serve the public interest,” an obligation they can fulfill in part by donating airtime to PSAs. But there are no specific requirements regarding how much time broadcasters should make available to PSAs, and indeed, they’re free to meet their public interest obligations without running any PSAs at all. Cable networks have no statutory obligation with regard to serving the public interest.

Opinions vary about the commitment of time broadcasters have made to public service advertising. On the one hand, in 1997 the then-chairman of the Federal Communications Commission complained that PSA time had “dried up and disappeared like rain in the desert.” Some policy-makers and advocates have argued that more specific public interest requirements should be placed on broadcasters who are granted additional rights to digital spectrum. Many nonprofits have complained about what they say is a trend toward shorter PSAs and have argued that the so-called “PSA-style promos” being used by some broadcasters – in which a network star delivers a brief pro-social message – shouldn’t really be counted as PSAs at all.

On the other hand, the National Association of Broadcasters (NAB) has issued biennial reports documenting substantial public interest contributions of broadcasters, including a record \$1.8 billion in televised PSAs in 2000. And the nonprofit Ad Council, which has coordinated public service campaigns since the 1940s, says the time available to PSAs is generous and has remained steady. The Ad Council has collaborated with networks to try to meet their desires for shorter spots and network branding, and has led the way in working with new media to adapt PSAs to the online and wireless worlds.

During this debate, some nonprofits have begun questioning whether the traditional model of TV public service advertising can work, with its dependence on donated airtime and the uncertainty of its reach. Several groups – including branches of the federal government – have been finding ways to buy ad time instead, which other groups have worried would mean less donated time for their causes. The Office of National Drug Control Policy (ONDCP) has attempted to address this issue by requiring that networks and stations from which the ONDCP buys time have to “match” the paid time with donated spots for other groups, on issues related to preventing substance abuse.

Some groups are beginning to adapt their public education campaigns to the new technologies that are changing the face of media today. The Interactive Advertising Bureau (IAB), founded in 1996, committed to donating 5 percent of its online advertising inventory to PSAs. The Ad Council estimates that it received nearly \$400 million in donated online ad space last year, and several groups have had very positive experiences with online advertising. Others worry about the efficacy of online advertising, noting that the “click-through” rate for banner ads is down from 10 percent of users in 1994 to an estimated 0.5 percent today. Given the volatility of the online advertising world, it remains to be seen what kind of commitment Internet ad firms and Internet service providers (ISPs) will make over the long term and how effective online PSAs will be in reaching the public.

Looking to the future, many other questions face nonprofits, policymakers, and industry leaders: What place will public service advertising have in a 500-channel digital TV universe? Does a wireless future mean Smokey Bear will be giving his fire prevention tips from campers’ Palm Pilots? Can convergence be a positive force for public education? How do privacy concerns affect public education campaigns? Will viewers use personal video recorders to zap all their TV ads, including PSAs? What impact will media mergers have on public service advertising?

These and other questions will need to be addressed if public service advertising is to continue to play a significant role in raising public awareness about critical social issues.

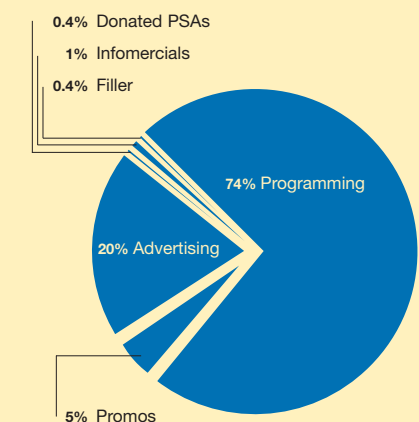
A REPORT ON TELEVISION CONTENT

Documenting the nature of public service advertising on television today can be challenging. In order to address that challenge, the Foundation commissioned the most comprehensive study of public service advertising ever conducted. The study, conducted for the foundation by Professor Walter Gantz and Nancy Schwartz at Indiana University, analyzes a composite sample of a week’s worth of television content on each of 10 different cable and broadcast channels. The sample was drawn from programming aired between February and July 2000. The channels included in the study are the major broadcast networks ABC, CBS, Fox, and NBC; the dominant Spanish-language broadcast network, Univision; and the cable channels CNN, ESPN, MTV, Nickelodeon, and TNT. From each channel, programming was sampled in seven different markets across the country to take into account regional differences that may exist. A total of 1,680 hours of programming was analyzed, including 906 PSAs for which stations donated airtime, and 520 paid PSAs, for which sponsors bought advertising time.

