How To Fund Advertising supported media?

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badge-23.gif How do you fund advertising supported media when the advertising declines (relatively)?

Anne Bulford from Channel 4, speaking at the Oxford Media Convention, wants the profits from the BBC's commercial international wing, BBC Worldwide, to fund C4 'as the second pillar of public service broadcasting' in the UK.

Tess Alps who runs a media consultancy funded by commercial broadcasters backs the advertising model, but recognises that it can't fund all the content we expect. Her answer seemed to be less regulation and much more collaboration between media businesses doing much more multiple things. That sounds to me like imaginatively, but thinly spread jam.

Peter Bazalgette advanced his case, first made at Polis, that people will trade personal information and traffic data for targeted marketing when Online. He is convinced that the 'closed shop' of media advertising is opening up.

Tess Alps was less sanguine about the idea of 'personal' or behavioural advertising as a replacement for the kind of big mass advertising aimed at vast audiences, in other words, the kind of advertising that funded TV over the last 40 years. It is hard to do personal advertising on a mass medium.

In a sense, the proof of the pudding came from the programme-maker finance person, Channel 4's Anne Bulford. She made it clear that BBC Worldwide is the lifeboat that will rescue them, not mass or targetted advertising. Their online and digital revenues will simply not meet their funding gap after 2012.

They have to seek haven in a partnership with a bigger beast. I would not want to be the lawyer who draws up the agreement on the rights to revenues when that happens, but that doesn't mean it can't happen.

Once again, Google was the elephant in the room. It makes money from all this content, but at the same time takes the advertising revenue away from the producers. But by its very global nature and its market dominance it seems to be outside of the argument.

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