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Selling the American People

Advertising, Optimization, and the Origins of Adtech

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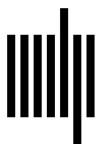
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CONCLUSION

[Technology] is above all a special kind of power to make the world of dreams real. Technologies are embodied hopes, devices to implement beliefs about how the world could be made different. Technologies are social dreams and fairy tales in action.

—Carolyn Marvin

“Technology” is a new suit of clothes for the emperor.

—Dallas Smythe

The concerns addressed in this book are sometimes dismissed as frivolous. *It's just advertising—what's the big deal?* But for many people in the thick of the industry's calculative evolution, the stakes could not have been higher. As Jackson Lears explains, “The effort to ally advertising with the American Way of Life, begun in the dark days of the Great Depression, came to full fruition in the ideologically charged atmosphere of the Cold War.”¹ That atmosphere precipitated some particular attachments. Cultural historians have concluded perceptively that advertisements showcase social desires—distilled images of what some people picture as the good life.² Business and technological histories support a similar conclusion: industrial discourses about advertising distill corporate desires. As ministers to the business world, advertising professionals cultivate and crystallize not only the fantasies of consumers but also the fantasies of capital. Madison Avenue, and schools of management as well, reflect and refract political-economic

cultures. Looking at technoscience in advertising and marketing provides a unique perspective on some of the ways capital dreams of digital futures.

Let's return to where we began this book, at the 1961 convention of the American Marketing Association. There, the vice president for public relations at AT&T painted a vivid picture of the road ahead. The United States faced existential threats, he warned, "perils almost without precedent," from the spread of communism, independence movements against colonialism, and declining faith in profit as a sacred moral doctrine. He assigned technologically sophisticated marketing a major role in the defense of US capitalism, holding a transistor between his fingers to symbolize an information revolution (and to exalt Bell Telephone Laboratories). With the explosion in the capacity to process and transport data, marketing was poised to coordinate more tightly with all levels of corporate management. As he saw it, "a potential is rapidly being developed" to generate and circulate moment-to-moment information about sales orders, inventory, and other business factors. This feedback could be applied, almost instantly as each transaction took place, to improve control over production, distribution, and marketing. He described, in effect, a cybernetic system powering the capitalist economy. Crucially, though, he insisted that government should not supervise or plan economic action. This corporate control system would simply accelerate and optimize free-market processes. It was the marketing profession, then, that should carry out the duties of being "the leader in the era of automation" and "maintaining our American way of life." Like the neo-liberal economics of Milton Friedman (whom he quotes in the speech), this technocratic vision disguised a muscular political project. "Above all," the AT&T executive urged, "marketing must demonstrate its vital role in our free society, not only through the satisfaction of the needs of consumers but through the creation of profit." It "must constantly demonstrate to the nation and the world at large that . . . a free market is one of the principal elements of that [free] society." He concluded with an apparent joke: "After all, who ever heard of a Vice President—Marketing in Moscow."³

For those fighting the Cold War on economic grounds, and especially those who saw consumer culture as a bulwark against radical class politics and crises of overproduction, the development of a weapons-grade science of consumption engineering became an active front in rationalizing US capitalism. Midcentury marketing began to mobilize "math men," computers, and a powerful ideology of optimization. Across the next five decades,

many tactics, mind-sets, and metrics from management science, direct marketing, and the industrial art of data processing were brought to the center of the advertising system and projected onto the problems and opportunities facing corporate America. Advertisers, agencies, consultants, and information and computer service vendors preoccupied themselves with calculating efficient ways to achieve marketing objectives. This was hardly a new ambition, but by framing it as something that could be solved with mathematical models and high-speed computers, a loose community of technical experts helped legitimize particular priorities, modes of reasoning, and hierarchies of knowledge and authority that are entrenched today at the heart of digital advertising. These approaches reformulated advertising operations in terms of probabilistic and algorithmic decision making. Advertising distribution became a problem of optimizing an “objective function” representing a measurable goal such as profits, sales, or access to valuable audiences. This required planners, decision makers, and the workers they managed to formalize and account for the relationships representing marketing processes, including consumers’ responses to advertising. What they built, in fits and starts, was adtech.

