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I am submitting herewith a dissertation written by Ludmilla Gricenko Wells entitled "The Role of Advertising in the Soviet Union." I have examined the final copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirement for the degree of Doctor of Philosophy, with a major in Communications.

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We have read this dissertation
and recommend its acceptance:

Accepted for the Council:

Associate Vice Chancellor
and Dean of the Graduate School

THE ROLE OF ADVERTISING IN THE SOVIET UNION

A Dissertation

Presented for the

Doctor of Philosophy

Degree

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Ludmilla Gricenko Wells

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DEDICATION

This dissertation is dedicated in memory of my late father

Feodor Feodorovich Gricenko

who left a legacy of love, inspiration and courage

to help keep my "Russian Soul" forever within my heart.

ACKNOWLEDGMENTS

I would like to thank my major professor, my mentor, Dr. Ronald Taylor, for his perseverance and endurance as we searched for "my own voice" and whose guidance gave meaning to my research. I would also like to thank the other committee members, Dr. Paul Ashdown for his interest and encouragement that I should write "a book," Dr. Herbert Howard, for sharing his expertise in historical research as we witnessed history in the making, and to Dr. Vernon Iredell, for adding a world-view perspective during rapidly changing international events.

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And a final thank you to Victor Bobrov, Manager, International Services with NTD International Advertising Company in Moscow without whose help the "who's who" in the Soviet advertising industry may not have been part of my Soviet advertising history.

ABSTRACT

Western advertising professionals based their interpretation and definition of advertising in the Soviet Union on a Western model of advertising and its role in free-market economies. Western influence in the restructuring of the Soviet economy also played an important role in how Soviets perceived advertising.

Symbolic interactionism suggests that things have different meanings for different people at different times. This qualitative study discusses (1) the role of institutions as a system of ideas created and shaped by the meanings individuals assign to those institutions, (2) the influence of Russian culture on advertising in the USSR, and (3) the problem of imposing Western concepts of advertising.

This research study was conducted on-site in Moscow, Russia in May 1991. Twenty interviews were audio-taped in Russian with selected government officials, business and advertising industry professionals, academicians and students. Findings suggest that advertising in the USSR was a form of market information between commerce and industry; adaptation of Western-style advertising created conflicts among Soviet economic and social classes; Soviet advertising decisions concerning media, messages and ethical behavior are made on an intuitive basis; and advertising must be viewed from the perspective of a Russian culture in order to be understood.

PREFACE

This research study was conducted in May 1991, when the Soviet Union was still a unified country comprised of republic states collectively in the process of economic and political restructuring. Michail Sergevich Gorbachev was President of the Union of Soviet Socialist Republics, and Boris Nickolaiovich Yeltsin was elected to the presidency of the Republic of Russia in June 1991. There was little if anything, during the research process, to suggest that something as unconstitutional as a *coup d'état* would be attempted on August 19, 1991. However, startling world events are seldom as predictable as they appear to be until after the fact. While there was nothing in the accounts reported in the United States media and the writer's personal contacts to indicate that the research material gathered in May 1991 was no longer valid, such an event would have immediately affected "business as usual" in the Soviet Union.

In December 1991, there was another astounding event: The reconfiguration of the Union of Soviet Socialist Republics into the Commonwealth of Independent States. Hence, the Soviet Union as it was during the research time frame -- the USSR -- ceased to exist. Without revisiting the former Soviet Union and dependent upon US media reports and the writer's personal contacts, it was unrealistic to believe that nothing had changed in the USSR that may have

affected the research material and subsequent analysis. Unquestionably, the division of political and economic powers had an immediate effect on the overall operations of the Soviet government, and on foreign and domestic policies. While business and economic relations with the West may have become tenuous, historical and cultural traditions of the Soviet people would transcend and survive the immediate repercussions of current events.

Therefore, it is necessary to clarify that this research study does not suggest that the findings are equally applicable to the CIS as to the USSR. This study never was intended to be generalizable beyond the scope of the research framework nor to suggest that after 70 years of socialism, Soviet society would remain untainted or unaffected by Western influences. The intent of this study was simply to offer a deeper and richer understanding of different people with a different culture. To facilitate this understanding, this study refers to the Soviet Union as it was in May 1991 and to the Russian culture as the heritage of the Soviet people before the 1917 Revolution and the advent of socialism.

This research study attempts to dispel some Western misconceptions about advertising and its role in the Soviet Union, and to present a better understanding of how the Russian culture remained a prevalent factor in the Soviet Union and in Soviet social, political and economic

institutions. The political reconfiguration, hence the relabeling of the Soviet Union as the Commonwealth of Independent States, and the Republic of Russia as the Independent State of Russia, did not affect the validity of the writer's research methods or findings.

There are several Western misconceptions about the development of advertising in the Soviet Union. These misconceptions make it difficult for Western firms to effectively create messages and use the Soviet mass information media to reach potential consumers. In 1991, three common misperceptions, among others, were that (1) the Soviets had not created, produced or used advertising to promote goods and services, (2) prior to 1988 there were no advertising agencies in the USSR, and (3) the only "correct" advertising system was one that is based on a free market Western model. This was exemplified by the increase in the number of special conferences, seminars, and lectureships sponsored and organized by leading Western advertising organizations, academicians and media such as the American Advertising Federation in cooperation with the United States Information Agency, the American Academy of Advertising, and Advertising Age.

What limited information was available regarding the development and practice of advertising in the Soviet Union was based on identifying categorical, semantic or procedural equivalents in a Western model of advertising. For example,

"movie theatre or cinema" advertising was a primary medium in the Soviet Union, yet it was commonly labeled as "alternative or non-traditional media" by Westerners. Out-of-home advertising, specifically Western-style billboard advertising, was not considered equivalent to Soviet out-of-home advertising that included painted advertisements on the sides of buildings, and hanging or free-standing poster boards. Because traditional Soviet advertising procedures were different in terms of client/agency/media relationships, Westerners often misinterpreted this as operating without any system of advertising management.

This, in part, was reflected within a variety of reports and comments made by long-standing Western advertising industry representatives such as the trade publication Advertising Age, agency executives from Young and Rubicam and Ogilvy & Mather, and research organizations including The Gallup Organization. There had been little independent research or discussion of the political, economic and cultural factors that played a significant role in how Soviet individuals form their perceptions and understanding of advertising.

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CHAPTER I

OVERVIEW OF ADVERTISING IN THE SOVIET UNION

Introduction

Western advertising professionals have interpreted and defined advertising in the Soviet Union based on the Western model of the advertising process and its functional role in Western economies. For the most part, the difficulty encountered by imposing Western concepts of advertising stems from Westerners' inability to understand this relatively contemporary phenomenon in the Soviet Union within the context of the Russian culture, history, and language and the Soviet economic and political structure.

Increased Western influence in the restructuring of the Soviet economy had a visible effect on Soviet society. Therefore, it is important for Western professionals to gain not only an understanding of the role that advertising had in the evolving Soviet economy, but also how the Soviets perceived advertising as an institution in the Union of Soviet Socialist Republics.

To place this study of Soviet advertising in context, this chapter provides (1) an overview of related research on Soviet advertising, (2) a review of recent changes in the USSR, and (3) a description of the relationships between advertising and market conditions.

A Brief Overview of Related Research

Soviet advertising as a whole had not been a focus of study since Philip Hanson (1974) wrote his Advertising and Socialism -- a contemporary history of the advertising process in the Soviet Union 1968-1974. Hanson described the advertising process as an interrelated system of government ministries and organizations, manufacturers/distributors, and mass media. He contended that the advertising process in the Soviet Union was a planned system of allocating money to promote product categories pre-determined by the central government. Hanson stressed that advertising served a communications function that facilitated the flow of goods from distributors to consumer outlets. This function was imposed by socialist economic planning rather than being driven by marketing or communications factors.

Occasional articles and book chapters on advertising creativity have failed to address the significant influence of the Russian culture on the interpretation of advertising messages and media. Lyman E. Ostlund (1973) described the status of the advertising industry relative to existing advertising agencies and media between 1968-1972. He offered a critical assessment of message content for selected consumer and business-to-business advertisements. Marshall Goldman (1961, 1968) addressed advertising and its relationship to Soviet marketing practices. He recognized that even within a centrally planned economy, categorical

marketing functions did exist and advertising did play a role in disseminating product information. Jere Felker (1966) noted that the growing awareness of the potential of advertising enhanced the still developing "marketing techniques" used within the socialist political economy. Thomas V. Greer (1973) noted that Soviet advertising represented information that would educate consumers, redirect demand, and reduce factory inventories in order to fulfill economic plans.

In contrast, Soviet authors A. O. Feofanov (1974), I. Y. Rozhkov (1987), D. M. Bekleshov and V. I. Popireen (1989), presented the Western style of advertising (written in the Russian language or in translation) without establishing relevancy to contemporary Soviet advertising practices, and editor E. M. Penkova in collaboration with V. B. Bobrov (1991) prepared a Russian translation of Harry C. Carter's (1986) Effective Advertising: The Daily Telegraph Guide for the Small Business. These authors' works, introducing a Western style, or model, of advertising to the Soviet Union, were published during different periods of detente initiatives between the United States and the Soviet Union.

Contemporary Western research on advertising and marketing has focused on experiences with socialist Eastern European political economies that were yielding to the development of a free-market system, but none addressed

advertising issues confronted during the restructuring of the Soviet political economy. Nikolaos K. Papavassiliou (1989) identified six factors -- one of which is "country" -- that affect the consumer decision-making process in Europe. He defined the "country (societies, countries or clusters of countries)" factor based on Riesman's "'social character' ... [as] conformity to social norms" (Zinkhan and Shermohamad 1986 cited in Papavassiliou 1989). Social norms were further categorized as tendencies to follow or deviate from cultural and historical traditions. Jacob Naor's research focused on Hungary's (1990) and Eastern Europe's (1990a) socialist economies and marketing policies as a process of reformation away from a centrally planned economy. However, neither study addressed the economic role, much less the institutional role, of advertising in the marketing mix or its impact on society.

In summarizing research efforts, Nicolas Papadopoulos, Louise A. Heslop and Jozsef Beracs (1990) noted that with regard to marketing management in Eastern Europe, "... most of the research to date has studied Eastern markets from without, rather than from within, and [that] published empirical studies are virtually non-existent." In their own study, the issue of advertising was not addressed. These authors' research on transitory socialist economic systems toward free-market systems do take into account cultural and historical influences that are characteristic of Eastern

European nations. Points raised by the authors with regard to political and economic policies and the geographic location of Eastern Europe can be used to explore some of the changes underway in the Soviet Union since 1985. However, there has been little, if any, formal research conducted on any aspect of advertising in the USSR.

Recent Changes in Soviet Advertising

Since 1988, the role of advertising as an institution in the Soviet Union had been directly tied to socioeconomic changes labeled *perestroika* and *glasnost*. In concept *perestroika* was the process of reformation; in practice, it was a restructuring that included a reinterpretation of socialist ideology and the Soviet economics. *Perestroika* had redefined the role of Soviet mass communication and indirectly the role and functions of advertising. *Glasnost* was more narrowly defined (Jacobs 1988) as the openness between government and the citizenry -- a means by which society informs itself about government activities via mass information [mass media], oral propaganda [free speech], and visual representations [commercial art]. Westerners often misinterpret the meaning of *glasnost* and, thus, mistakenly understand it to mean advertising in the Soviet Union.

Perestroika and *glasnost* have been symbols of economic reform and information dissemination. The West perceived these developments in Soviet society as movements toward

democracy and away from Marxism-Leninism. However, these changes were not blasphemy to socialism. Nor did they necessarily effect a complete abandonment of a centrally-planned political economy in favor of a government regulated, semi-competitive market system (Rosefielde 1986). Soviet acceptance of democratic principles guided the process of political and economic self-determination, but the process did not necessarily replicate democracy and capitalism as those embraced in the West. The interaction between Western concepts and Soviet perspectives presented new constructs of reality -- realities that were produced by Russian culture characteristics.

In order to gain an understanding of the role of advertising in the Soviet Union, it is important to review the country's historical and cultural influences as well as economic and political policy decisions up to the short-lived *coup d'état* on August 19-21, 1991. *Perestroika*, even under a Communist Party government, played a significant role in shaping how Soviets as professionals and consumers formed their perceptions of advertising and its growth as an institution in the USSR. Since 1988, perhaps the most visible symbols of changing perceptions of the economic value of advertising had been the acceleration of joint-venture operating agreements between Western and Soviet industrial manufacturing and raw material processing firms,

import/export organizations, publishing firms and advertising agencies.

Perestroika Partnerships

Before 1988, access to Soviet consumer and product market information was, in most cases, restricted. Yet, the resulting lack of information did not deter Western advertising agencies from establishing a presence in the USSR. February 1988 became a milestone in advertising history when headlines announced the opening of joint-venture advertising agencies and enterprises in the Soviet Union. *Sovero* became the first Soviet full service advertising agency by joining forces with V/O *Vneshtorgreklama* -- the USSR's foreign trade advertising agency within the USSR's Ministry for Foreign Trade -- and the international Young and Rubicam advertising agency headquartered in the United States.

Shortly thereafter, Ogilvy & Mather Worldwide advertising agency headquartered in the United States, opened *Tizsa*, a three-way joint venture with the USSR's *Soyuztorgreklama* formerly the All-Union Advertising Organization and the Hungarian *Mahir* advertising agency. According to Gary Levin (1990), reporting for Advertising Age, United States' BBDO Worldwide advertising agency followed suit with a three-way joint venture with German publisher *Burda* and *Vneshtorgizdat* -- the Soviet printing ministry. Grey Advertising established an affiliation with

Rostorgreklama -- the Russian Republic Advertising Complex; McCann-Erickson Worldwide with *Novos* (News) publishing; Bozell, Inc. with *TASS* (Telegraph Agency of the Soviet Union). Both *Novos* and *TASS* were official news gathering and reporting agencies in the USSR (Medish 1984). D'Arcy Masius Benton & Bowles entered into a joint venture agreement with a Soviet partner outside of the advertising industry -- *Pomstroybank*, the Soviet Union's largest bank. In 1991, BBDO Worldwide opened *BBDO Marketing* -- an independent, Soviet-staffed subsidiary with a local office based in Moscow.

Joint-venture agreements were major initiatives aimed at introducing Western advertising protocols -- Western procedures for correctly organizing management functions in the advertising industry -- to the Soviet Union. The promise of economic prosperity was based on including Western protocols that departmentalized functions and categorized agency personnel, instituted financial accountability, formed consumer and market research techniques, and implemented creative and production processes, as well as media selection, measurement and uses. While the broad function of advertising is communication, the underlying Western function of advertising is "to sell" products and services (Bartels 1988). Advertising agencies confronted the problem of transporting uniquely Western advertising processes developed within free market systems

into the Soviet Union with an underdeveloped economy and consumer market.