AMOUNT OF TIME DONATED TO FREE PSAs

- Overall, broadcast and cable networks donate an average of 15 seconds an hour to free PSAs.
- This represents just under one-half of 1 percent of all TV airtime (0.4%). By comparison, 25 percent of all airtime is spent on advertising and promos. (See Exhibit 1.)
- The major broadcast networks (ABC, CBS, Fox, and NBC) donate an average of 17 seconds an hour to PSAs (out of an average of 17 minutes and 38 seconds an hour of non-programming content). This represents a total of 48 minutes a week per network.

EXHIBIT 1. Proportion of Time Networks Devote to:



- Cable networks donate an average of seven seconds per hour (most donate five seconds an hour, while MTV contributes 16 seconds, nearly matching the average for the broadcast networks). Univision, the dominant Spanish-language network that has both broadcast and cable outlets, tops all other networks at 48 seconds per hour.
- During prime time, the major broadcast networks donate an average of five seconds an hour to PSAs. Cable networks donate an average of eight seconds an hour during prime time, while Univision provides 49 seconds.

TIME OF DAY OF DONATED PUBLIC SERVICE ADVERTISING

- Forty-three percent of all time donated to PSAs is during the hours between midnight and 6AM. Nine percent of donated airtime is in prime time. (See Exhibit 2.)

LENGTH OF DONATED PSAs

- On the major broadcast networks, about half (56%) of all spots are 30 seconds long. Thirty-seven percent are 20 seconds or less, including 18 percent that are 10 seconds or less. Seven percent are longer than 30 seconds. (See Exhibit 3.)

NETWORK AND STATION ROLE IN DONATED PSAs

- Among all donated PSAs, 35 percent include a media company as one of the sponsors, including 19 percent that have a media company as the only sponsor.
- On the major broadcast networks, 25 percent of all donated PSAs feature their own celebrities.

LOCAL VS. NATIONAL ORIENTATION OF DONATED PSAs

- Overall, 22 percent of all donated PSAs are locally vs. nationally oriented; on the affiliates of the major broadcast networks 33 percent are local.

ISSUES COVERED BY DONATED PUBLIC SERVICE ADVERTISING

- About one out of every three donated PSAs (37%) addresses a children's issue in some manner, whether it be an ad on health care, parenting, education, mentoring, or some other child-related topic.
- One out of every four donated PSAs (27%) is on a health-related topic, including preventing drug and alcohol abuse (8 percent of all donated PSAs) and information on various diseases (8%). (See Exhibit 4.)