Modeling and automation in advertising involved concerted efforts to program decision processes and to assemble calculable consumers so that both could be acted on by evolving forms of machine intelligence, with all the speed and precision that seemed to imply. These maneuvers gave urgency to datafication efforts to incorporate more of reality into the frame of accounting and rationality. Predictive and evaluative models required explicit, quantitative statements about the value of advertising opportunities and consumer populations and the probabilities of certain outcomes. The dream at the end of the rainbow was that management could predict and even manipulate consumer behavior, much as operations researchers manipulated factors of production and distribution. Marketers aspired to bring consumption under managerial control—to document and materialize consumers, audiences, and media channels such that they could be governed by management science machines. Although marketers have not found, and may never find, the gold where that rainbow meets the road, their search has motivated widespread efforts to count, classify, and intervene into more of daily life. And it might not matter if the rainbow is a mirage. Adtech works by enacting and seizing value from a crowded universe of potentialities—by trying to make bets that will pay off more often

and at better margins. Whether or not those bets lead to behavioral manipulation, either directly or indirectly, this system of panoptic sorting affects allocations of power, access, and possibility in society.

The calculative evolution that helped usher in surveillance-based advertising is thus not a sharp departure from the supposedly discarded logic of predigital advertising but rather a particular inflection of that logic via management technique. It represents a rationalization, pushing toward the logical conclusions of selling the American people. In an important sense, twenty-first-century adtech recombines advertising's calculative evolution with its better-known creative revolution. The creative revolution venerated individuality and difference as the spiritual center for a personalized style of consumerism. But the range of possibility opened up by regarding consumers as unique and spontaneous was hard to reconcile with business processes built around routines, standards, and convenient but imprecise categories and valuation methods. The commercial shaping of online and mobile media and their infrastructures of surveillance and big-data analytics promised a breakthrough—an exacting ability to manage and capitalize on the dynamism of a flexible mode of consumption. What Mark Andrejevic calls the “digital enclosure” materialized long-standing efforts to accommodate the fluid and personal details of daily consumer life within expanding and adaptable systems of measurement, calculation, management, and optimization.⁴ Now-dominant parts of the advertising industry leveraged big and small computers, databases, and data sciences to bureaucratize the counterbureaucracy—to make the new consumerism accountable and to market those accounting practices and the data they produced.

As much as creative production and other areas of management thinking turned away from bureaucracy and control, the already financialized and technoscientific wing of advertising never gave up on its dreams of optimization. In adtech, as elsewhere, anomalies, nonconformity, and difference are all made productive for speculation and arbitrage. Particularities of lifestyle and individuality, which overflowed the accounting and transactional capacities of mid-twentieth-century advertising, have been incorporated into systems designed to discern consumer propensities and thereby engineer new actionable value claims whenever attention or behavior is packaged and sold. Transactions that can exploit these microscopic opportunities have been constructed around addressable communications that discriminate among message recipients and automation technologies,

including programmatic auction platforms, that accelerate flows of information and commerce. Furthermore, with ubiquitous connectivity to shoppable media, it is possible to see, sometimes in an instant, whether a bet pays off. Overall, advertising's calculative evolution has been punctuated by repeated efforts to transform moments of existence in a consumer society, with all their variety and spontaneity, into differentiated investments scored by probabilities and profit projections.

Looking at these developments through the lens of affordances, or perceived potential, shows how dreams of optimization have helped define information technologies and privilege certain uses and users. Affordances are about power and vision. Their specter is always present in audience commodification, which is essentially the creation of market relations around a potent abstraction. That abstraction, whether we call it audience, attention, or behavior, represents potential value backed by some documentary evidence, and it can be redefined almost endlessly to channel money, data, and advantage to different participants or in different proportions. This flexibility, and the political process of interpreting technologies according to their apparent capacities to alleviate certain crises and capitalize on certain opportunities, is key to understanding adtech. Adtech emerged through strategic and sometimes contradictory investments in an array of artifacts, techniques, and dispositions of optimum seeking. Optimization is, almost by definition, never final, and signs of either success or failure can fuel aspirations of progress—to know more, to predict more accurately, to evaluate more exactly, and to do it all faster. Optimization is a claim about a future state of the world where some latent or hidden potential is productively exploited, usually thanks to better knowledge or logistics. It is a promise of *more perfect* that is constantly recycled and deferred and almost always seductive.