The arrival of Western advertising agencies had an impact on the structure, function and process of advertising in the Soviet Union. Between 1989-1991, Western advertising agencies (1) instigated a competitive attitude among individuals to quickly create Soviet agencies; and (2) introduced a Western model of advertising and management that new Soviet agencies were expected to adopt and structure their procedures and operations. In particular, Western concepts and models of advertising played a role in changing "who" is advertising; "why" and "what" is being done; "how" and "where" it is done.

In the past, Soviet perspectives of advertising were shaped by Western advertising and marketing theory rather than direct personal experience or formal education within the USSR. On February 6, 1988 a Decree of the Central Committee of the Communist Party and the Council of Ministers Number 179 constituted the legal basis for business and advertising activities in the USSR. This new law gave Soviet enterprises the flexibility to pursue international trade and markets and also created a new measure of success -- profit (Lane 1990). These firms had to deal with economic supply and demand paradigms, consumer and market research techniques, marketing and advertising management functions and had to determine the relevance of

public relations and publicity in foreign as well as domestic Soviet markets.

While under the direction of the USSR Ministry for Foreign Trade, the foreign trade advertising agency *Vneshtorgreklama* had exclusive responsibility for business-to-business and international trade advertising. The agency was the only channel authorized to place Western advertising in Soviet domestic media as well as create and place advertisements for Soviet firms in foreign media. Domestic trade and consumer advertising was channeled through regional and local offices of branches of other USSR ministries. For the most part, domestic advertising was limited to Soviet trade and business-to-business publications (Hanson 1974).

In 1990, Alexander Brody, president of Ogilvy & Mather Worldwide and chief executive of the agency's international operations, admitted, "We have done very little in the way of advertising for our American clients [in the USSR]" (Foltz 1990). *Sovero* Executive Vice President and Director Bill Munsell stated that "Advertising here is a throwback to the kind we used to do in the United States 50 years ago." Munsell added, "You really can't call us an advertising agency, yet" (Foltz 1990). Western agencies seemed unwilling to restructure their own advertising and marketing protocols to accommodate differences in the characteristics found in the Russian cultural and Soviet economic system.

Sovero's former general director Yuri M. Deomidov noted "Before 1988, we had a monopoly on advertising. Now we have competitors" (Iams 1989). *Sovero*'s advertising executive Vladimir Tikhonenkov noted that foreign advertising spending in the Soviet Union was only about $8 million a year, but there was a suppressed demand of $3 billion for goods (Iams 1989). Former Chairman of the USSR Advertising Association, Igor N. Borzenkov (1990) - *Tizsa/Ogilvy & Mather*, Moscow chairman, reported in 1990 that the "delayed demand for consumer goods and services reached in 1989-1990 was about 200 billion rubles." Foreign policy initiatives, economic trade constraints, soaring inflation and a growing deficit of over-priced, essential household foods and staples continued to be the primary barriers to expanding advertising's institutional role in the Soviet Union.

Western agencies serviced their Western clients with what could be considered little more than "translation" work. Until December 1991, the Soviet Union was comprised of 15 republics with native ethnic groups speaking nearly 200 languages and dialects (Borzenkov 1990). It appeared that, even with local staffs, the agencies performing consumer research for their Western clients, had problems assimilating into the Russian culture (Steimel 1990, Hume 1991). They were unable to provide any significant understanding of the role of the advertiser or the consumer in the Soviet marketplace (Foltz 1990). One obstacle to the

development of advertising in the Soviet Union, regardless of whether it was the Western client or agency representative who was researching the Soviet marketplace, was the failure to gain insight into and an understanding of the Soviet mentality (Mikheyev 1987). Yuri Kostin, a deputy director for *Gosteleradio*, noted that "Americans don't really understand our market and still lack the proper contact to approach our advertising market" (Ostrow 1990). This superseded any other problem that they had encountered.

Advertising's Changing Role in the USSR

Soviet advertising was a societal and economic factor that encouraged conformity through diversity. Individuals were exposed to advertisements that offered symbols representing expended individual efforts for improving the quality of social and economic life in the USSR. By encouraging individuals and enterprises to take new initiatives and responsibilities for their individual actions, advertising served as a stimulus for conforming to collective action in advancing *perestroika*. Furthermore, advertising and its role in economic restructuring redefined Soviet socialism in terms of a Russian culture that embraced traditional values of family, faith and society.

Soviet advertising created new constructs of what was a "civil" society and its role in redefining socialist ideology. Western advertising, whether it was for foreign products or Soviet products presented in mimicked Western-

style advertising, created new images and new realities for Soviet society. The Soviet citizenry no longer was expected to adhere to communist principles of economic uniformity or social equilibrium. Soviets had to interpret and redefine the meaning of individuality.

Collectively, Soviet advertising presented views of materialism, at times Western-style materialism, as a symbolic means of improving the quality of life in the USSR. Utilitarian in appearance, Soviet advertising encouraged consensus as a way of motivating people toward, at least, a quasi-market system. This consensus -- conformity -- in part drew from Marxian philosophy the idea that man's chief motivation was materialism (Fienberg 1985). However, to reach consensus -- conformity -- the people had to reinterpret and redefine existing social and economic norms and accept a spirit of individualism and entrepreneurship.

Perestroika was a process that required a new cohesive ideology that would bind individuals in Soviet society. Individuals took on new roles as active participants in organizing a new social and economic life in the Soviet Union. Advertising, in the Soviet Union, extoled the virtues of working toward a better "quality of life." To do so meant stimulating individual and collective diversity of actions toward personal and economic growth. Economic agendas, put forth by President Gorbachev, attempted to adopt a market system without sacrificing socialist

ideology, that is, to maintain a collective social system while redefining societal and economic norms and to make them individualistic.

Individual action would lead to personal independence and economic self-determination. However, individuals had to collectively understand and accept the revolutionary spirit of *perestroika*. Change as a whole could only be accomplished as an outgrowth of the interaction between and among individuals, their ideas and shared meanings for the symbols of a "civil" society. These symbols were often equated with restoring traditions found in the rich and proud history of their Russian ancestry and culture.

Money, Markets and Advertising in the USSR

The failed August 1991 *coup d'état* in the Soviet Union was precipitated by historical and cultural concepts and political conventions unique to the USSR. The changes within the stagnated bureaucratic government were gaining momentum to meet the rapid growth of social and economic institutions that began to "restructure" prior to the *coup d'état*. However, the role of advertising as institution, as a force of social and market influence, continued to reflect traditional Russian culture.

To establish a perspective on the relationships between economic restructuring and market system development with their attending social system changes, it is important to

understand the historical effects of the Russian culture on *perestroika*. More than 70 years of a controlled, planned, collective social and economic system gave way to greater freedom of individual responsibility and accountability. A new freedom awarded both individuals and enterprises a forum for self-determination such as changing their social and economic status. Individual self-improvement initiatives in the form of work ethic would in turn act as catalysts in revitalizing the Soviet economic society. Individuals took on new roles and redefined their relationships in a different political and economic Soviet society. However, these individuals' new realities were interpreted and defined within the cultural bounds of a Byzantine legacy (Obolensky 1950), a time of "Reform" under Peter the Great (Florovsky 1962) and post-1917 Socialist revolution.

The Legacy of *Perestroika* Economics

Peter the Great was considered to have been one of the earliest economic reformers within a stale feudal system (Felker 1966). The Revolution of October 1917 was a form of economic restructuring. It moved society away from anarchy and feudalism toward improving the Soviet peoples' quality of life. President Gorbachev's *perestroika* initiatives and administrative policies were reminiscent of the actions taken by czarist regimes (Lieven 1990, 1990a). Tempered by Western Marxism and Habermas's philosophy of rational bureaucratic functionalism (Kubalkova 1991), Gorbachev

professed *perestroika* and economic restructuring as an extension of the revolution initiated by V. I. Lenin. Gorbachev, in his acceptance speech before the February 1988 Central Party Plenary Meeting (Lane 1990), conceptualized socialism as "establishing the power of the working people and giving priority to the good of the individual, the working class and all the people."

The Soviet mentality carried the memory and knowledge of more than a century of seemingly spirited movements toward a market economy and the demoralizing failure to sustain those reforms (Mikheyev 1987). Marxist-Leninist ideology "toward a classless society" and prosperity brought forth only impoverishment of society as whole. Lenin's five-year New Economic Plan (NEP 1921-1926) produced only limited movement toward a market economy, tolerating only small scale entrepreneurship (Gurley 1988, Berry 1990). Whatever marked economic growth gained under Lenin was destroyed after his death -- under Stalin (Lisichkin 1990).

For the Soviet citizenry, Stalinization became a period of societal and economic stagnation and destruction of Russian cultural ideology (Rakitskaia and Rakitskii 1990). Nikita Krushchev and Alexander Kosygin's reforms attempted to jar the dysfunctional Soviet economy, but did nothing to restore the Russian values and traditions underlying the Soviet mindset toward productivity and work ethic.

Changing the Soviet's attitudes toward understanding the repercussions and rewards of *perestroika* and a market economy was contingent upon their accepting individual responsibility for economic self-determination. However, since 1986, Western firms had been exerting a "world-view" pressure on the Soviets to demonstrate that the Western view of the international market reality is, in fact, the only way to reconstruct a domestic market. The Soviet experience and cultural development had rested on Marx's Labor Theory of Value (Goldman 1968, Felker 1966). Soviet self-worth was considered to be intricately interwoven with commodity production giving a sense of value to what was produced, by whom and for whom it was produced.

The Soviet economy had been supported by a military industrial complex and, to a lesser extent, state-owned agricultural collectives. The Soviet's centrally planned economy diminished participation in developing entrepreneurial domestic industries. Individuals and enterprises were constrained from exhibiting any independent initiatives in determining what goods would be produced or services offered, much less how or by whom. This resulted in Soviet exploitation of their natural resources in terms of commodity/industrial production (gold, diamonds, forests, chemicals) or individually crafted items (ethnic souvenirs) for the purposes of attracting Western market interests and import/exports contracts.

Western firms looked for immediate returns on investments; Soviet firms look for immediate short-term economic and production solutions to a long-term problems. This strategy hurt the Soviets as entrepreneurs and consumers in their own country. The Soviet economy had operated under a "command paradigm", within which the production of goods was decided by quasi-industry administrators (trade ministries) irrespective of the manufacturer supply/consumer demand market function (Rosefielde 1986). Neither the manufacturer nor consumer had much impact as to "who" advertised or "what" was advertised in the domestic or foreign marketplace.

Since 1985, the advent of political and economic reform in the USSR created opportunities for Western corporations to negotiate "joint-venture agreements" with Soviet enterprises. Changes in regulations governing foreign trade agreements and decentralized domestic enterprises reprioritized the focus of Soviet firms from developing a domestic market as a source of economic stability to dependence on international trade to salvage the Soviet economy. In the rush to take advantage of the *perestroika* atmosphere (Rakitskaia and Rakitskii 1990), little attention, if any, was directed at the potential dominance of Western free-market mechanisms and transnational economic policies as an impediment to the development of a self-regulated, competitive Soviet market economy.

Perestroika initiatives were designed to create mechanisms to move from a centrally planned economy (command paradigm) to a market economy (capitalist paradigm). However, the assimilation of Western marketing protocols in effect forced Soviet firms and entrepreneurs to pursue international markets before developing their own domestic markets. This "leapfrog" marketing approach was an attempt to restore a fledging Soviet market economy. Bypassing the development of domestic market sovereignty in pursuit of an international market equilibrium resulted in an over dependence on Soviet foreign policy to regulate economic trade to meet domestic consumer and industrial needs.

Attempts at economic reform were having a powerful hold on popular values and lifestyles (Lieven 1990) in the Soviet Union. Rakitskaia and Rakitskii (1990) reflected:

> *The loss of the traditions of commodity-monetary relations led to a loss of respect for [and by] the people who strive toward economic prosperity through their labor.... Economic culture as the social memory of society not only transmits values and norms to future generations, but also creates new ones and transforms them into stereotypes of mass behavior.*

Traditions of individualism and craftsmanship in production were replaced by slogans of reformation toward a market economy for the survival of an economic society. The Soviet people carried the burden of past failures of economic and socialist reforms. Unprepared to adapt to unprecedented and radical changes, the Soviet citizenry felt that, "... the idea of a market, even a regulated market,

brings fears of inflation, unemployment and income inequality" (Kurtzman 1989, Kagay 1991). The concept of economic self-determination was introduced to a "protected" Soviet society previously sheltered from Western influences and the resulting accountability for the successes and failures of the individual decision-making process. Rewarded with the freedom of choice, Soviet society also had to bear the risks of social uncertainties and economic consequences of those choices.

The reconfigured confederation of Soviet states faced new constructs of economic and social reality as *perestroika* attempted to strike a balance between Western market expectations and domestic market limitations. Western concepts of independence distorted Soviet perspectives of national sovereignty and interdependence among the republics. Soviet national interests were spurned in favor of the republics' self-interests. Individuals redefined their own roles as citizens within their republics, the new confederation, and as members of society that was no longer tied to a unified political and cultural entity. What was the potential strength of the Soviet Union as a whole was fragmented by a nationalist movement among the republics. At a time when geographic and economic boundaries were being redrawn in the New World Order of political and economic superpower regions, i.e., the European Economic Community, the Middle East, Latin America, and so on, the social and

economic aspects of *perestroika* would have a significant impact on advertising and its role as an institution in the Soviet Union.

With Glasnost Comes Advertising

The first advertising organizations in the Soviet Union began to develop before the 1917 Revolution and the implementation of Marxist-Leninist doctrine (Hanson 1974). "Advertising is the Engine of Trade" sounds like a "battle cry" that belonged to a Western advertising industry during the late 1800s when the train was the dominant mode of travel. Actually, this slogan was created and used by **Mettsel**, (Degtyarev and Kornilov 1969 cited in Hanson 1974) the first Russian to open an "advertising organization" office in Moscow in 1878. [The United Soviet Socialist Republic (USSR) did not come into existence until December 1924 (Acton 1988; Treagold 1987).] Around the time Mettsel started to offer advertising services, so did Americans Calkins and Holden in the 1890s (Russell et al. 1988). Both agencies brought together the craftsmanship of copywriting and illustration to provide creative services in the advertising industry.

