

THE DEATH OF TRADITIONAL ADVERTISING

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Abstract

Many experts believe that with the advent of the Internet in the 1990s, traditional advertising began to fade. The Internet overshadowed the media, such as TV, radio, print and OOH (out-of-home media as billboards and posters), which reached their zenith in the middle of the last century. The Internet started the Digital revolution that brought new digital media into existence, such as websites, social media (Facebook, TikTok, Instagram, Twitter), influencers, digital billboards. The younger generations immediately “grabbed” these media that offer a personalized, exciting and authentic communication experience. With the further evolution of digital media, the appearance of artificial intelligence, generative intelligence, virtual reality, augmented intelligence, the metaverse, young consumers are moving even more away from the traditional way of advertising. Each advertising medium lives in its own time, following its consumers.

This paper aims to collect primary and secondary data that will answer the following research questions: What is the future of traditional advertising? Will traditional advertising continue to live in convergence with digital media? What does the young population think about traditional advertising? The expected result is that traditional media will remain among us, but with time their utility value will decrease intensively. That value is seen in personalization, i.e. if traditional media talk at people, new digital media talk with people.

Keywords: *traditional advertising; digital revolution; digital media; personalization*

JEL Codes: M30, M31, M37

Introduction

Traditional advertising reached its zenith in the middle of the 20th century. Consumers were informed, persuaded and reminded to buy and consume certain products or services by advertisements on TV, radio, newspapers, magazines and billboards (OOH – out of home advertising medium). In this period, the traditional media have been effective in generating leads and addressing the large masses (Assaf, 2023).

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Television was a very important medium, which offered visualization, storytelling, musical background and memorable narratives to the consumers. Television commercials have captivated all human senses essential for product perception and brand awareness. Radio with its great coverage and cheap accessibility captivated consumers with the power of the voice and sound effects. Print media, ranging from newspapers to magazines, provided more detailed information and real illustrations about products. Billboards, signage and posters, as OOH (out-of-home) media dominated the urban environments and attracted the attention of consumers beyond their homes (Wilson, 2023).

However, over time traditional advertising has declined in popularity (DeMers, 2020). Some authors believe that the advent of the Internet in the 1990s opened Pandora's box for traditional advertising. The Internet overshadowed traditional media and enabled the appearance of new digital media. The biggest innovation brought by these media is the personalization and offering a distinctive communication experience to consumers (Muhammad, 2023). According to Assaf (2023), the Deloitte study shows that 84% of consumers do not like traditional advertising and 69% of them skip all the advertisements shown on traditional media. This means that consumers change their behavior, becoming immune to the traditional advertising. The same author says that 80% of consumers are more likely to purchase from a company that offers personalized experience. The new targeted advertising media include websites, banners and pop-ups, social media (Facebook, Twitter, Instagram, TikTok), influencers, digital billboards, that offer real-time consumer interaction and brand awareness (Assaf, 2023). Young people especially trust and follow influencers, mainly celebrities, but also ordinary people who have substantial followings and promote the companies' products. Digital billboards also emerged as a dynamic and flexible form of advertising that display messages in real time (Wilson, 2023).

According to Dimitrieska, et.al. (2018), we step in a new era when using advanced technologies can easily identify future consumer trends and more deeply analyze the way consumers decide about purchases. Atanasova (2022) will confirm that new digital media will dictate the market and impose new rules. Brand new digital forms of advertising are on the horizon, such as artificial intelligence, chatbots, voice assistants, augmented and virtual reality, which further will distance consumers from traditional advertising. Virtual and augmented reality technology offers businesses the opportunity to create immersive, interactive experiences for customers (Assaf, 2023). In near future, computers will undertake reasoning and common sense tasks, such as vision and knowledge, which were formerly only undertaken by humans. They will have an ability to learn, observe, understand, talk, socialize, plan, produce creative things and solve problems (Dimitrieska, Stankovska, Efremova, 2018). The implementation of these new digital technologies is going to change the global economic and business landscape (Kyurova, et.al, 2023). Digital

mediums are no longer the distant future, but they are our present, a new way of perceiving and participating in real life. (Antova, 2023). In this sense, the fact that more than 500 companies from different fields, such as IT, education, real estate, fashion, food and beverages, automotive industry, tourism are involved in the metaverse, is interesting. (Dimitrieska, et.al, 2023).