Adtech's code, data, and day-to-day practices animate a tangle of meandering but deep-rooted ideas about what information technology could do and could be. In *The Closed World*, Paul Edwards asks how computerized control systems came to seem like a technological possibility in Cold War America; how particular quantitative forms of management challenged older hierarchies of expertise, authority, and judgment; and how fantasies of control remained credible, and even gathered influence, in spite of evident failures.⁵ This book has pursued a similar set of questions, focusing on commercial adaptations of computational and optimum-seeking management sciences. Like Edwards, I find that optimization in advertising drew

strength not just from the undeniable force of mathematical proof but rather from the stories, narratives, and discourses that provided resources for well-positioned actors to assert competency, to deflect blame or take credit, and to legitimize their visions for the future—a future brought within reach by the perceived potential of new technologies and techniques.

Today's adtech companies seized opportunities to intermediate business and to assert infrastructural power, promising the same suite of affordances that some in the advertising industry had been trying to foist onto information technologies for decades. By the time policymakers began conspicuously regulating the internet in the interest of capital accumulation, advertisers and marketing intermediaries had developed a knack for linking new media to an ideology of optimization. Through the spread of networked devices packed with sensors and trackers, governments, corporations, and individual consumers helped subsidize an extensive infrastructure for behavioral measurement and dynamic intervention. As this bedrock for adaptive control systems was cobbled together for a variety of purposes, advertising specialists exercised a handy set of discursive tools to promote particular commercial uses. Internet communications and the whole package of servers and databases, interactive applications, and measurement and analytical techniques seemed capable of combining *automation*, *addressability*, *shoppability*, and *accountability*. In many ways, digital advertising is defined by exactly those capabilities. The internet's marketing affordances had already been imagined and invested with perceptions of enormous economic potential, while the materials and organization necessary for realizing them were still taking shape.

This book shows how the evolution of marketing and audience commodification has involved repeated attempts to harness technologies that afford precise and rapid discriminatory judgments. Adtech is part of this longer history of computerization in advertising, of ongoing efforts to accommodate more detailed accounts of expected profit and risk within industrial routines. Google, Meta, and other adtech and data brokerage firms have consolidated power by building themselves into computational and logistical utilities; they fabricate and digest information, they make claims that order the world for rational decision making and optimizing, they orchestrate and accelerate transactions, and they link those processes at critical bottlenecks. Platforms that monetize sociality have been especially effective at enclosing countless relationships and activities within calculative environments.

It is clear that discrimination and surveillance have been central to the mutual shaping of information technology and the political economy of media in capitalism. This recognition forces us to deal with digital advertising's pathologies in ways that address a key underlying cause: the corporate will to produce and exploit differences in the probable value of people and the likelihood of their responding to strategic influence. What does an organized movement against adtech and surveillance capitalism look like if we understand them not as aberrations but as the automation and extension of core capitalist tendencies via management technique?