EXHIBIT 2. Time of Day of Donated Public Service Advertising

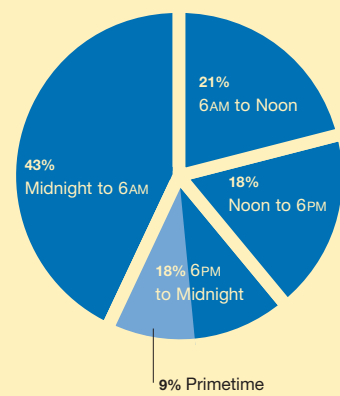


EXHIBIT 3. Length of Donated PSAs on Major Broadcast Networks

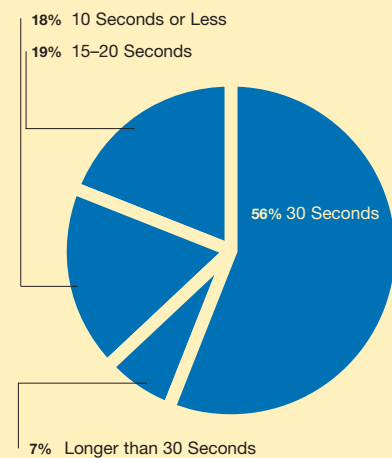


EXHIBIT 4. Top Health Issues in Donated PSAs

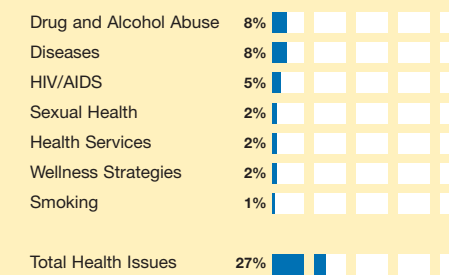
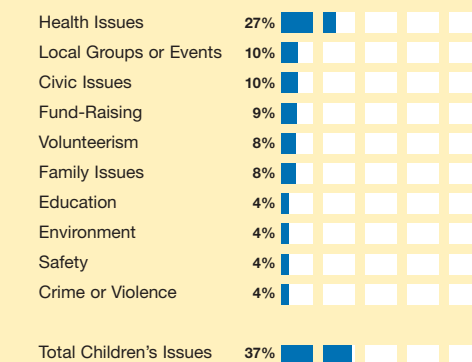
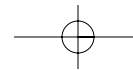


EXHIBIT 5. Top Issues in Donated PSAs





- Other popular topics include promoting local organizations and events (10%), fund-raising for charities (10%), civic issues such as voting and patriotism (10%), family issues such as parenting or caring for an elderly relative (8%), and volunteerism (8%). Issues addressed less frequently include education (4%); environment (4%); safety topics such as seat belts and fire safety (4%); crime and violence, including school violence, gun safety, domestic violence, and date rape (4%); and human rights (1%). (See Exhibit 5.)

PAID PSAs

- Of all public service messages being aired on television, just over a third (36%) are paid for. (In addition to the 906 donated PSAs analyzed above, the study also examined 520 paid PSAs.) (See Exhibit 6.)
- In addition to the time stations donate for free to PSAs, sponsors buy an average of nine seconds an hour of paid PSA time per network.
- About one in four (27%) paid spots are bought at reduced rates.

- Groups buying time for their PSAs get considerably better placement than those depending on donated time: just 18 percent of paid PSAs were run between midnight and 6AM, compared to 43 percent of donated spots. (See Exhibit 7.)
- Viewers of the major broadcast networks are twice as likely to see a paid PSA in prime time (an average of 10 seconds an hour) than a donated one (five seconds an hour).

- Some subjects receive a significant amount of paid advertising time but little donated time. For example, 1 percent of all donated PSAs are on smoking, an average of just 19 seconds a week per network. By contrast, 17 percent of all paid PSAs are on smoking, an average of 4:27 a week per network. On the other hand, this displacement of donated PSAs has not happened on alcohol and drug abuse, where there is an average of 2:55 per network of paid PSA time each week, and 3:16 of donated time.

EXHIBIT 6. Donated vs. Paid PSAs
Of all public service messages, the proportion that are donated.

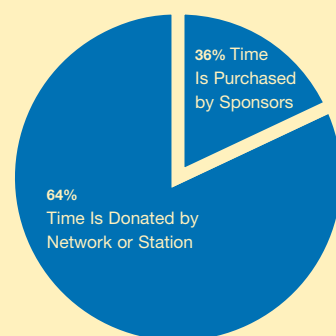
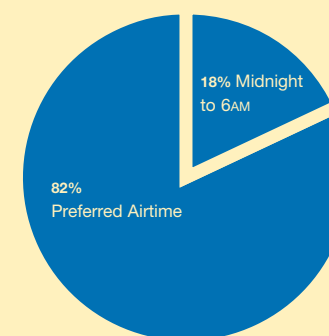
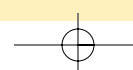
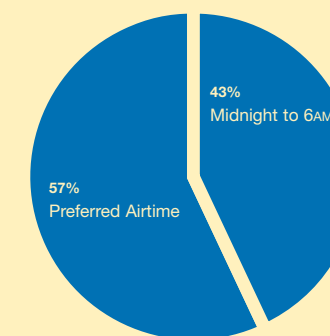


EXHIBIT 7. Paid Time vs. Donated Time
Percentage of paid PSAs that run between midnight and 6AM.