The research questions that need to be answered are: What will happen to traditional advertising? What is its future? Will digital media completely replace traditional advertising? Can we expect some convergence between the traditional and new media? Today, the partnership between traditional and digital media is noticed. For example, TV channels direct consumers to social networks in order to obtain exclusive offers. The radio presenter asks consumers to scan codes from online newspapers to receive various discounts. We are witnessing an omnichannel communication experience of consumers who really enjoy and demand connectivity, trust, and assurance (Muhammad, 2023). The death of traditional marketing is a wake-up call for businesses to evolve and adapt to the changing landscape of consumer behavior (Assaf, 2023).

Literature Review

According to the Economic Times (2023), traditional advertising is offline advertising that is realized through TV, radio, print media and billboards. Digital marketing is marketing that occurs via digital channels such as the internet, email, or mobile devices. Their differences are presented in the following table:

Table no. 1 – Differences Between Traditional and Digital Marketing

TRADITIONAL ADVERTISING	
Positive sides	Negative sides
Trustworthy (old marketing method)	Expensive
Local reach of people	One-way communication
Attractive to older demographic	Low conversion rate
Easy to understand	Not easy to measure
	Less flexible to change
	Less engaging, passive form of marketing
	Static nature
	Standardized targeting
DIGITAL ADVERTISING	
Positive sides	Negative sides
Cost-effective, less expensive	Coping with negative feedback
Interactive, two-way communication	Training and skills requirements

Global reach of audience	Maintanance
High conversion rate	
Measurable effects (ROI-Return on Investment)	
Attractive to young demographic	
Dynamic nature	
Customized targeting	
Immediate response	
High level of engagement	
Personalized content	

Source: Author's own research

The fate of traditional vs. digital advertising has split experts into two major groups. According to some experts, traditional advertising is fatalistically fading away, and according to others, they are still alive and kicking (Vidyasagar, 2019).

According to the first group of experts, traditional advertising is beginning to die out after the swing of the Digital revolution. Namely, according to the report “Digital Around the World” (Datareportal, 2024), 8.08 billion people live on the planet at the beginning of 2024. 5.35 billion people use the Internet, which is equivalent to 66.2% of the total population, and social media is used by 5.04 billion people, or 62.3% of the total population. Around 2.74 billion people in the world do not use the Internet, and they predominantly live in Southern and Eastern Asia, and in Africa. Also, fewer and fewer young people watch TV, read newspaper or pay attention to traditional media (Stanimirovic, 2020). Consumers are changing their habits and are increasingly interested in digital personalized experiences. Walker (2023) states that 67% of consumers like to experince personalized brands and if they do not, 66% of consumers will not make a purchase. With the further evolution of digital media, the appearance of artificial intelligence, generative intelligence, virtual reality, augmented intelligence, the metaverse, young consumers are moving even more away from the traditional way of advertising.

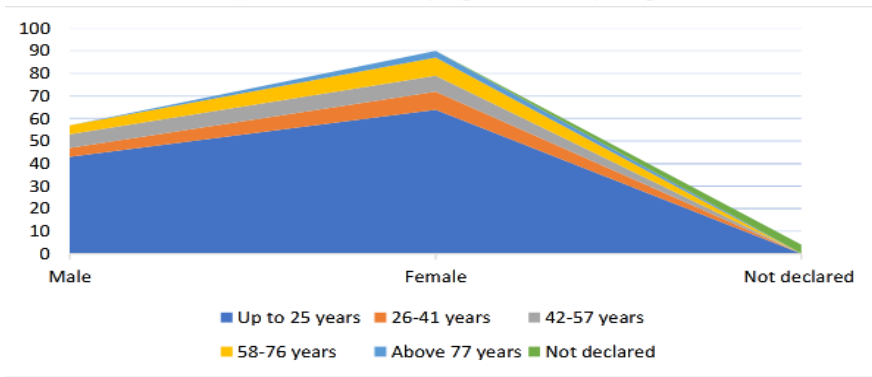
According to the second group of experts, traditional advertising is alive and kicking! (Vidyasagar, 2019). According to them, people still watch TV, listen to the radio and massively read newspapers and magazines. About 3 billion people still do not use online media and social networks, and some people do not like aggressive digital advertisements. Traditional advertising is easier to process mentally. Offline ads require less cognitive effort, meaning that they are easier to remember (Vidyasagar, 2019).