First of all, we can commit to radical change. The focus on optimization is helpful because, in a way, optimization is a radical process, in that it reaches toward the fundamental logic of a system. Despite pretensions of apolitical efficiency, optimization begins by declaring what's at stake—who and what matters, what state of the world is desirable. Marketing models are mathematical statements of purpose and priority. What these models account for, and what they externalize, tells us how the model makers and users see the world. Advertising optimization could be aimed at a wide range of objectives, but, for the most part, the specified goal has been to maximize some measure of private value. This matters a great deal in capitalist societies that have delegated the responsibility for financing communication resources and cultural production to marketers. Our examination of optimization models reveals that advertisers are not explicitly investing in things like democracy, diversity, justice, honesty, or most other values that various social traditions consider important to public and private life. To the extent that the integrity of media sources and the quality of media content are considered at all, they are evaluated through advertising priorities: do they organize the apparent attention of useful consumer populations, and will they help or hurt the persuasiveness of commercial and political messages? Programmatic advertising virtually eliminates any responsibility for supporting democratic media, as marketers finance the arrangement of advertising events by almost any means, irrespective of the surrounding content. To put it bluntly, advertisers don't measure return on investment in terms of quality of life. They are trying, through adtech intermediaries, to optimize their campaigns to spend no more than necessary to achieve business objectives. This should tell us that their commitment to the social value of media is at best incidental to the goal of tethering media to marketing. Counting on that set of relations to serve democracy or to produce information,

entertainment, and experiences that enhance public rather than private interests is like praying for a positive externality—hoping for an outcome that is not explicitly prioritized.

This all deals a serious blow to the argument that advertising is necessary to sustain democratic media systems. One of the most important conclusions we can draw from zooming in on the inflection point in advertising's calculative evolution—when the accommodation of computers and management science forced implicit values to be articulated—is that advertisers and the specialists that help them pursue their objectives should not be trusted to organize publics, public spheres, and public life. The calculative techniques described in this book reveal, explicitly and formally, what advertisers care about and what they want to accomplish. They tried to refine their ability to optimize private value by gathering more data about consumer behavior, assembling more calculative firepower to appraise profiled individuals and populations, and taking advantage of more invasive and intimate opportunities to target their influence. As more of the technologies that mediate social life have been integrated with marketing and its systems of knowledge and power, the logic of selling the American people has become a design principle that organizes access to a staggering range of experiences. Clearly, though, it is not a democratic design principle.

But other plans are possible. Many promising policies, proposals, and political movements for democratizing media and information are already at hand.⁶ I will not describe them in detail here, except to point out that irredeemable problems with advertising—not just adtech—should alleviate any hesitation about pursuing dramatic and imaginative change. What is needed is nothing less than “a new institutional structure of public operation and control” for the diverse range of networked information and communication utilities that serve communities' needs.⁷ The United States desperately needs what Sanjay Jolly and Ellen Goodman call “a ‘full stack’ approach to public media,” engaging libraries and schools, for example, as both community spaces and operational hubs for search engines, social media, and local broadcasting.⁸ Policies and inclusive political action should focus on more than the governance of platforms, data extraction and use, and algorithmic systems; these are critically important, to be sure, but they sometimes absorb a disproportionate share of discourse and energy and can even be distracting when they promise simplified solutions that ignore the broader ecologies of media, culture, and politics. Radical reform of political campaign financing,

broad support and protection for labor organizing, sharp restrictions on the career pathways and patronage that lead to regulatory capture, universal broadband access, intersectional coalitions that link local and planetary struggles for liberation and peace—these are just a few critical building blocks of democratic communications. Nevertheless, passing comprehensive federal laws regulating privacy and personal data, and implementing focused interventions around surveillance advertising and antitrust are urgently needed. The details of such interventions are far from settled, but the political project has to go beyond curbing undeniable abuses or tweaking the dials of privacy and competition within existing market arrangements. It must aim, instead, at reorganizing media institutions and infrastructures around different purposes, priorities, and power relations. As Dan Schiller argues, a sustainable and democratic way forward requires “a far-reaching process of decommodification. . . . Advertising must be eliminated as a funding mechanism for essential services, and replaced by government support, with measures to insulate these services from political meddling.”⁹

The specter of any meaningful reform to the system of advertiser support often brings an outpouring of melodrama from the system’s defenders. Even calls to limit tracking and profiling, or to consider alternatives to markets and private profit as the respective mechanism and purpose of data governance, are met with fearmongering about the end of the “open web.” *The sky is falling*, they say.