Western and Soviet advertising were both based on a hierarchical system, with procedures in place for creating advertisements. These procedures were rooted in two diverse ideologies, cultures, and economic systems. Both Western and Soviet systems utilized creative and production

techniques via mass media to reach the consumer. Western advertising, according to Vladimir Pozner, Soviet broadcast commentator, was perceived to be concerned primarily with aesthetic presentation rather than with providing information about products (Colford 1990). Soviet advertising was believed to be informative, at least utilitarian, in that it attempted to stimulate demand for consumer products (Hanson 1974).

Yet, the primary difference was that Western advertising responded to and reflected the wants and needs of the marketplace -- an interaction between the manufacturer and the consumer under the supply and demand economic paradigm. In general, both the manufacturer and the consumer were represented in the advertising process. Soviet advertising was treated somewhat like a commodity. As of September 1991, the quasi-autonomous responsibility for advertising was shifted, in part, from Soviet state jurisdisction to each of the republics. The republics still operated within a planned economic system, but essentially gained greater decision-making capabilities in determining which and in what form advertising resources would be used to provide positive benefits to individuals, businesses and society as a whole.

But it was not until the 1960s, with the easing of censorship, that a more formal and directed advertising planning process began to evolve. The concept of

"programme-oriented management" [strategic management] had gained significant popularity among general industry specialists and popular periodicals of the 1960s (Moiseyev 1989). It was also during this period of development that the Soviets became more receptive to Western influences toward business, industry and advertising practices. In 1972 Marstellar International advertising agency signed an agreement with *Vneshtorgreklama* -- Ministry of Foreign Trade advertising agency-- to serve as the central agency for placing advertisements [for Western clients] primarily in Soviet trade magazines and to a lesser extent, newspapers (Ostlund 1973).

For the most part, Western advertisers and agencies did not consider Soviet advertising as "real" advertising. Yet, one of the tenets of Western advertising is to inform, educate and persuade. In as strict adherence as possible to the assortment of definitions of Western advertising, Soviet advertising did just that: inform and educate in a persuasive manner. Westerners tend to neglect the fact that definitions of advertising are culturally bound.

Ostlund (1973) presented two examples of Soviet advertising - one for margarine and the other for facial soap. As read in the original Russian language, the advertisements provided information by identifying the product/brand, and educated the consumer as to the features and in a persuasive manner, extoled the benefits of using

the product. When *Sovero* Executive Vice President and Director Bill Munsell stated that "Advertising here is a throwback to the kind we used to do in the United States 50 years ago," he exemplified what is a prevalent lack of understanding of the Russian culture and traditions. Munsell then added that "Ads have to be simple and informative, explaining what the product is and what benefits are" (Foltz 1990). The advertisements discussed by Ostlund (1973) as well as advertisements created in the early 1990s continued to meet those criteria by both Western standards and within the realities of a Russian culture and Soviet society.

Advertising as Institutional Change in the Soviet Union

Advertising, as a Western institution, was made up of individuals and groups that shared a common body of knowledge, ideology and goals designed to serve the general and specific economic, traditional and political interests of society as a whole. Symbolically and rhetorically, advertising affected the distribution of wealth, accumulation of knowledge, changes in behavior, beliefs and attitudes during the course of social interaction between and among individuals.

Advertising as an institution in the Soviet Union harbored on the shores of the communications industry. Former socialist "truths" were questioned, but not discounted. Government censorship had been eased, but not

eliminated. The media shifted from disseminating information influenced by the goals of the Communist Party to that of the Soviet government. The Soviet mass media cultivated new, at times radical, constructs of reality for the Soviet citizenry.

To accept new visions of socialism, the Soviet citizenry had to reinterpret their own roles and value in society. These roles were grounded neither in terms of economic self-worth nor levels of statocracy (Satter 1988), but in cultural traditions. The Russian culture -- a state of consciousness, a mentality, -- was a significant factor in *perestroika*, because *perestroika* "... embraced the whole of social life, not just the economy" (Aganbegyan 1988). Ryvkina (1990) noted that "Cultural influence ... manifests itself through values and social norms that regulate the activity of the economic institutions -- planning, supply, the market, financing. 'Cultural units' that regulate economic development also form the economy in spheres of morality, religion, politics, ideology and law."

Glasnost and *perestroika* affected the traditional organization and operations of the mass media in the Soviet Union. First, the Soviet enterprises continued to advertise industrial products in domestic and international trade publications. The editorial content of these publications addressed the business-to-business consumer (Rozhkov 1987).

Secondly, at least since 1985 and the officially proclaimed "openness" of *glasnost*, there was an increase in publications with more critical and controversial editorial content focused on the literary arts and political activism (Woll 1990). There was no indication that any advertisements were included in these publications. A relatively unclassified third category of consumer interest publications did include advertisements. However, there was little, if any, written discourse about this later magazine category.

In 1989, restrictions on business practices were eased in the Soviet Union and greater emphasis was placed on self-directed financial accountability and profit-oriented responsibility. These legislative actions also effected the communications industry in the Soviet Union. State-owned and supported media, historically "advertising free," began accepting domestic and foreign advertising. In 1989, *Gosteleradio* -- the USSR's national television and radio broadcasting organization -- sold and placed broadcast advertisments for major international corporations such as PepsiCo, Seimens, Computerland, Proctor and Gamble, and so on. Newspapers, *Izvestia* and *Pravda*, sold space at arbitrarily set rates. In 1990, national consumer publications, *Ogonoik* and *Crocodile*, were forced due to state-funded budget cutbacks, to sell advertising space to whoever could afford to pay.

In the days following the failed *coup d'état* August 19-21, 1991, President Gorbachev disbanded the Communist Party as a single form of government. Adoption of a new political constitution produced a loosely-organized confederation of 12 Soviet republics (minus Estonia, Latvia and Lithuania). Western advertising clients and agencies had to deal with not only an underlying Russian culture, but also the prominent rise of ethnic and cultural segmentation among the people and the spirit of nationalism among republics. The Soviet Union's splintered government had begun to abandon central planning in favor of a laizze-faire approach to economic restructuring within the republics. The emerging economic relationships among the republics, based on mutual interest, would follow the European Economic Community (EEC) model.

The role of advertising within as well as among the Soviet republics was redefined in terms of the cultural diversity of the citizenry, government intervention and industry self-regulation. These contemporary events, contemporary historical records (Marshall and Rossman 1989) provided a background for understanding how Soviets reinterpreted and redefined their roles as consumers and professionals and the role of advertising in the USSR.

Summary

From 1974 to 1990, there was little research or attention given to dispelling some of the Western myths and fallacies about advertising in the Soviet Union. Western researchers and professionals essentially ignored the cultural, economic, political and social implications of introducing a Western model of advertising to the Soviet Union and expected compliance with pre-set concepts and procedures. Aside from semantic, historical, economic, and political differences, it was presumptuous to believe that Soviet professionals did not understand Western advertising, but rather that Western professionals did not understand the Russian culture and the role of advertising as an institution in the USSR.

The development of advertising as an institution in the Soviet Union paralleled the increased interaction between and among individuals and other institutions within the context of a unique Russian culture. In 1985 President Gorbachev redefined socialism as "... establishing the power of the working people and giving priority to the good of the individual, the working class and all the people ... to put an end to the social alienation of the individual ... from power, from the means of production, from the results of his labor and from spiritual assets." Following Gorbachev's pronouncement, Soviet individuals had to reinterpret and define their roles in society; assess meaning to symbolic

perestroika; and gain an understanding of the role of advertising and cultural communication (*glasnost*) in the Soviet Union.

Western professionals must understand the role of advertising in the Soviet socioeconomic environment; Soviet perceptions of advertising as an institution in the USSR; and the degree of Western influence introduced in the restructuring of the Soviet economy and society. Radical changes in Soviet realities accelerated changes in the Soviet individual's perception of self and society.

Research Objectives and Plan of Study

This qualitative study will (1) describe how Soviet professionals and consumers reinterpreted and redefined their roles within the emerging advertising industry; (2) gain insight as to the meaning of advertising as an institution in the Soviet Union; and (3) produce an empirical understanding of the Soviet professionals' perception of the characteristics and functions of advertising as it paralleled *perestroika* and *glasnost* initiatives toward democratization and a capitalist free market economy.

This study discusses (1) the role of institutions as a system of ideas created and shaped by the meanings individuals assign to those institution, (2) the implications of Russian culture that underlie how Soviet

individuals reinterpreted and redefined their roles and the role of institutions in the USSR, (3) Western concepts of advertising as an institution, and (4) the fallacy of attempting to impose uniquely Western concepts on the advertising institution in the Soviet Union.

As a way of explicating the contemporary phenomenon of advertising as an institution in the Soviet Union, this study (1) uses George Herbert Mead and Herbert Blumer's symbolic interactionism as a theoretical framework for studying and gaining an understanding of institutions through individuals' meanings, and (2) offers illustrations of how the meaning of institutions in the Soviet Union changed.

In order to meet research objectives and address research questions concerning the meanings individuals held for advertising and its role as an institution in the Soviet Union, this study employed research methods that included (1) 18 individual in-depth interviews and (2) two ethnographic group interviews with Soviet government officials, business, industry and advertising professionals as well as academicians and university students. All interviews were conducted in Russian and on-site in the Soviet Union. Data analysis included identifying themes that explain what advertising meant to Soviet individuals and offer statements from the participants that demonstrated the changing role of advertising in the USSR.

In short, this research begins to provide an understanding of the interaction between the Soviet citizenry and institutions within a Russian culture as they moved toward political autonomy and a market system and adds insight as to how Soviet individuals as professionals and consumers envisioned an image, model and system of advertising.

This work is organized in the following manner: Chapter II addresses the role of institutions in Western and Soviet societies from historical, cultural, political and economic perspectives and influences./ Chapter III describes the theoretical and research methodology, research design, protocols and coding schemes. Chapter IV presents data analysis and findings, and Chapter V discusses the emerging role of advertising as an institution in the former Soviet Union and implications for the Commonwealth of Independent States in the New World Order. The Appendix supplements the List of References and A Selected Bibliography with Table of Russian/Western Advertising Terminology, Glossary of Terms, and Participants Interviewed.

CHAPTER II

THE ROLE OF INSTITUTIONS

Introduction

Institutions are organizations comprised of individuals with a common body of knowledge, ideology and goals who claim to serve the overall interests of society. Individuals take on roles as members of institutions by sharing ideas between and among others. Institutions are also symbols that represent the individuals, their ideas and shared meanings that arise from the interaction. Historically, institutions such as government, education, family and religion have been a source of social influence and social control.

Western influences changed the Soviet Union and its institutions. Within the context of the Russian culture -- the Russian experience -- these Western ideas redefined the role of advertising as an institution and as a form of social influence and control in the USSR.

This chapter (1) identifies the role of Russian history and culture as mitigating factors that shape Soviet ideas and institutions, (2) discusses Western concepts of advertising as an institution, and (3) examines problems of imposing Western concepts on the Soviet institution of advertising and society.

Systems of Ideas and the Nature of Institutions

The interaction between macro-institutions, government and society, structures the rules by which underlying ideas are exchanged and expressed. These institutions serve as instruments of social influence and control. The concept of government is institutionalized as a system of rules and regulations that people perceive to benefit society. The concept of society -- education, family, religion -- is institutionalized as modes of activity that attempt to prescribe patterns of moralistic behavior among individuals (Jackson 1990). Institutions are universal. However, the meaning of institutions arises from the interaction between individuals and their culture that governs the system and the rules for politics, religion, education and social conduct.

Historical and Cultural Patterns in Soviet Society

History is a re-telling of significant events or series of events during selected time periods. Recorded history reflects changes in culture and society. In czarist Russia, family and religion governed the modes of behavior for its members by instilling cultural values, beliefs and traditions. These traditions enforced historical continuity by maintaining the status quo in society. The 1917 October Revolution led to the reduction of the influence of family, education, and religion in Soviet society. To a degree these traditional institutions were replaced with the

government controls and subsequently as powers of the state after the formation of the USSR in 1924. President Gorbachev's *glasnost* and *perestroika* initiatives in 1985, followed by the attempted *coup d'état* on August 19-21, 1991, and the reconfiguration of the political state of the USSR affected how Soviet individuals reinterpreted and defined their own roles in society. The Soviet citizenry began to search for "truth" in the past, in Russian history and tradition, in order to shape their future, as individuals and members of society.

The Soviet citizenry faced many difficulties in redefining their own roles and the role of institutions in their society. In part, this was due to a "cultural gap" in Soviet history. Seventeenth-century czarism isolated Russia from the rest of Europe. Russia was not exposed to nor did it participate or share in the cultural or economic developments of the Renaissance or the ideas and technological advances of Western Europe. In essence, Russia had no prehistory, no past experiences with elements that "naturally" change society.

During the 18th and 19th centuries, the institutions of family and education were subservient to the dictates of the Russian Orthodox religion and a czarist form of government. Inspired by Karl Marx's Theory of Communism, V. I. Lenin and the 1917 October Revolution hoped to create an ideal social system that would exist without individual choice and, thus,

without social conflict. Communist doctrines were designed to shelter the Soviet citizenry from so-called destructive patterns of social class conflicts evidenced in economically advanced Western societies. By repressing the potential for the creation of social strata, Communism suppressed a natural diversification of ideas and the individual freedom to act upon them. Without destroying Russian traditions, the 1917 Revolution replaced a crumbling feudal system and czarism with another social system and authoritarian government.

Georg Wilhelm Friedrich Hegel, 19th-century German philosopher, suggested that reality is manifested in the ideas of man -- in concepts of liberty and self-determination. The multiplicity of individual ideas and institutional outcomes would foster different constructs of reality. Marx, at one time an avid student of Hegel, discounted the concept that individual ideas create multiple realities. Marx's monistic direction suggested that there is only one reality -- the historical continuity of man's motivations toward materialism and economic determinism. Individual economic determinism would create class strata and lead to social unrest. Reducing individuals' "freedom of choice" would reduce risks of social conflict and promote the "greater good" of society (Marx 1888 cited in Feinberg 1985). Though limited, the interaction between and among Soviet individuals defined and assessed meaning to freedom

of choice and self-determination within the political and ideological realities of socialism and their Russian culture (Dewey 1939).

Socialism was considered to be the last step in the hierarchy of societal change before Communism could be reached as a system of ideas and social life. The rise of Communism -- Soviet government -- was not a gradual outgrowth of the interaction between and among individuals and institutions, but a radical change that imposed new ideas, meanings and social systems. Political, economic and social change came about through the sheer power and intellect of a few individuals able to harness and control that power within society. The formation of a democratic government requires individuals to relinquish some of their individual rights for the benefit and stability of society. However, within the context of Communism, decisions were made for the Soviet citizenry. Individuals' values and ideas were deemed nonessential to the development of mutually beneficial political, economic and social institutions.