Percentage of donated PSAs that run between midnight and 6AM.



A NATIONAL SURVEY OF PUBLIC SERVICE DIRECTORS

When it comes to how much time is devoted to public service advertisements (PSAs) and which specific messages get aired, much of the decision-making happens at the local level. In the U.S. there are approximately 1,300 commercial broadcast stations, and over 10,000 local cable operators. At these outlets there are often designated employees who review and decide about PSA placement.

To better understand the factors that influence which PSAs get aired – and which do not – as well as the reasons why, the Kaiser Family Foundation conducted a national survey of public affairs directors and others involved in public service placement at affiliates of the six leading English-language broadcast networks, ABC, CBS, Fox, NBC, UPN, and WB, during the summer of 2001.

The survey sample included a census of broadcast network affiliate stations in the top 150 Designated Market Areas (DMAs) in the U.S., which reach an estimated 95 percent of households. A total of 513 interviews were conducted, representing a 76 percent response rate.

KEY FINDINGS

- Local issues and sponsors take priority: local sponsorship is cited as a “major influence” by significantly more stations (75%) than any other single factor. Other factors that carry weight at some stations are: network (36%), National Association of Broadcasters (28%), or Ad Council (23%) sponsorship; options for co-branding (30%) or paid sponsorship (22%); and whether the organization has also bought advertising time (23%). (See Exhibit 8.)
- Three quarters (77%) say their station has “priority issues” that are designated for its public service contributions. Among those cited most frequently are: family, child or teen issues (57%), community issues (40%), health issues (37%), and drugs and alcohol (20%). (See Exhibit 9.)
- While not listed among their top priorities, many public service directors say they are interested in taking on more sensitive issues, sometimes considered more controversial, such as messages that address HIV/AIDS and other sexually transmitted diseases (90% would air), teenage pregnancy prevention (91% would air), or parent-child communication about sex (89% would air).
- Over half of stations (58%) have guidelines that specify topics on which they will not air PSAs. Special interest PSAs such as those with religious or political messages (45%) top this list, followed by those that are “controversial” (23%), or those that are “too graphic” or “disturbing” (23%). (See Exhibit 10.)

EXHIBIT 8. Influences

The percent who say each factor is a “major” influence in whether a PSA is aired by their station or not...

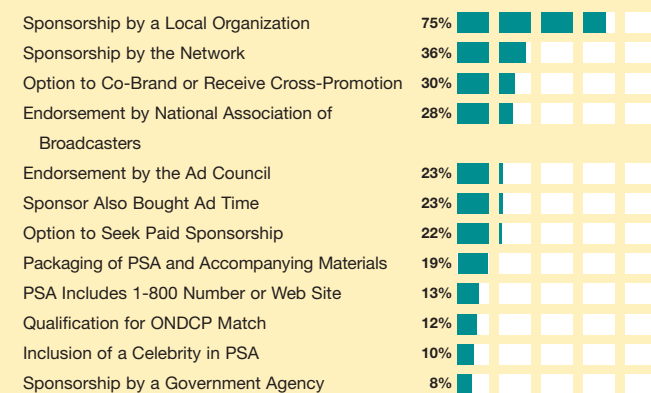


EXHIBIT 9. Priority Topics

The percent who say each is a “priority” topic for their station at this time...