Personally, I think that the Digital revolution has dramatically changed the media. Traditional media need to converge with digital media and complement each other, giving the consumer a comprehensive omnichannel communication experience. Offline media can drive consumers to digital media by offering them various engaging experiences.

Analysis and Discussion

This paper explains how the Digital revolution is affecting generations by examining their purchasing habits. There are six large groups of generations: Silent Generation (1928-1945), Baby Boomers (1946-1964), Generation X (1965-1980), Generation Y (Millennials) (1981-1996), Generation Z (1997-2012) and Generation Alpha (2012-2022) (Dimitrieska, S & Efremova, T., 2022) The primary research was conducted in November 2022 electronically and physically, during which responses from 151 respondents were collected and processed (Dimitrieska, et.al., 2022). In Figure 1, the demographic data of the respondents was presented, according to which the largest participation in the research had the young population from Generation Z.

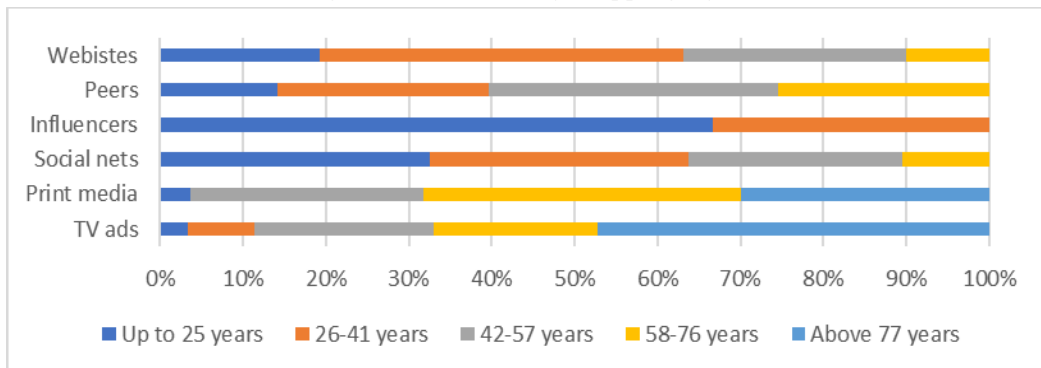
Figure no.1 Demographic data of respondents



Source: Own research

The most important question of this research is the source of shopping information for different generations. The answers are shown in Figure 2:

Figure no. 2 Source of shopping information



Source: Author's own research

The results show large discrepancies between generations (Dimitreska, et.al., 2022). The research confirms that older generation (above 77 years) mostly watch and follow TV and printed ads. They still believe in traditional advertising. This data cannot be neglected as this group of people have stable and solid financial resources and can have a great impact on the market. The youngest avoid traditional advertising at the expense of influencers, social media and websites. They neither watch TV nor read printed media, which is the reason why some experts believe that this media will disappear soon. The “middle” generations use a mixture of media for communication (traditional and contemporary).

Conclusion

Traditional media do not dominate advertising as they did in the last century. Television, radio, newspapers, magazines, billboards and posters have been present for a long period of time and were very effective and popular with consumers. However, the digital revolution, i.e. the advent of the Internet in the 1990s, changed the advertising landscape. Social networks, influencers, digital billboards, artificial intelligence, generative artificial intelligence, voice assistants, chatbots have forced companies to redefine their marketing strategies in order to engage the audience more effectively. In the new reality, traditional advertising is undergoing a massive transformation to stay relevant in the digital age. It must keep up with consumers who are becoming more demanding, sophisticated, sensitive, and requiring new exciting, digital interactive experiences. Research shows that younger generations are moving away from traditional media seeking more personalized, customized, and interactive advertising messages.

A notable trend that can help traditional media in their transformation is their convergence with digital media. The future is in building a new hybrid advertising environment that will enable easier connection, engagement, and inspiration of consumers in a meaningful way.

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