Marx discounted the value of Western organized capitalism as an economic and social system that would create conflicts in society. However, in contrast to the rise of Western capitalism, the system of ideas espoused by tradition and dominated by czarism were also challenged. The expressed choices symbolized by the 1917 Revolution were

not toward greater individual freedoms, but toward another form of social repression embodied within Lenin's concept of Communism. The history of politics, the rise of a "political economy," offered evidence that "... economic factors are an intrinsic part of culture...." The interplay between these philosophical constructs contribute to ways members of society interact and shape their institutions (Carey 1989). How institutions interact with individuals and other institutions within the context of the Russian culture redefined the role of advertising in the USSR.

Culture plays a significant role in shaping individuals' values and perceptions of reality. Culture influences the ideas individuals form based on patterns of social interaction within society. These patterns of experience affect how and to what extent individuals think and act (Martineau 1957). All nations, governments and societies, implement some plan for political, economic and social organization. While the concept of "organizations" is universal, institutional outgrowth is bound by cultural norms within each country. These cultural norms are a form of social influence and control stemming from ideas that have evolved through the interaction of economic, political and social institutions.

The interaction within, rather than between, political, economic and social strata kept Communism alive in the Soviet Union until August, 1991. Government decisions were

reached by consensus, the economy functioned by the collective behavior of the workers, and individual mores and societal norms were a compromise between cultural expectations and contemporary lifestyles. In each stratum, the interaction between individuals symbolized by consensus, collectivism, and compromise, maintained stability. Increased Western political and economic influence and reduced Soviet government controls changed how the individual interacted with other individuals and institutions.

Glasnost created greater opportunities for exchanging information and more open communication between social, political and economic strata. In turn, advertising took on a new role as an institution of social influence and control. The constant influx of cultural artifacts from the West such as television programs, movies, music and literature, Western concepts of advertising and the images represented in advertising effected a change in Soviets' individual values, social norms, political orientations, government regulations, and economic development.

Advertising as a Soviet Institution

Advertising is a form of cultural communication. To a great extent, it is a phenomenon unique to developed economies and free-market systems. Western advertising is both a product of and a process of mass communication. Advertising is a product of "cultural expectations"

(Rotzoll, Haefner with Sandage 1990). As a product, advertising is a manifestation, a professionally conceived and executed artifact of a culture and society. It is a catalyst that enjoins the informational needs and wants of individuals and the market (Carey 1989). Advertising, as a process, is communication between the marketplace and individuals within society. Advertising educates and informs the public, in a persuasive manner, about products, services, institutions and ideas in order to effect changes in beliefs, attitudes or behaviors among individuals (Sandage 1973). In turn, the marketplace responds to the ideas and issues raised, in the aggregate, by individuals and institutions. Advertising messages, images and symbols often construct new realities of social life not only as it should be, but as it may be. For example, a Russian farmer's direct response print advertisement for tomato seeds can be found juxtaposed near a Soviet entrepreneur's print advertisement for domestic and imported personal computers.

Advertising stimulates cooperative activity between the market and consumers. Advertising as communication and as an institution played a significant role in redefining the Soviets' individual values, social norms and governing political and controlled economy.

Advertising as a form of cultural communication creates social realities and sets societal norms. In the West,

advertising extols the virtues of materialism as a means of attaining a better quality of life, prescribes social behavior, and stimulates economic growth. In the Soviet Union, advertising attempted to mimic Western standards without abandoning Russian traditions and cultural values and norms. Contrasting messages leave Soviets in a situation in which the individual must reinterpret and redefine roles for organized social behavior. The Soviets called into question personal values and assessed new meaning to those values within changing social norms.

Prior to 1985, the Soviets had an attitude of "information malaise" -- a variant of "political malaise" (O'Keefe 1978, Robinson 1978,) -- toward the mass media in the USSR. The Soviets were relatively cognizant that news reports and advertising offered for public consumption provided a minimal amount of "fact." Questioning the prevalent socialist truths, individuals commonly disregarded the mass media as a source of credible information. An often quipped witticism reflected a Soviet attitude toward their two national newspapers Pravda (Truth) and Izvestia (News): "Pravda never prints the news, and Izvestia never prints the truth." Gorbachev's policy of *glasnost* effected a change of attitude among the Soviet citizenry toward the quality and accuracy of public information.

Advertising in the USSR manipulated cultural constructs of reality based on individual values and traditions into

new economic and political realities stemming from Western "freedoms" in the marketplace and a democratic form of government. However, Soviet history -- Old Russia, Socialism and Communism -- offered Soviets very limited experiences with freedom of individual choice.

Western Concepts of Advertising as an Institution

To attempt a description of the institutional role of advertising in the Soviet Union is a formidable task. As evidenced in Westerners' writings about the role of advertising in the West, there probably is not a single institutional role for advertising or even a dominant role except under certain circumstances (Taylor 1986).

For example, Rotzoll, Haefner and Sandage (1976) summarized four Western institutional views of advertising that see advertising primarily as market information (Carey 1989), market power (Norris 1984), social control (Potter 1954) or information and persuasion (Sandage 1973). Advertising may be regarded as any or all of these in the West depending on the writer's perspective and the characteristics of advertising he chooses to emphasize.

These four Western views of the institutional roles of advertising are described briefly here as a way of demonstrating some possible institutional roles that Soviet advertising may take. These roles are cast only as points

of comparison and to bring forth some of the emerging advertising trends in the Soviet Union.

Market Information

Carey (1989) saw that advertising influences the production and distribution of goods by controlling the depth and scope of information available in the marketplace. Advertising sets the norms of behavior for individuals and manufacturers by effecting economic decisions, and in some ways, creating levels of communication. Carey further suggested that formal market information is an exchange of economic information between commodities; informal market information is based on interpersonal communication between buyer and seller akin to a "flea market."

Carey's "flea market" analogy is increasingly evident in the Soviet Union. Reduced agricultural production and increased food and household staple deficits throughout the Soviet Union, maintained a network of *Outdoor Markets*, *Kommissionie* (consignment sales) and *Kommercheskie* and *Kooperativnie* (retail sales) outlets. With limited advertising, interpersonal communication was the primary means of exchanging information as to the availability, accessibility, and quality of goods. This informal communication also spurred the growth of a Soviet sub-economy, a "black market" for items not available in price controlled, *State-Owned* retail outlets.

Soviet business and industry market information was one-sided and controlled by the supplier: What will be produced, how will it be distributed and who will produce these items in society. The rapid growth of advertising in the Soviet Union influenced the transfer of market information via the mass media among businesses rather than between the consumer and manufacturer. New television programs presented current investment and mercantile stock market information; special interest business-to-business publications were increasingly in demand; consumer magazines began accepting both consumer and business-to-business advertisements. The Soviet seller, whether farmer or manufacturer, took on a more prominent role in disseminating information by actively advertising what was available for sale, thus controlling what would be available for purchase from the producer and what information would be supplied to the consumer.

Market Power

Norris (1984) wrote that advertising is a mechanism that attempts to change economic activity. In the Soviet Union, this economic activity meant moving from a centrally-planned market system with semi-regulated market controls to a free-market economy. The wholesaler, rather than the government, was the primary gatekeeper for the flow of information about products and distribution of goods. Before 1985, advertising was not needed when the production

and distribution of goods were a function of a centrally planned economy. *Perestroika* and *glasnost* opened avenues for manufacturers and producers to pursue national and transnational markets, thus utilizing national and international mass media advertising. The consolidation of Soviet market power defined the role of advertising as an institution within the USSR political economy. And Soviet professionals reinterpreted their roles in light of the growth of advertising as an industry that would affect both domestic and international business management, operations and economics.

Overall, Soviets feared that increasing the production, distribution, and the cost of goods, and expanding the use of advertising would contribute to even higher prices and inefficient use of resources (Norris 1984). In contrast, by stimulating demand through advertising, increased supply should spur more efficient production economies of scale and greater employment and profit opportunities. As a result, the flexibility in reallocating earned profit should encourage improvements in product quality and innovation.

However, in the Soviet Union, advertising was not viewed as a means of increasing product demand within the domestic market as much as providing access to foreign markets. Some products, such as household goods, manufactured equipment, and natural resources including raw materials, were produced for export rather than to meet the

needs of Soviet individuals. Other products, such as toiletries, household appliances, clothing, and electronics, were imported to offset Soviet shortages. The quest for greater profits further reduced the availability of already poor-quality goods and increased unemployment. Soviet consumers viewed advertising as touting goods at unaffordable prices and with insufficient supply levels and inadequate distribution among the republics to meet their immediate needs.

Social Control

Potter (1954) argued that advertising creates a culture of abundance by teaching individuals to be consumers. Advertising in the Soviet Union attempted to create a change in demand for goods and services that were not only "needed" as basic staples, but changing meaning of what constitutes "need" to a symbol of prosperity. In doing so, advertising exercised a form of social control by predetermining what would be or was available in the marketplace. Advertising promoted an atmosphere that "more is better" and "here is the best." Potter suggests that advertising disregards the values held by members in society, and only advances the interests of advertising industry.

Changing Soviet realities in economics and society toward materialism spirited communications professionals toward reinterpreting and redefining their roles in the advertising industry. Many restrictions governing

entrepreneurship had been lifted by the Soviet government. Enterprises were no longer held directly accountable to central government trade ministries. Advertising agencies in the Soviet Union grew in number and specialization. As of 1991, three distinctive agency categories emerged and included those specializing in selective client services for (1) only transnational firms, (2) only large domestic firms, and (3) small business and retail organizations. This was due, in part, to the outgrowth of *perestroika* initiatives toward economic change and the openness of *glasnost* and information exchange.

Advertising as an institution in the Soviet Union changed individual values and societal norms. New economic freedom brought new uncertainties into society. The interaction between economics and society created market place realities that affected how Soviets interpreted, defined and responded to advertising within the context of their Russian ancestry, culture, values and traditions (Harpole 1989).

Information and Persuasion

Sandage (1973) suggested that advertising informs, educates and persuades individuals about products, services and ideas. Advertising teaches individuals how to achieve abundance. The process of educating Soviet consumers meant providing more information about products and services. The

better informed and educated, the better equipped Soviet consumers would be to make rational decisions.

Within the constraints of the Soviet political economy, few consumer products and little information was available. Providing information to educate consumers ignored the fact that Soviet individuals had little experience with new product categories or Western artifacts. The Soviets' frames of reference were defined in terms of Russian history, tradition and culture. Socialist ideology that rejected capitalism did not simply change with an increase in advertising about products and services. Soviet individuals had to redefine and interpret their own roles in society. The interaction between individuals and institutions redefined the role of advertising in the USSR.

Western Fallacies and the Soviet Institution of Advertising

Moved by the spirit of *perestroika* and *glasnost*, Soviet individuals and enterprises sought information about Western advertising and marketing communications while attempting to preserve cultural traditions tied to the functions of a socialist system. This search for principles and practices of mass communications resulted in an imposition of Western concepts on the Soviet system of advertising. Advertising as a form of cultural communication and as an institution in Soviet Union created a conflict between traditional social and economic norms and the influx of Western concepts of

advertising. Robert Peterson (1976) proposed the production of culture as a collaborative process. Peterson suggested that an interaction among various people and institutions is required to create and distribute cultural products and shared meanings for the symbols that represent relationships among institutions. These relationships are intrinsic to the changing socioeconomic environment in the Soviet Union.

To better understand the role of Russian culture in the communication process in the Soviet Union, it is important to explore the conceptual and functional differences in advertising and its institutional role in the West and the USSR. This extends beyond the differences in semantics to those of cultural expectations and meanings for advertising in the Soviet Union.

Capitalist Realisms and Socialist Realities

Since 1988 and the infusion of Western advertising agencies and concepts of advertising, the need for domestic market information in the Soviet Union grew. According to David Lane (1990), "The [Soviet] population developed a consumer mentality and a yearning for Western artifacts." Western-style advertising was viewed as a cultural artifact -- a symbol of the interaction between individuals in society and government, technology advancements, cultural mores and traditions. In the West, this interaction led to an open exchange of market information between consumers and producers. Western advertising provided information from

the producer to consumers for the purposes of "selling" an idea, product or service. In contrast, a significant portion of Soviet advertising neglected the consumer and focused on business-to-business communication. Images of independent entrepreneurship shaped how Soviet individuals reinterpreted and redefined their roles in society. Promises of individual freedom of choice, self-determination, prosperity and abundance overshadowed the need for collective responsibility toward economic growth in the Soviet Union.

Capitalist Realism is symbolized by Western advertising that portrays "edited" versions of life and ritualized behavior (Schudson 1984). The underlying intent of Western advertising and the symbols contained within it advance concepts of "the good life." Advertising homogenizes societal norms, creates and diffuses stereotypes, sets attainable and non-attainable standards and goals for how individuals should behave and what they should aspire to (Schudson 1984).

Soviet advertising that symbolized capitalist realisms encouraged materialism -- materialism that went beyond maintaining the social and economic welfare of society (Galbraith 1958). New social and economic class structures were created by segmenting further an already heterogeneous Soviet population. The accumulation of wealth, property and goods symbolized economic and social diversity that created

multiple social classes. The presumed homogeneity within Soviet society was dispelled by greater segmentation of the Soviet population and stratification along the lines of ethnicity, political affiliation and financial means. These strata created class conflicts between "those who have and those who have not." The Soviet citizenry began to experience the extremes of social class capitalism: poverty and wealth.

In the Soviet Union, advertising portrayed life as it should be, the Western way of life. In some respects it blended individual characteristics into a mass society with uniform standards, needs and aspirations. However, the aspirations and goals idealized in Soviet advertising were artificially set to Western standards and not the natural outgrowth of a Soviet society and Russian culture.

According to The Gallup Organization (1990), nearly 97% of USSR households owned at least one television. Televised programs, a source of cultural entertainment and education, were at one time relatively free of commercial advertising. However, Soviet television programming changed to accommodate and incorporate commercial advertising for business-to-business, trade and consumer products (Wentz 1990, Iams and Hill 1991, McKay 1991, 1991a). Advertising in the Soviet Union created new socioeconomic realities for business organizations and individuals. Advertising changed societal norms and cultural expectations toward

individualism, entrepreneurship, and economic self-determination. The interaction among the Soviet citizenry, as consumers and professionals, changed the institutional role of advertising in economics and society.