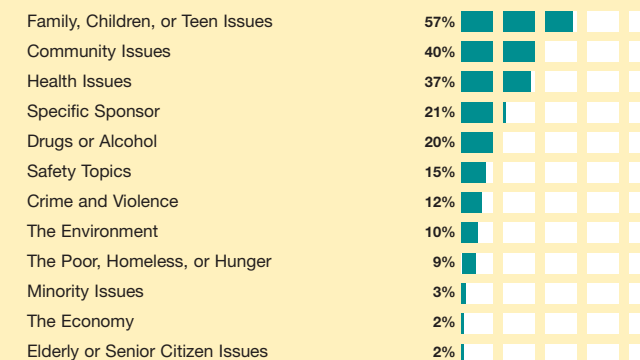
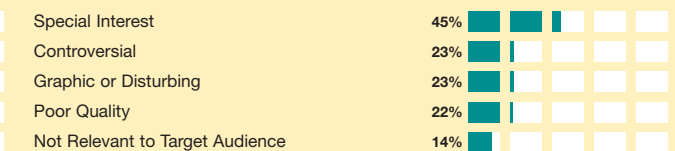


EXHIBIT 10. Guidelines

The percent who say their station will not air PSAs that are...



- Many local stations today report producing their own PSAs (83%) or working with other organizations to produce co-branded PSAs (66%) in which the station also gets credited.
- The vast majority (80%) say the trend toward more groups buying airtime for their PSAs has had *no effect* on the amount of time their station donates for PSAs. (See Exhibit 11.)
- More than a third of public service directors (35%) say they would be *more likely* to provide donated time to a group that also buys time for some of its PSAs. (See Exhibit 12.)
- One in six PSA directors (15%) say they *never* donate time they could have sold to a paying advertiser; half (50%) say they sometimes or often do, and one in four (28%) say whether or not there was a paying advertiser makes no difference. (See Exhibit 13.)

EXHIBIT 11. Impact of Paid PSAs

The percent who say the trend toward paid PSAs has increased or decreased the amount of donated time made available for other PSAs.

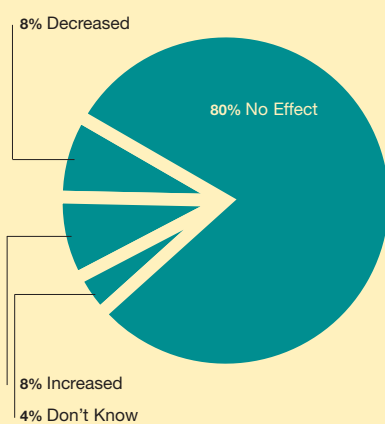


EXHIBIT 12. Paying For Airtime

The percent who say they are more or less likely to donate time to a group that also buys ad time.

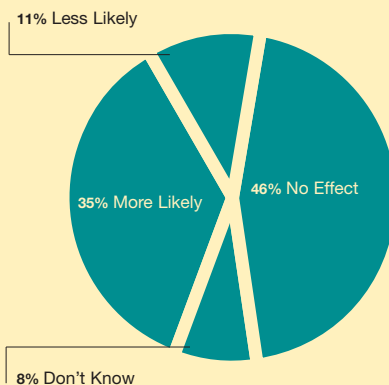
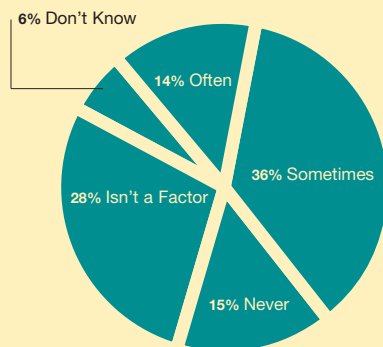


EXHIBIT 13. Donated Time

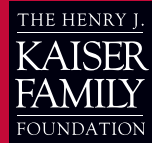
The percent who say they donate time that *could* have been sold to a paying advertiser...



Additional copies of this publication (#3152) or any of the documents referenced in this summary are available on the Kaiser Family Foundation's Web site at www.kff.org or by calling the Foundation's Publication Request Line at 1.800.656.4533.

Shouting to Be Heard: Public Service Advertising in a New Media Age – A Study of Television Content, Kaiser Family Foundation, 2001, Publication #3150.

Shouting to Be Heard: Public Service Advertising in a New Media Age – A National Survey of Public Service Directors, Kaiser Family Foundation, 2001, Publication #3151. The survey was designed and analyzed by Foundation staff and field work was conducted by International Communications Research (ICR) between June 13 and July 10, 2001.



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