The claim that we can’t touch advertising for fear of harming the internet must be dismissed. First of all, the complaint that the sky will fall without behavioral advertising ignores the fact that it’s already raining meatballs. The commercial web and the walled garden platforms have profound structural problems.¹⁰ These problems are hidden to some extent by the astonishing force of human creativity—the fact that beautiful people can make beautiful things even in a hellscape. But fearless journalism and uplifting, empowering, and entertaining forms of content and mediated experience persist *in spite* of advertising and its dream of organizing existence into risk-rated investment opportunities. The suggestion that the web is too perfect or precious to change betrays an embarrassing lack of imagination and political will.

The claim that reductions in advertising will cause news and investigative reporting to be stashed behind paywalls raises important concerns about inequity. But this claim understates the extent to which the commercial

news already reflects a logic of discrimination, centering the needs and tastes of mostly white, middle- and upper-class consumers.¹¹ As C. Edwin Baker argued decades ago, advertiser support subsidizes content reflecting the interests of audiences who could afford to pay for that content, while underproducing for poor and working-class audiences.¹² It would surely be troubling if only wealthy people could access accurate news, but this debate needs to consider how cultural production and distribution would change if the pressures and incentives of advertising were diminished. In short, inequity is already a problem. We should address it through deliberate and direct action.

Relatedly, Meta and other organized interests argue that restrictions on tracking and targeting will disproportionately affect small businesses. This is a sympathetic claim, but it sidesteps a larger conversation about whether we should use surveillance advertising as a mechanism to deal with failures of competition policy and antitrust enforcement. It is not obvious that protecting entrepreneurs should be a defining purpose of communications media, especially if those businesses cannot afford to acquire customers without using cheap ads that externalize the costs of data extraction and profiling. But if supporting small businesses is a social goal, it ought to be treated directly with policy and regulation, rather than as a trickle-down effect of discrimination-as-efficiency.

Perhaps the most disingenuous aspect of arguments for the status quo is that they seem to assume that any political action affecting advertiser support would not be coupled with active measures to encourage the provision of useful information and communication services. If a bridge was deemed a safety hazard but a necessary conduit for traffic, no serious debate would be limited to the two options of either tolerating the threat of collapse or demolishing the bridge and walking away from the rubble. People want and need news, entertainment, social connection—the whole range of purposes for which humans have adapted capitalist media. We want a bridge to reach those purposes. But an advertiser-supported media environment is, on balance, a hazard—to equity, to justice, to sustainability.

Well-meaning commentators insist that advertising does not necessarily devolve into surveillance and discrimination. While that may be true in principle, historical evidence suggests it is rarely true in practice. Surveillance advertising exists because of ongoing, if uneven, efforts to use media systems to extend and accelerate the circulation of commodities and to produce

evidence of attention and behavior as investment opportunities. Attacking the roots of today's problems requires more than just eradicating adtech's obvious offenses, such as shady tracking and profiling, rampant fraud, monopoly power, monetization of hate and deceit, and illegal discrimination. It is certainly good to squeeze out bad actors and choke off the revenue that funds blatant disinformation and hate. But convincing corporations to subsidize brand-safe content for affluent consumers is not a serious solution if we hope to confront inequality, injustice, and consumerism's environmental impacts. Mainstream ad-supported media, prone to distortions and market failures, have long histories of producing subtle but systemic misinformation, framing social issues in ways that legitimize entrenched wealth and power and omit or discredit the concerns of people who are marginal or resistant to an established order.¹³ Real progress will require coming to terms with the grave implications of capitalist media and information systems and recognizing that surveillance and discrimination are central to selling the American people not only online but also throughout commercial media. Advertising may have a place in society, but that place cannot be as an organizing institution of social infrastructures.

This book has shown that well-worn arguments about the necessity of advertising do not hold up. Advertising is a dubious system for structuring access to culture and social life. It is beset with contradictions, and the attempts to resolve those contradictions or to make the system more rational have mostly made it worse. The ideology of optimization chases private values, with social values externalized as afterthoughts. "New information technologies will be used by the powerful to increase their power unless somebody makes other plans," Carolyn Marvin warns.¹⁴ Media systems for a democratic, just, and sustainable future will require us to dream and design differently—to make other plans.

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