During 1990-1991, for example, the entrepreneurial initiative toward a free-market economy and the easing of government restrictions on trade helped create a USSR Mercantile Exchange. This exchange was based on the Western economic model of a "stock exchange" with the selling of investment shares in corporations (i.e. the New York Stock Exchange, Commodity Stock Exchange, Dow Jones Industrials, etc.). In contrast, the USSR Mercantile Exchange acted as brokers for raw materials or manufactured industrial products and consumer goods. The Soviet banking system was not structured to handle individual and business financial transactions used for private ownership of investment stocks and bond brokerage.

These Soviet brokerage houses routinely used television and radio mass media to implement corporate advertising for services offered and business-to-business domestic and foreign product advertising (wholesale merchandise and raw materials) available for sale and shipment. Special business-to-business programs were "sponsored by" brokerage houses. These sponsored programs aired during morning, late afternoon, and evening television broadcasts. These time

slots were still considered to be "family viewing periods" even through eight time zones spanned the Soviet Union.

Under Communism, censorship and restricted mass media, Soviet advertising represented "socialist realism" (Schudson 1984). Creativity in Soviet advertising with its attending graphic and verbal symbols presented messages that reinforced the positive aspects of socialism and socialist reality. Symbols of homogeneity, rather that heterogeneity, among individuals in society and collective work ethic attempted to guard against any movements toward individualism. In support of political ideology, government and economic regulations, public information and advertising served as forms of social influence and control.

Before 1985 and *glasnost*, any information disseminated to the public was predominantly restricted and censored. Advertising in the Soviet Union facilitated the distribution of goods predetermined by centrally-planned economic quotas. For the most part, advertising represented the economic interest of the socialist state for the greater good of society rather than those of individuals in Soviet society.

Soviet advertising that symbolized Socialist Realities focused on individual activity that, in the aggregate, benefited Soviet society and the spirit of socialism. Each individual's actions would be viewed as contributing to and benefiting the welfare of society. Socialist advertising symbolized product consumption as a means of maintaining

economic stability and a harmonious society. Encouraging product consumption was not directed at a personal accumulation of material goods, but the efficient and rational use of goods as a means of maintaining an economic equilibrium and social stability within society. Socialist realities in advertising addressed Marxian philosophy: homogeneity among the people, in turn, reduced social conflict within Soviet society (Fienberg 1985). The clash between capitalist realisms and Soviet realities created new social and economic realities and exacerbated old ones in the Soviet Union.

As *perestroika* initiatives developed the Soviet economy and market system, the role of advertising in the Soviet Union took on new meaning and new value in their socioeconomic environment. Soviet advertising procedures, in part, changed to replicate a Western model in terms of strategic planning, media selection and creative execution. However, the socially symbolic meaning of advertising/advertisements was assessed within the bounds of the Russian culture. Therefore, to advance advertising's role in the USSR, both Western and Soviet firms must consider the "... experience of the potential consumer ... [that requires] an understanding of the total source of meaning, the whole interaction between the consumer and the product" (White 1959).

The Soviets had and "did advertising." Soviet advertising did not create overtly persuasive messages to stimulate consumer demand (for what limited products or services were available). The products to be manufactured or imported were, in part, determined by central state and republic government regulations imposed on Soviet enterprises. Only products that were considered necessary to stimulate the economy, as opposed to meeting domestic consumer demands, were advertised. These actions continued to place greater emphasis on promoting import/export goods and services rather than domestic production and distribution of goods. Advertising's emerging role as an institution in the Soviet Union was harnessed to a heavily regulated market economy and volatile social and political climate.

Defining Advertising in the Soviet Union

Significant to the development of advertising as an institution in the Soviet Union was the various roles Soviet professionals assumed to mimic Western functions of advertising. A comparison of Western advertising concepts identified in Barbara Hirschman's (1989) examination of advertising creation and production in the United States with the findings of the writer's field study in May 1990 highlight these factors. The comparisons indicated that advertising as an institution in the USSR could not flourish without (1) radical changes in the political and economic

management system (Moiseyev 1989) and, (2) an understanding in the West that the interaction between and among individuals and other institutions is culturally bound.

In the West, "clients, in their roles as patrons (Turow 1984) supply the funding and strategic direction for the creation of advertising messages, which are then prepared by personnel within the advertising agency" (Hirschman 1989). While this statement is understood within the context of the Western concept of the advertising process, it brought forth factors that the Soviet professionals encountered in business transactions as they attempted to apply the Western model of advertising within the Soviet advertising industry. The implication was that Russian culture played a part in how Soviet professionals handled transactions within their advertising system. The cultural differences in the perceptions of advertising functions and procedures were more prominent than those suggested by semantic differences.

Soviet advertising professionals encountered two important issues: determining which factors were adaptable to the Soviet system of advertising, and reinterpreting Western characterizations of advertising professionals. By doing so, Soviets as individuals redefined their own roles in and role of advertising in the USSR. To better understand the Soviet practitioner's dilemma, it is important to examine Hirschman's characterization of Western advertising. Hirschman wrote that "Clients as patrons

supply funding and strategic direction for the creation of advertising messages with personnel within the advertising industry." This statement was separated into phrases to reveal the following differences with a Soviet system of advertising.

1. Client as patrons supply funding ...

There were two sources of funding in the Soviet Union: restricted currency -- the non-convertible ruble, and valuta -- convertible hard currency. Soviet enterprises that did not have the opportunity, the means or the authority to conduct business in exchange for hard currency were quickly discriminated against in favor of those organizations that could pay for advertising services with valuta. The Soviet client relied primarily on countertrade or barter arrangements to get the services needed, yet the promised services did not always meet the client's expectations. The nature of financial stability for both the agency and the client was subjected to government regulation and subsidies as it was to individual decision-making capabilities.

2. ... and strategic direction ...

If Soviet clients had no knowledge or experiences with a free-market system, much less advertising and strategic thinking or planning, then how could the client offer direction? Similarly, if a Soviet advertising agency had never been involved in the strategic planning of an advertising campaign, then there would be no basis for

knowing or understanding what that function meant to the agency or the client. Several joint-venture advertising agencies were undergoing management difficulties and reorganization precisely because Western and Soviet advertising stemmed from different cultural implications and business expectations.

3. ... *for the creation of advertising messages* ...

The term "creation" took on multiple meanings in the Soviet Union. What was to be created determined who would create. Journalists functioned as stylistic writers [copywriters] to distinguish themselves from reporters and editors. Designers were not commercial artists. Yet they created, illustrated, photographed, elaborated concepts, engineered [i.e. mechanical, industrial, consumer, electronic] products and so on.

The definition of advertising varied from individual to individual depending on what each had learned, read or been told. Western partners of joint-venture agencies were schooled in the Western model of advertising. The Western model, in the Soviet Union, was drawn from a marketing perspective that at times ignored the "communication" function of advertising and focused on the "selling" aspects. The "selling" is an integral part of marketing, thus, to the Soviet, marketing was advertising. The Soviet partner viewed advertising as image oriented (institutional, socialist) or as publicity, public relations, product

promotion, news releases. Another Soviet partner saw advertising as an annual report, prospect sheet sent via facsimile (telefax) or universal telex, or participation in a trade show or exhibition and anything that would "sell" product. Direct response advertising was virtually non-existent. Incentive premiums as advertising vehicles were regarded with a great deal of skepticism. The scarcity of information about advertising as communication was less of a hindrance to the Soviets than the Westerners lack of understanding as to the meaning of advertising within the Soviet Union.

4. ... with personnel ...

From the 1960s up to 1989 very little training or formal education in advertising or marketing took place. Now graduate schools educate Soviet businesspersons in finance, accounting, marketing, advertising and English. Young Soviet personnel have no advertising experience and must return to school for additional training. The seasoned professional may well be schooled in advertising under Marxist-Leninist ideology and needs to be reeducated with more progressive thinking and understanding.

Until 1990, there were few current (or dated) trade publications, textbooks or "how to" manuals published for general reading in the Soviet Union. Only since the later part of the 1980s has the Soviet government eased restrictions on the importation of foreign books and

magazines. If they did not study some aspects of advertising or marketing in school, through self-study or learn on-the-job, Soviet personnel depended on their Western associates. By doing so, Soviet professionals gleaned those aspects of Western advertising which assists them in defining the Soviet model of advertising, and the role of advertising as an institution in the Soviet Union.

In 1990, Moscow State University's Faculty of Journalism recognized the need to prepare young individuals for careers in a contemporary Soviet advertising industry. The first group of students pursuing a concentrated study of advertising will graduate in 1995. The students are exposed to both Western advertising theory and Soviet and Western models and practices of advertising. In turn, newly trained Soviet advertising professionals reinterpreted and redefined "creativity" within the context of the Russian culture and emerging Soviet model of advertising.

5. ... within the advertising agency.

The Soviet infrastructure of the "agency" used a traditional Western model of advertising agency organization. Similar agency positions and organizational titles were adopted by Soviet professionals. However, these Western adaptations did not necessarily hold the same functions or meanings in the role of the Soviet professional. Western personnel, temporarily assigned to the Soviet Union, did not share the same meaning and

understanding of the functions of a Creative Department headed by a creative director and staffed with art directors, copy chiefs, artist, copywriters, proofreaders and so on. Other differences were evidenced by whether Soviet agencies needed or wanted distinctive classifications for media departments or account services.

Many Soviet advertising organizations were staffed only with Soviet nationals who had limited, if any, access to information about the Western model or process of advertising. Therefore, Soviet advertising professionals interpreted their roles in the communications industry within the context of the Russian culture and socialist business practices, thus forming and defining a Soviet model of advertising.

Furthermore, in building the patronage (client-agency) relationship, clients influenced certain areas. The three factors are symbolic messages, time and money constraints, and client values (Hirschman 1989). These concepts have different meanings within the Russian culture, Soviet economic reality, bureaucratic hierarchy and socialist ideology. Again, breaking down Hirschman's characterizations of Western advertising reveals the following differences:

I. Commercial communication is the generation of symbolic messages which are not valued in and of themselves, but for the effectiveness in furthering the aims of the client.

Symbolic messages can be interpreted to mean "image" advertising (Leiss et al. 1986), and that doesn't work in the Soviet Union (Foltz 1990). Western-style image advertising is not likely to work in an environment in which the consumer had no previous experiences with the product or product category. Given the Russian culture, the individual may subconsciously invoke a form of selective perception in attending to an advertisement (Sherif 1969). Levy (1959) commented that "product symbolisms are essentially psychological things which are symbolic of social patterns...." (Friedmann and Zimmer 1988). By not taking into account differences in patterns of consumption, perceptions of the function of advertising, economic and market systems, and cultural influences, Westerners were quick to claim that Soviet advertising did not further the goals of the client.

However, Soviet advertising that symbolized socialist realities -- social class equilibrium, a balanced market economy, individual action for the benefit of society -- was valued as a form of Soviet commercial communication. The meaning of commerce or commercialization took on a new and different meaning within the context of the Russian culture. Soviet advertising was less focused on the "selling" message for a specific client, but rather assumed that the message should have value and meaning for the ultimate client: the consumer. The strength of the symbolic message was in

maintaining or changing cultural, traditional and ideological values of individuals who would interpret and assess meaning of the message to benefit their Soviet society.

II. The advertising creation and production process is influenced through the imposition of monetary and time resource restrictions.

The monetary resource restriction rested mainly with the non-convertibility of the ruble. Those firms that were allowed to engage in import/export transactions or hard currency business dealings retained 70% of any profit earned. Of that profit, 30% was "federal tax" and the remaining 40% was used not only for advertising, collateral materials and exhibitions, but personnel salaries, operating supplies, travel, meals, accommodations, and expenses incurred abroad.

Regardless of what time restriction were imposed, at all levels and in all areas, government projects took first priority. Some Soviet firms waited up to one year to have a pamphlet, brochure or product sheet (flyer) designed, produced and printed. Bureaucracy may have been reduced, but it was not eliminated (Aslund 1989). The non-convertibility of the ruble created difficulties for most Soviet enterprises to contract for work outside of the USSR.

III. The client imposes corporate values on the message communicated. These values may concern aesthetic features of the advertisement [as well as] the political and social symbolism it contains.

Specifically, this dealt with the issue of self-censorship or self-regulation by either the client, the agency or the media in the Soviet Union. In the past, Soviet advertisements did not create new or different constructs of socialist reality that were evident in Western-style advertising reflecting capitalist realism. In the USSR, socialist realities, advertisements representing "state art" (Schudson 1984), formerly reflected and reinforced a Marxist-Leninist ideology. "Socialist advertising opposed the psychology of 'materialism' (veshchism), and [pointed] to the systematic spending of family budgets and optimization of the total structure of the consumption of goods" (Demidov and Kardashidi 1983 cited in Jacobs 1988). As socialism is redefined, Soviet advertisements offered new symbols that mimicked Western concepts of "a civil social life."

Summary

Individuals assume roles as members of institutions and act upon the meanings that they hold for the symbols of a civil society. The interaction of individual ideas and shared meanings for the symbols of government, family, education and religion define the role of advertising as an institution in the Soviet Union. As Soviet individuals reinterpreted and redefined their own roles in society, so did they redefine the role of institutions in the USSR.

In 1917, the Soviet Union began a new history. Issues of economic, political and social conflict were resolved by extoling the virtues of conformity as a means of maintaining balance in society. For more than 70 years, Communism attempted to homogenize individual initiatives into a collective society and uniform system of ideas. The attempts to replace the influence of traditional institutions -- family, religion, education -- with state controls under Communism could not erase the memory of the Soviet's Russian history and culture. Recognizing the Soviet citizen's burden of trying to reconcile their Russian culture and traditions with Western influences offered insight into understanding how Soviets assess meaning to the symbols that represent a form of social influence and social control in a contemporary USSR.

As the Soviet Union moved toward a market economy and along the lines of democratization, it is important to keep in mind that individual and institutional change is bounded by Russian history and tradition. Just as advertising's role in Western societies varies with the writer's perspective (Carey 1989, Norris 1984, Potter 1954, and Sandage 1973), advertising as an institution in the Soviet Union was reinterpreted and redefined within the confines of the Russian culture.

As Soviet individuals struggled to define their roles within society, so did Soviet advertising professionals

reinterpret and redefine their roles within the emerging communications industry. The new meanings assigned to the symbols of long standing institutions -- government, religion, family, education -- created new realities in Soviet society, and Soviet society reinterpreted, redefined and reassessed meaning to the role of advertising as an institution in the USSR. Hirschman's and the author's studies illustrate contrasts between two advertising systems.

