

**TITLE: Ad land's brutal wake-up**

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**The rush by sponsors to dump radio host Alan Jones shows they have caught on to the emerging power of consumers.**

Alan Jones tried to link the backlash against his insult of Prime Minister Julia Gillard's late father to the issue of free speech but, in reality, it is the free market that is causing him grief.

The problem for the dinosaur of radio is that national brands such as Woolworths and Mercedes-Benz increasingly want their customers to see them as friends. While their ads have always tried to make customers feel loyal towards them, in the age of Facebook they literally want their customers to become their "friends" and to "follow" their activities on Twitter.

But as Jones and his advertisers learnt this week, friends expect things from each other. And, as most of us have experienced at some point in our lives, when our friends have a falling out sometimes we have to take sides.

Much of the commentary from media gurus has focused on the belief that most of the hundreds of thousands of Australians who have expressed outrage at Jones are not even 2GB listeners. Because the outraged majority would never listen to his program, the argument goes, their indignation will have no long-run impact on the profitability of 2GB and, in turn, his employability.

Those gurus should probably have a closer look into their crystal balls as the opposite is true. That most of the people who have expressed their anger about his barbs do not listen to 2GB, or even live in Sydney, is irrelevant. What matters is that national brands such as Woolworths and Mercedes-Benz want people all around the country to like them.

There is no doubt that advertising on Jones's program has, for many years, helped them to sell their products to his older, Sydney audience. But there is also no doubt that, until recently, advertising on 2GB had no impact on their ability to sell cars to the broader Australian community. That has now changed.

Many brands make most of their money selling "feelings" rather than products, as the market for bottled water shows.

Every high school student knows the ingredients of water, hydrogen and oxygen, but companies make billions of dollars selling us this most basic of products in innumerable different shaped and coloured bottles. Bottled water costs more than petrol but it is rare to hear people complaining about the price of water.

Ironically, John Laws surfaced last week to defend his old foe. Laws, of course, was paid a lot of money not just for his cash for comment but to convince Australian motorists that oils ain't oils. While the chemists and engineers might have disagreed, hundreds of thousands of Australians bought the line, and the product.

The old broadcast media allowed feelings to flow only one way. We knew what the advertisers and broadcasters thought and felt, but they knew little about how we felt. Sure they could do market research, but it was they who asked the questions and it was they who owned the answers.

Now that we are friends with the brands, we can let them know not just how we feel, but what we expect of them.

In order to remain friends with people across the political spectrum, and across the country, national advertisers now have to make some big decisions between continuing to support a niche broadcaster with extreme views and alienating a significant portion of the national audience. Given the rate at which advertisers abandoned 2GB this week, it seems many advertisers found the decision easy to make.

Advertisers have always been fickle. They dump sports people after they have a big night of celebrations following a great game. They dump whole teams after they have a bad season. They even dump whole codes when the demographics of the spectators change.

Everyone knows that athletes with clean-cut images earn more in sponsorships than do competitors with a tendency to tell us how they actually feel about losing. And everyone knows that athletes with a winning smile can earn far more in sponsorship than those with winning track records.

The new reality is that brands associated with extreme political figures can now be dumped as quickly as they once dumped a hungover sports star with a black eye.

Advertisers will always be free to arbitrarily give large sums of money to arbitrarily selected spokespeople. Remember when Ian Thorpe started wearing the man pearl? Remember when contestants from the early series of *Big Brother* were celebrities?

That's OK, most people don't remember either.

Last month, Mercedes-Benz thought giving Jones one of its cars in which to drive around Sydney said the right thing about its brand. This week, it changed its mind.

The decision says nothing about the state of free speech in Australia, but speaks volumes about the emerging power of consumers in the modern free market.

For decades, Jones has been free to vent his views on commercial radio, his audience has been free to tune in or tune out, and advertisers have been free to post his radio station a cheque if they wanted him to spruik their wares.

What has changed, however, is that in recent times Facebook and Twitter have allowed millions of Australians to talk directly to each other with no need for broadcasters. These consumers are free to express outrage and they are free to tell broadcasters and sponsors alike not just what they think, but what they will and won't buy.

Contrary to recent assertions, Australia remains a free country. Broadcasters are free to be insulting and consumers are free to express their contempt.

Brands that want us to be their friends, however, are becoming increasingly aware of the need to choose carefully the company they keep.

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