CHAPTER III

THEORETICAL AND RESEARCH METHODOLOGY

Introduction

Professionals and academicians often view changes in the Soviet Union from a Western macro-institutional perspective. Comparative studies of Soviet government, economic and social systems relative to Western democratic and market principles ignore concepts such as commercial speech and advertising in the Soviet Union.

This qualitative study explores and describes how Soviet individuals, separately and collectively, interpreted and defined their own roles and the role of advertising as an institution in the USSR. This research is guided by Mead's and Blumer's Theory of Symbolic Interactionism.

This chapter (1) describes how individuals' interpret and assess meanings to the role of institutions, (2) identifies the tenets of Symbolic Interactionism, (3) illustrates how the meanings for institutions changed in the USSR, and (4) provides a plan for this qualitative research study.

Individuals and Institutions

Institutions are formed as a membership of individuals within a society that together represent societal interests irrespective of individuals' ideas (Rotzoll et al. 1990). Institutions change as a consequence of individuals' real

and perceived choices (Jackson 1990) within the reality of time and space (Shafer 1980). They represent the symbolic and expressed ideas of individuals and the shared meaning that arises from the interaction between and among individuals and social, political and economic institutions.

Rooted in historical change and continuity of events, bound by culture and geography, institutions act to transform individual expectations for the "greater good of society." Institutions are a system of ideas that symbolize the ideas and meanings formed through the interaction between and among individuals, other institutions and civil society. As individual values and societal norms changed in the Soviet Union, so did the meanings individuals gave to institutions.

Political, economic, and social institutions were changing in the Soviet Union. The interaction between a Byzantine-Russian culture, an old system of ideas promulgated under Communism and the infusion of Western democratic and economic principles affected Soviet perceptions of what symbols constitute a "civil" society. Soviet individuals reinterpreted the symbols of past economic and political reforms and redefined advertising and its role as an institution in a contemporary Soviet Union. The individual's interpretative process seeks to gain a greater understanding of what life should be in the Soviet Union, and that understanding rests with the individual's

sensitivity to find meaning in patterns of the past. Their past is contained within traditional Russian history, culture and a Communist political ideology and economic context (White 1983).

Tenets of Symbolic Interactionism

According to social behaviorist George Herbert Mead (1934), individuals assess or assign "meaning" to things and actions through the process of interpretation. This mental process is like "talking to one's self" (Blumer 1969). Individuals form images of themselves by interpreting how they perceive others may see them, or organize actions from their perceptions of the others' attitudes (Mead 1934). Human behavior is not based on a stimulus-response connection, but rather represents social interaction fostered by the interpretation and the assessment of meanings that individuals have for those objects, gestures, and actions of others. Herbert Blumer extended Mead's philosophical position and coined the process "symbolic interactionism."

Blumer postured that different things have different meanings for different people at different times. How individuals act toward each other is based on Blumer's three premises of symbolic interactionism:

1. Human beings act toward different things on the basis of the meaning that the things have for them;

2. The meaning for such things is derived from the social interaction that one has with others; and

3. Meanings are derived through an interpretative process used by the person in dealing with things encountered.

"Meanings" are symbolic of the interpretative process that different individuals have for different objects or actions at different times. The interpretative process holds that individuals form meanings from different frames of reference and experiences (Sherif 1969). Each new or recurring situation -- reality -- created or encountered by an individual stimulates a mental process that organizes actions within the setting.

The individual takes on the role of the other in order to assess meaning to the "action" or "gesture." When similar meanings for the object or action are shared, then there is understanding between the individuals. An individual's interpretation is "meaning" expressed as a gesture. This "meaning" becomes a symbolic "gesture" in the interaction between individuals, institutions and society. An expressed symbolic gesture, in the context of this research, is a "voice gesture" -- language. Within the political, economic and social realities of the Soviet Union, the expressed "thoughts about advertising" [in the Russian language and patterns of word usage] become the "gesture" (Mead 1934) replaced by the "symbol" (Blumer 1969)

in symbolic interactionism. These patterns of "meanings" provide a schema for developing subjective concepts and themes about advertising and its role as an institution in the Soviet Union.

Symbolic interactionism suggests that large-scale organizations have to be seen, studied, and explicated in terms of the process of interpretation, engaged in by the acting participants as they handle the situation at their respective positions in the organization (Taylor 1986).

Free Speech as Institutional Change

In 1985, the Soviet Union began to undergo the first of many institutional changes. President Gorbachev initiated *glasnost* and *perestroika* as a means of restructuring the stagnated political economy in the USSR. In turn, Soviet individuals redefined their own individual values and social status, societal norms and sanctions, and cultural perceptions and expectations (Blumer 1969). New meanings were assigned to symbols of public and commercial free speech (Charter 1989), and political governance and economic prosperity (McKay 1991a). These new symbols represented changes in conceptual patterns of "freedom" and perceptions of "social life" (Lofland 1976) in the Soviet Union.

Prior to 1985, public speech was unilateral speech directed by the government and the Communist Party. *Glasnost* became a symbol of bilateral communication -- free

speech -- between and among individuals, the government and Communist Party. Increased communication and interaction among individuals and institutions offered new meanings to the symbols that represent new ideas and new norms of social behavior. These ideas, constructs of reality, shaped the form and function of the roles of family, government, education and religion in contemporary Soviet society and individual roles.

Individuals reinterpreted and redefined their roles within new, and at times radical, societal norms. Russian history, culture and tradition were significant factors in how individuals interpreted their own roles in society and assessed meaning to the contemporary role of advertising as an institution. Soviet advertising reflected changing social norms and the new meanings that were given to advertising as an institution. Individuals no longer perceived advertising as a symbol of a Socialist political and economic system, but rather as movement toward individual freedoms and as a form of democracy and capitalism (McNair 1989).

Plan for Qualitative Research Study

During a May 1990 field study in Moscow and Saint Petersburg (Leningrad), Russia, and Kiev, Ukraine, primary observations were made of current broadcast, print and out-of-home consumer advertising in the Soviet Union. What

little advertising was available, for the most part, was for corporate or brandname products from the United States and Western Europe (Kraar 1989). These included Pepsi-Cola, Coca-Cola, Olivetti, National Westminister Bank, Seimens, Sanyo, Panasonic, and Visa. Domestic advertising was limited to neon light signage for companies such as Slovo watches and Aeroflot Airlines. By 1991, Western-style billboards and transit advertising were added to the Soviet media roster to promote Western products such as USA Today newspaper, Newsweek and Time magazine, 7-Up soft drinks, M&M/Mars candies, Colgate-Palmolive and Proctor & Gamble toiletries.

In May 1990, informal one-on-one and group interviews were conducted (in Russian) regarding the advertising processes. The participants responded to "Why have you decided to advertise?" or "Why is it important for you to advertise?" and "How do you get your advertising done?" These types of questions attempted to discover what the current advertising process was and what advertising meant to manufacturing plant managers and directors, journalists, designers, salespersons, government officials, academicians and university students. During the interviews, it became evident that there was little, if any, semantic congruity in discussing advertisements, advertising concepts, terminology, or planning or production procedures.

In May 1991, more formal interviews with professionals, academicians and university students offered evidence that many individuals were adopting Western advertising terminology, but not necessarily a Western definition of the attributes, forms and processes of advertising. This did not suggest that Soviets did not understand Western advertising or its terminology. Instead, it supports the argument that the interaction between and among Soviet and Western individuals influenced how Soviets interpreted and redefined advertising within a Russian culture and Soviet society.

The findings from the May 1990 exploratory pilot study guided the preparation of research questions with regard to individual perceptions of advertisements, the advertising process, and professional roles within the advertising industry. The influx of Western advertising concepts, pragmatic and theoretical, became social and economic symbols of *perestroika* and *glasnost*. This symbol became meaningful in terms of redefined individual roles in Soviet advertising as an institution. This study of advertising's role as an institution in the USSR addresses three questions:

(1) How do the Soviets formulate their perceptions of Western-style advertising? This view included three factors that appear to have affected thinking about advertising among Soviet nationals: (a) the desire to return to the

cultural values held in Russia (pre-1917) while adjusting to expected societal norms in the USSR, (b) an undefined political economy, and (c) the contrast between ideology and content in future academic programs.

(2) Do Soviets, as professionals and consumers, feel advertising is a critical component of *perestroika* and *glasnost*? If so, how do they reinterpret and redefine contemporary Soviet advertising as a "new" form of mass communication and its role in the Soviet economy, society, and Russian culture?

(3) How do Soviet citizens in government, industry, and academia interpret and perceive advertising, and its institutional role in the USSR?

Research Design

This study offers insight into and an understanding of how the "meaning" of advertising and its role as an institution changed in the Soviet Union. As of 1991, most research studies had explored advertising in the Soviet Union from a cross-cultural, outside perspective. These *Etic* investigations reviewed the overall appearance and functions of advertising in the Soviet Union as manifestations of (1) Communist Party doctrine, (2) central government planning and economic stagnation, (3) demographic and geographic studies, and (4) foreign policy dictates.

Etic studies are external and look for general patterns and relationships (Denzin 1989). Findings are presented as " ...'observed' characteristics of the world -- which the actor [or participants] may be unaware" (Agar 1986). *Etic* investigations assume that the categories and content of the studies are characteristically universal and can be explained with pre-set terms and criteria. *Etic* studies about advertising in the Soviet Union diminished or overlooked historical and cultural factors and provided little or no interpretation of social factors or depth of understanding of what roles individuals played in the changing Soviet society. Within symbolic interactionism, *Etic* investigations associate the content of one issue with the content of another issue without revealing the "symbolism of meaning" (Mead 1934).

This qualitative study of advertising as an institution in the Soviet Union is an *Emic* investigation that explores how individuals organize and express their personal observations, interpretations and meanings. This descriptive study contributes to the understanding of the role of advertising in the Soviet Union through the participants' own words, ideas, and expressed knowledge (Stake 1978). *Emic* investigations do not purport to provide cause and effect explanations nor generalizations beyond the boundaries of the culture, contemporary society, and geography of the Soviet Union. Instead they focus on the

individual's spoken and unspoken ideas and perceptions that are unique within the Russian culture and history (Shutter 1990).

The use of individual and group interviews as a research method facilitated the study of the role of advertising in the Soviet Union in terms of the meanings assessed by individuals. This study was conducted on-site in Moscow, Russia. While a single city (site) may appear to limit the scope of this study, it in fact sets a realist framework for conducting research with regard to the concept of advertising. Not unlike the Soviet Union, the United States is a large country populated with multicultural and multiethnical groups of individuals and industries. Centers of power, like New York, are perceived to be spheres of influence in the advertising industry. Moscow was the center of political and economic power and the core of the communications industry in the USSR. Clearly it may be argued that with the rise of nationalism within the Soviet Union, data gathered in Moscow may not be representative of other republics. However, evidence suggests that professional advertising associations, the mass media, and advertising agencies fully recognize the need to represent the interests of other Soviet republics as well as respect local and regional concerns and constraints.

Furthermore, an ethnographic study facilitates the combination of two research methods for gathering data.

Elite individual interviews and ethnographic group interviews together provide evidence of "how" Soviet professionals feel about their positions and priorities with regard to the practice of advertising. The participants themselves are not the units of analysis, but each individual's interpretation and expressed meaning for his or her role in society begins to constitute the meaning of advertising in the Soviet Union.

Participants selected for elite in-depth interviews provided their expertise and knowledge about commerce and the mass communications industry in the Soviet Union. The participants' professional positions provided first-hand access to gathering, disseminating and developing policy about the use of advertising within their particular media. These individuals were in respected management positions with extended spheres of influence as to what, who and how advertising was to be used in the Soviet Union. Ethnographic group interviews offered not only insight into the individual's understanding of advertising, but also observations of how the interaction with other individuals within each group revealed cultural biases within themselves, others and Soviet society.

This qualitative study describes "... the real-life context [within *perestroika* and *glasnost*] in which an intervention [Western concepts of advertising] has occurred" (Yin 1989). According to Yin, embedded studies narrowly

define the scope of research and focus in depth on individuals, events and issues that are contributing factors to the contemporary phenomenon. This study explores the role of advertising in the Soviet Union not only from the individuals' perspective but the Russian culture and traditions within Soviet society. Embedded studies look beyond external factors that surround the contemporary phenomenon to internal factors that contribute to how individuals defined their roles, structured the pragmatic aspects of advertising, and expressed their expectations for the development of advertising in the Soviet Union.

Research Protocol

The May 1990 pilot study conducted in Moscow provided the opportunity to investigate and explore the effects of President Gorbachev's *perestroika* and *glasnost* initiatives on the communications industry in the Soviet Union. During the study, permission was secured for access to key communications industry professionals, the media and academic institutions for further on-site research. The pilot study led to the design for data gathering and procedures and included the following two research methods:

Elite In-Depth Interviews

Eighteen elite in-depth interviews were held with directors or administrators representing commerce and industry, academia, and government entities. The

participants in this group held administrative or supervisory positions that allowed them to gather, use and disseminate information about advertising in any form. They were selected because of "... their expertise in areas relevant to the research [and] the positions they hold in social, political, financial and administrative realms" (Marshall and Rossman 1989). The participants agreeing to be interviewed and audio-taped were:

(1) USSR Television Broadcasting Company

Nikolai N. Baransky, Managing Director, USSR "Gosteleradio", Department of Teleradio Advertising and Video Programs;

(2) USSR Radio Broadcasting Company

Evgeni B. Fedine, Deputy Director General, "Radio Myak" Operational and Commercial Relations;

(3) USSR TV and Radio Public Opinion Research Center

Alexander V. Olhovnikov, Chief, Sociological Research;

(4) All-Union Independent General Interest Magazine

Igor V. Pergamenshchick, Advertising Expert, "Ogonoik";

(5) All-Union Special Interest Magazine

Natalia D. Buhaleva, Deputy Editor, "Crocodile"

(6) Moscow State University

Professor Eugenia M. Penkova, Lecturer in Advertising, Faculty of Journalism;

(7) Moscow State University

Dr. Igor M. Volkov, Associate Professor and Head of Marketing and Advertising Laboratory, Faculty of Economics.

(8) Graduate School of International Business, USSR Ministry of National Affairs

Dr. Alexei I. Klebanov, Associate Professor of Marketing;

(9) Graduate School of International Business, USSR Ministry of National Affairs;

Dr. Alexander N. Averin, Professor of Sociology;

(10) Joint-Venture Advertising Agency

Ernst P. Zuev, Director-General, "Sovero/Vneshtorgreklama";

(11) Joint-Venture Advertising Agency

Eduard V. Maslov, Deputy Director,

"Sovero/Vneshtorgreklama";

(12) In-House Advertising Agency

Eve Z. Topuria, Deputy Director, "Eye Microsurgery" Agency;

(13) Russian Republic Advertising Association

Alexander P. Dolgopolov, Board President, "Rostorgreklama";

(14) USSR Association of Professional Advertising Workers

Natalia C. Vinarova, Deputy Director;

(15) Menatep Financial Group (Commercial Bank)

Michail E. Nikitin, Department Head, Marketing Communications;

(16) USSR Association of State, Industry, Building, Transport and Communication Enterprises

Boris V. Gelfenbuim, Deputy Director, Chusovoy Mettalurgical Manufacturing;

(17) Independent Food Services and Tourism Enterprise

Irina, Director of Marketing and Finance;

(18) Independent Hotel Services Computer Software Enterprise
Elena, Director of Finance

Ethnographic Group Interviews

The participants included in these group interviews represent a cross-section of diverse levels of education, work experience, and Soviet geographic regions. The observation and recording of the discussion and interaction among these individuals may identify key elements as to how cultural values and traditional beliefs influence their perceptions of advertising (Marshall and Rossman 1989). This study includes three primary groups that are interested in advertising as a profession or as part of their continuing education and enhancement to their careers:

(Group A) Moscow State University

Twelve students who were the Soviet Union's first advertising majors and who had completed at least two years of formal education in Advertising. Four of these students received diplomas with a concentration in advertising in 1991 and the other eight received their diplomas in 1992.

(Group B) Sovero/Vneshtorgreklama Advertising Agency

Three deputy directors/department heads represented international business-to-business advertising, consumer advertising, and business-to-business public relations.

Research Techniques and Difficulties

Interviewing: All interviews were conducted in Russian unless the participant(s) preferred English. Each interview

was conducted on-site in the participant's office or work place or other suitable setting. All formal interviews were audio-taped with the permission of each participant. A duplicate set of tapes was transcribed in Russian and subsequently translated into English by a trained English language specialist.

Adjusting for cultural and language differences, each participant was informed as to the overall theme for discussion: "Advertising in the Soviet Union." The participants were told that the information would be used in writing a dissertation. Interviews generally began with open-ended questions such as "Tell me about your work. Your responsibilities." Other statements were structured to elicit responses to "how" and "why" questions and to guide the interviews.

Individual interviews were closed with the question, "Tell me what you think: Does advertising reflect society, or is society reflected in advertising?" The last question offered an opportunity for the participant(s) to synthesize and bring the interview to closure, as well as reveal other cultural biases. For example, the participant(s) may have used exact Western terminology and concepts to talk about advertising in the Soviet Union. In this situation, an open-end philosophical question guided the participant to view advertising specifically within Russian culture and Soviet society as it appeared within the research time

frame. To stimulate discussion, groups interviews were opened with the same question about advertising and society.

With the exception of five elite in-depth interviews, at least one other person attended, and at times, participated in the interview. This was considered an accommodation and goodwill gesture in providing as much and varied information as possible for the research project. Although the primary participant dominated the interview, others did not hesitate to offer their comments.

Group interviews were difficult to conduct as some of the participants were hesitant to express personal views among strangers, and/or their peers. In part this was due to little common understanding and knowledge about the advertising process and direct experience with advertising procedures. The participant(s) did not want to feel inferior, that is, as having less knowledge about advertising than the more outspoken members in the group.

While many of these issues were addressed during the May 1990 and May 1991 field studies in the Soviet Union, it is important to clarify and stress the validity of conducting ethnographic research in a foreign language, culture and country. Because the writer is of Russian descent with Russian language fluency, has both Western academic training and professional advertising experience, Soviet research participants did not perceive the writer's research interests as being either circumspect or ignorant

of the Soviet way of life. For example, initially some of the participants were extremely tense and anxious at the prospect of "doing an interview" with an American in English. However, there was a radical change in attitude and openness once they became aware of the writer's level of Russian language fluency and Russian heritage. Only one participant insisted on conducting the interview in English as a courtesy, but also asked for help in finding the English equivalents for some Russian words.

Method of Data Analysis

Dilthey (1962) wrote that, "The many different difficulties about ideas have one thing in common: they occur in the medium of words. Unlike figures or other fixed symbols, words possess connotations, overtones, and hence the power of suggesting more than they say." Critical to the study of advertising as an institution in the Soviet Union is understanding how individuals interpret and assess meaning to the forms, processes and functions of advertising.

The Participants

All interviews were completely voluntary. Participants included men and women, married and single, and ranged in age from approximately 22-60 years old. All were employed at the time of the research study. While some of the participants were from other regions of the USSR, all

interviews were conducted on site in Moscow, Russia. With the exception of one participant who spoke some English, the participants' preference was to conduct the interviews in Russian.

The interviews lasted from 20 to 90 minutes each depending on the availability and comfort level of the participant. Participants were encouraged to discuss any aspects of their work or company whether or not it was related to advertising. Depending on the course of the interview, the issue of advertising in any form was either raised independently by the participant or introduced by the writer.

Audio-Tapes and Transcripts

Dilthey (1962) further noted that, "Language [is] metaphorical to start with, this necessary and close scrutinies of words should include a testing of images, figures of speech, and set expressions." Cross-cultural research must be sensitive to the subtleties of idiomatic word use that could be compromised when translated not only from another language, but also from another culture and society.

To preserve the integrity of data gathered from research conducted in another country and language, all interviews (1) were audio-taped in Russian, (2) transcribed from tape to word-processed text in Russian, (3) translated literally and idiomatically from Russian into word-processed

text in English, (4) English text was re-checked against original Russian audio-taped interviews, (5) when necessary, the text was adjusted for idiomatic English grammar and syntax, and (6) entered in the computer software program ETHNOGRAPH for analysis. Each taped interview was checked by both an independent translator and by the writer.

Coding Scheme and Pattern Development

The analysis of individual and group interviews included conceptual coding, adjusted for semantic differences, to ascertain how participants interpret and assess meaning to "advertising" from the participant's personal or professional viewpoint. Based on Mead's (1934) and Blumer's (1969) work, the following was assumed in preparing the coding scheme:

1. Interpretation takes place in the mind of the individual and the expression of that interpretation is the "meaning" assessed by the individual.

2. "Meaning" expressed in words and patterns of word usage is a socially symbolic gesture of the interaction.

3. "Meaning" is derived from conceptual patterns expressed during interviews. These "patterns" were indicative of the interaction between individuals, institutions and society. Where, "society" is the "frame of reference" constructed by history, tradition, culture, values and norms.

Transcript analysis revealed several key factors that led to a systematic and uniform coding scheme and facilitated pattern analysis. Dominant characteristics of advertising were coded as follows:

Definition: Coding included any communications channel that served as a conduit between the manufacturer, producer, etc., the source of information, and the consumer as the recipient of the message; and any form of communication that identified any communications medium such as print or broadcast, symposia, collateral materials, etc.

Players: Soviet professionals who were active participants in the advertising industry including agencies, media or clients/customers; **Players** were also coded as either domestic or foreign clients of Soviet agencies or media.

Education: Soviet practitioners' scope or level of academic or professional training were coded as having gained their information from foreign sources such as institutes or other forms of learning outside of the USSR, or domestic as a formal course of study at an institute or as another form of learning in the USSR.

Funding Sources: Sources of revenue were coded as government subsidies under a centrally-planned economy or market system dependent upon profit to sustain operations.

Structure: The nature of advertising was coded as to the execution of the message or use of a medium; **Message** or

Media was also coded by distinctive characteristics that were attributable to foreign, domestic or cultural origin.

Regulation: Any "business practice" based on either government law, or self-regulation that stemmed from a professional code, business or industry consensus, and arbitrary decision-making by practitioners.

Social Issue: Any activity that associated advertising with individual values and social norms was coded as a form of personal intrusion or societally disruptive, or as taking on caretaker responsibility for maintaining a balance between change, customs and traditions.

The coding scheme suggested several patterns that would illustrate how participants assessed "meanings" to advertising. First, participants often anchored their comments by using historical, political, economic or cultural references. Secondly, the level of education was a significant factor that contributed to how Soviet individuals assessed meaning to advertising. Therefore, in the context of this research study, historical references established time frames; political references identified significant changes in government policies; economic references served to contrast command market versus supply/demand market systems; cultural references illustrated the nature and mind-set of a Soviet society; and education referred to degrees of exposure to American, Western or foreign advertising as opposed to years of formal

academic, specialized or on-the-job training. This was most evident in the Soviet's choice of words, phrases and propensity to refer to Western concepts.

References to specific forms of advertising such as message content or media use also drew upon the participants' cultural orientation to address issues of ethical behavior. The intertwining of references organized patterns of cultural influence during the participants' discussions about advertising. "Pattern making grows out of human diversity ... it permits meaning to be attached to a group of otherwise, disconnected facts" (Dilthey 1962).

The combination of different codes developed and strengthened six themes about advertising in the Soviet Union. In order to **Define** "advertising" it was important to identify how the participant (**Player**) referred to the concept of advertising or whether the participant was describing advertising (**Structure**) based on experiences in the Soviet Union or abroad. It was equally important to determine participants' source of information about advertising (**Education**). These factors helped discern whether "advertising" was defined from the participants' Soviet frame of reference or Western rhetoric.

In the Soviet Union, education takes on many forms and is often referred to as the "overall upbringing" or "knowledge about life and the surrounding world" as well as academic training. In the context of this research,

Education was narrowly defined by applying **Player** and **Structure** codes to determine the degree of Western or domestic influence in how participants discussed "advertising."

The interaction between advertising, *perestroika* and *glasnost* could not be addressed without discussing economics, monetary and market systems. **Funding Sources**, in addition to **Players**, **Education** and **Structure**, was a crititcal factor that drew disctinctions as to the role of advertising in Western concepts of free-market system and Soviet perspectives on their domestic system. Transitional economics affected both the advertising, and business and commerce in the USSR.

Cultural influences or biases were evidenced by coding for **Stuctures** of advertising messages and channel of communication. Again **Players** and **Education** codes were significant factors that began to identify the role of individual and cultural values held by the participants. These value systems surfaced when coded for **Regulation** in the advertising industry. The combination of all five previous codes were critical in assessing how advertising was regulated or legislated in the Soviet Union.

These "facts" or factors were the result of the interaction between and among individuals and institutions in Soviet society and shaped the development of six dominant themes about the role of advertising in the USSR.

CHAPTER IV

ANALYSIS OF THE DATA

Introduction

After 1988 advertising strengthened its role as an institution in the Soviet Union. What role did Soviet advertising practitioners see for advertising? They wanted advertising to not only gain attention but communicate clearly. Metaphorically, they wanted advertising to be their **Golden Nightingale:**

"We had to find some kind of symbol that could be used to explain advertising in the Soviet Union...something very familiar.... We thought about the [Golden] Rooster, but he simply crows about advertising, he evokes and provokes attention, but a rooster is rather crass. Then there was the goose that lays the golden eggs from Pushkin's fable, then, there was the Golden Nightingale that was a little more dignified. It would get the attention of a person and the person would be soothed. We wanted our nightingale to sing in such a way that everyone understands." VINAROVA, USSR Assoc. Advt. Workers

While the hope for the future of advertising was clear, the development of advertising took quite another path. By exercising new economic freedom initiated by *perestroika*, some Soviet business enterprises and foreign firms monopolized the available advertising channels. Not everyone in commerce or industry was entitled to its own nightingale:

"Today, what worries me is the tendency toward a monopolization of advertising. For us this is something rather new. If we analyze the press [print mediums] that reserve a lot of space for advertising, it's very obvious that they show a preference to those enterprises that invest big money in advertising." VOLKOV, MSU Professor

A variety of factors influenced the development of advertising in the Soviet Union and directed it away from the clear vision articulated by the young USSR Association of Advertising Workers. Among these factors were: (1) a lack of consistency in defining what advertising was; (2) a scarcity of training and education for advertising; (3) a tendency among Soviet professionals to borrow freely from a Western model of advertising; (4) the influence of foreign biases on message and media strategy; (5) a lack of advertising regulation explicit in Western model of advertising, and (6) the cultural expectations among Soviet consumers about advertising and the role of advertising in their society.

In light of the social and economic changes in the Soviet Union, it is important to understand that advertising as market information moved from dependency on personal communication to mass communication. Advertising as information and persuasion was regarded as a way to educate and persuade consumers and as a way to improve the economic welfare of Soviet society.

This chapter discusses six factors listed above and identifies six dominant themes about advertising that were evidenced by the participants' own words. In doing so, it offers insight into the meanings that Soviet individuals gave to advertising and its developing role as an economic

and social institution within the context of their Russian culture, social norms and individual values.

Findings

To better understand how advertising was defined, it is important to *see and hear* how Soviet individuals expressed their encounters with advertising, *glasnost* and *perestroika*.

What is Advertising?

A Soviet definition of advertising, unlike a Western definition, embraced aspects of both marketing and communications. In addition, "advertising" was used broadly to refer to many types of promotional activities.

Advertising in the Soviet Union was viewed as an integral function of marketing. Soviet advertising was not seen as a separate form of communication that "...implies selection of idea symbols for imparting meaning..." (Bartels 1988), but simply another mechanism for promoting the distribution of goods and services. Participants described advertising in the Soviet Union in terms of *perestroika* and the economic and social development of a market system and "civil" society.

"Of course, we look to advertising from America, from Western Europe, but it depends on what you have to show.... We are not trying to surpass America. Your developments and your methods are understood, it goes without saying, but so far in many cases, they are not suitable for us. We simply do not need them." ZUEV, Agency Director

Soviet advertising practitioners were familiar with advertising concepts that used creative techniques and mass

media. They also had opportunities to meet with foreign advertising professionals. Some participants were acutely aware of Western misperceptions of Soviet advertising and felt the need to explain advertising in the Soviet Union by contrasting it with historical precedents:

"I've heard that people say there's no advertising in the USSR. Well, there is, and there was, but perhaps it wasn't so obvious. We had foreign economic advertising, mostly abroad. Our advertising had been in existence since 1964, at least." MASLOV, Agency Director

"Advertising was looked upon as a tool for bourgeois propaganda. Therefore, not appropriate in a socialist market.... In reference to domestic advertising, there was no need for it, because everything belonged to the government. So advertising didn't exist. It was abstract in nature.... You can look for it all you want and you'll never find it." SOVERO, Agency Group

B1: "They advertised everywhere, [with] the words CPSS [Communist Party of the Soviet Union] written on them. Like in advertising, there's a person holding products. We have a person standing and holding a red party ticket. Basically, I think this is advertising, but like we have it in our country." MSU Students

G1: "Advertising in general does not exist." B2: "Advertising was considered part of a bourgeois lifestyle. Why advertise socialist products? Advertising for businesses was considered to be a loss [losing proposition] and it took last place on line [lowest priority]." MSU Students

Participants often discussed Soviet advertising by using terms and procedures exemplified by the Western model of advertising. They tended to define advertising in creative or production terms, and media placement or use which would have some Western equivalents [Appendix]:

A Pretty Picture: *"I think that the ad should be such that when I buy a newspaper or magazine, I'll want to buy [the product advertised],...but if the advertisement is not*

beautiful, not in color, not designed well, it's not a good ad." OGONOIK, Consumer Magazine

G3: "But consumers look at advertising like a pretty picture.... Well, here you have a pretty picture and you have an advertisement." MSU Students

Announcer-read Radio Broadcast: *"Actually we have real radio advertising.... The advertising that we broadcast fits within the general context of [the] 'Panorama' [program], and the style is not very different."* FEDINE, Radio Myak Director

Outdoor Signage: *"...take the [neon sign] advertising for radios or Aeroflot, and they ask do we need this? ...shall we just dismantle the neon signs, or what? ...we installed the first neon Coca-Cola sign,...and then helped install signs for Gold Star. There are several advertising billboards on the highway from Sheremetjevo [Airport] to Moscow, and McDonald's has installed several billboards on its own."* ZUEV, Agency Director

Film/Clip/Rolik: *G3: "...they try to talk about the birth of the Soviet Stock Market. And then they start singing 'Happy Birthday' and some little chick appears and is pecking at some coins...." G2: "...they are trying to make a story...." B1: "It's a stupid commercial." G3: "Yes, but it's necessary." G2: "But after seeing this commercial I wouldn't go to the Soviet Stock Market."* MSU Students

Editorial Content: *"...a very nice boy from the cultural center was involved with organizing a festival of satire and humor. And of course it's compatible with our editorial content...[so] we wanted to do the advertisement in the spirit of our magazine."* CROCODILE, Consumer Magazine

Business Information: *"...Brokerage advertising,...is not advertising but commercial [business] information. It is more or less interesting, but it is commercial information. Mostly we advertise the potential of enterprises, joint ventures and so on."* BARANSKY, Gosteleradio Director

"We have this type of program now 'Business Club Myak'. We are still looking for an image for the program. It cannot only be [a place] for advertising.... Right now we are conducting a 'brokerage operation' -- products and demand. We more or less bring them together." FEDINE, Radio Myak Director

Participants also identified advertising as publicity, public relations, product promotion/trade films, participation in trade shows, exhibitions, seminars or symposiums. The differences and the difficulties between the West and the Soviet Union in terms of defining advertising extended to defining advertising mass media. There were few specialized or narrowly defined terms used in the Soviet advertising industry. Soviet participants tended to use synonyms interchangeably to describe similar communication concepts rather than specific channels or functions of mass media.

The advertising industry in the West has long been obsessed with measurement -- circulation, reach, frequency -- as a means of improving media buying and placement. In the Soviet Union, the audience was presumed to be "captive" regardless of which mass communications channel was used because all state-owned media reached or were distributed throughout the Soviet Union. Until Westerners began to pressure the Soviet mass media for statistical data, measurement was not a critical issue in the Soviet advertising industry. Hence, in the Soviet Union, measured mass media advertising was not limited to newspapers, magazines, radio or television or outdoor.

Publicity: *"We often ran symposiums for presentations to various newspapers and magazines.... They're really put on for some 50-70 people, addressing a specific audience, and with some specific objectives to get some publicity. They invite a small groups of journalists and, basically,*

our clients.... I say this to indicate that there is advertising and on a high level." MASLOV, Agency Director

Public Relations: *"If they [the clients] have money, because their jubilee [anniversary] is coming, then, since it is a jubilee, they want this, that and that. No they would decide to print a glossy booklet, and make a promotional film to show their bosses, to put up a good show.... We have requests for [to place] an advertising article in the a Novosibirsk newspaper. We have good connections with press all over the Soviet Union."* SOVERO, Agency Group

B2: "...when they designated a commercial cable channel, ...they organized advertisements for ecology. I don't remember what it was called, but they showed some guy talking about global catastrophes and showed oil spills, and such and Chernobyl explosions." MSU Students

Direct Mail: *"From my point of view, this [direct mail] is the most effective means. And this is a major step. When you send things out and there is an immediate interest."* SOVERO, Agency Group

Trade Films: *R1: "We have a company called Filmreklama, and we also have Soverofilm. They make promotional films for our clients, movies, clips, whatever...." R3: "Say, DuPont had an exhibition here, and we made a film about this exhibition, ordered by DuPont. Or, [if] there was an international exhibition, and we made a film for Singapore, ordered by Malaysian companies." That is, we would produce for them [our clients] a trade show or make a promotional film."* ZUEV, Agency Director

"We did international advertising. We set up, of course, trade shows, for example, demonstration flights [of Soviet planes], but we certainly did not have what you, I mean what Western countries, America, were accustomed to or considered advertising. We had no need for that." SOVERO, Agency Group

Symposiums/Seminars: *"If through advertising or direct marketing or foreign advertising, he can't get in touch with the client...while here he has the opportunity to meet the customer, exchange business cards, talk about the subject [of the seminar], and discuss technical details. At this point, this is the most effective way."* SOVERO, Agency Group

Soviet practitioners often defined advertising in terms that reflected their experiences with advertising, past and

present. To some, contemporary Soviet advertising was no longer associated with "bourgeois propaganda" but closer to market information. To others, advertising was the obvious use of print or broadcast media to encompass a variety of promotional activities. These activities included a wide use of elements that ranged from staged publicity events, trade exhibitions and films, public relations and symposia. While these elements were described in terms of communication between producers and consumers, Soviet participants viewed advertising as a form of domestic and foreign marketing.

Knowledge About Advertising: Both Tacit and Formal

Even though advertising was broadly defined, many working in the industry saw the need for professional training and education in order to practice advertising. Moreover, the greater the exposure to Western concepts, the greater the participants attempted to compare or contrast Western, foreign, and Soviet advertising systems. The different ways participants defined or expressed their perceptions of advertising was often based on their source of information about advertising. That is, in the broadest terms, their education. In the past, advertising was not recognized as a legitimate profession or career...

"...this profession sort of does not exist, That is, it exists de facto, but not de jure...the only way for me to get a job 15 years ago was through having an inquiry for an expert in advertising, somebody should have wanted to offer

a position, there wasn't anybody like that." VINAROVA, USSR Assoc. Advt. Workers.

For the most part, Soviets believed that if there was no formal course of study that concluded with a diploma in a specific field, then advertising was not recognized as a legitimate occupation or profession. Individuals earned higher education degrees in disciplines that met the needs of the Soviet Union's economy or their so-called market system.

"We had no need for professionals working in advertising. By 'we' I mean we as a country, the Soviet Union. Since we had no need for such professionals, since there was no demand for them, there was no market, no training of a new generation of professionals." SOVERO, Agency Group

"In my time advertising was a formality. We have always had a psuedo-market. That's why our advertising was always connected with only one sphere. The manufacturers felt that they didn't need advertising because they had everything planned beforehand. They knew when and to who they expected to supply their products. They didn't worry that something they produced wouldn't be bought." PENKOVA, MSU Professor

Often participants did not consider their diversified educational backgrounds or previous work experience as suitable for, or themselves qualified to, work in the advertising industry. A broad university or liberal arts education was perceived as inadequate; individuals would take the path of traditional studies in journalism, film, etc. These were state-sanctioned professions and disciplines that ensured employment after completing specialized course work and diploma requirements:

"...in our country all institutions for higher education are part of one system which used to be governed by the State Committee for Higher and Secondary Education. We have an official reference book which lists all professions and each has its own code number. The profession which the Ukrainian Institute for Printing Industry was to teach called it "advertising editor", and it was not among those included in the official reference book." PENKOVA, MSU Professor

R1: "First I graduated from the Moscow Institute of Aviation, I am an aviation engineer, a designer.... Then I graduated from The Academy of Foreign Trade. It brought me closer [to advertising]. Then I took a course in the English language at The Ministry of Foreign Economic Relations. Then numerous advanced courses, including courses for executives at the Academy of Foreign Trade. Then I took a course in marketing in Finland. So you can see for yourself what kind of specialist I am." R2: "Among our employees we have physicians, philologists, lots of teachers, and some lawyers." R1: "...and many liberal arts graduates from The Moscow State Institute of International Studies." ZUEV, Agency Director

"We have become professional in it. Of course the education backgrounds of our workers vary a great deal. Our Director-General was a chemist. I was educated as an electronics engineer.... But it's just a new wave. Nowadays it's not very interesting to be an electronics engineer." NIKITIN, Menatep Bank Advt. Director

"I have been a director for a long time: as stage director, then a TV director, then a director of documentary films. I have worked half my life as a journalist, and a commentator.... When I worked in television, I was a creative professional." BARANSKY, Gosteleradio Director.

Individuals learned about advertising through "self-study": reading books, manuals, on-the-job trial and error. *"There are a number of very good people.... I am talking about 'old hands' in advertising, who learned their profession from practice, not in training schools, not in institutes, but by reading trade books by such specialists."* VINAROVA, USSR Assoc. Advt. Workers. Even the new generation found themselves at the crossroad of deciding

whether to take a risk to study advertising or stay within the safety net of traditional journalism education.

"I am finishing Moscow University's Department of Journalism. I [have been] working here for nearly two years. Before I worked as a literature secretary with one [author], I worked in traditional [journalism].... It's my dream. I want to study [advertising].... I try to read about it, I try to study it myself." OGONOIK, Consumer Magazine.

Perestroika and *glasnost* created many opportunities in the area of formal advertising and marketing education in both the Soviet Union and abroad. Soviet advertising practitioners felt there was a need for more organized, structured professional training in one form or another. From one aspect they hoped to better utilize their practical work experiences and education. From another, they wanted to capture and understand the underpinnings of advertising as a communications tool aside from marketing:

"...I know that in our Association there is a whole series of projects, business procedures that we learned about from the International Center in New York.... Many [Soviet] professionals who do a lot of practical work, do not know theory, and many theorists do not have practical experience." BARANSKY, Gosteleradio Director

"...The Institute of National Economy, The Academy of Foreign Trade, some Universities and the Institute of Management [will] train professionals for advertising as such... Perhaps in a year and a half or two years, we will have professionals, working in advertising with appropriate diplomas." ZUEV, Agency Director

The future lies within reach of the first student advertising majors studying at Moscow State University who are no less hopeful, and noted *"...that most of us are*

already working, that is why while working you run into this knowledge [about advertising] directly or indirectly...."

"B2: ...we are learning only the basics, because we have advertising as special courses and not a full course of study." "G2: 'If we had an advertising department like they do in international disciplines, that would be a completely different thing. We would get the basics of everything, ...study advertising from all sides -- economics, sociology. We only touch upon the primary aspects of the advertising process and part of marketing."

Participants noted that the need to make a transition from one economic system to another was unavoidable, just as they had to prepare the old generation or prepare for a new generation of advertising practitioners. *"Right now we are in a unique time period, a lull, during which time we can prepare people, for when trained specialists will be needed. And we're running late, we're always late."* PENKOVA, MSU Professor

Many professionals began to reevaluate the structure and practices with and within their advertising industry. Individuals or joint-venture advertising agencies took advantage of new opportunities to study abroad:

"We have graduates from the Institute of the Printing Industry in Poland.... We attended courses, in Helsinki, at the Berlin School of Advertising.... We've good contacts with the Institute of Marketing in Finland." ZUEV, Agency Director

Larger enterprises often trained their "young specialists" with some knowledge of a foreign language by making *"...arrangements with a foreign company, and send[ing] them to be trained there, rather to work there and*

to be trained in the process. Noveselsky [SOVERO, Agency Group]...received training in the United States, and then he was trained for one week in England." ZUEV, Agency Director. However, he cautioned that this process was not routine. *"We have a system that allows [one] to grow professionally. But, of course, specialized professional training is not sufficient."* They returned with some Western concepts and attempted to adopt the Western model of advertising.

Some participants were both critical of and sympathetic to their Soviet clients and colleagues... *R2: "They never worked in a market system. They were always given instructions. Everything was dictated. Prices were dictated, what was to be supplied was dictated and who would be the buyer was dictated. That's it." R1: "And how much money you would have for expenses. Such was the system...."* SOVERO, Agency Group. Advertising in the Soviet Union was in a *"...formative period and amateurs shouldn't get involved with things they don't understand. Everyone should take care of his own business. I'm certainly not going to start making watches."* MASLOV, Agency Director

Transitional Economics, the Market System and Advertising

Without the benefit of academic or much on-the-job training in advertising or with a free-market system, the onset of *perestroika* and *glasnost* in 1985, and in particular, the February 6, 1988 Decree, Soviet directors and administrators in a position to make advertising

decisions adapted what they knew of the Western model to the Soviet system. This 1988 Decree constituted the legal basis for business and advertising activities in terms of developing a free-market system.

Radical changes in government funding policies for mass communication and business enterprises were being curtailed, mandating that firms seek other sources of operating and advertising financing. Moreover, the advertising practitioner and entrepreneur began their own *perestroika* to meet the demands of making a transition to market system.

"There exists, have appeared recently or have always existed a certain amount of advertising agencies...within the branches of industries say, The Ministry of Transport, the Ministry of Marine, The Ministry of Civil Aviation and with some other organizations. The cooperatives producing advertising started to appear in numbers, and something else, which had never existed before in the advertising industry -- joint ventures." ZUEV, Agency Director

Once under the control of government ministries serving foreign and domestic clients, advertising agencies attempted to mimic Western practices.

"...we have reduced our work force because of the economic situation in the country. We're also trying to change our organization to be in line with the traditional structure of an ordinary advertising agency. We'll have a group of contractors, a media group, public relations. We are keeping areas such as souvenirs, film and printing, because we need them,.... Anyway, the structure will look very much like yours [in America]." ZUEV, Agency Director

"In our country we have now two types of advertising agencies: The old ones that work on behalf of the client, the classic type like all your large [American] advertising agencies. And the other ones that work on behalf of publishers and newspapers.... Right now there is competition between those two groups." SOVERO, Agency Group

For some, this created opportunities to take advantage of a popular movement toward a system that promised financial independence and profit revenues:

"Advertising departments were created at every major publisher of popular newspapers and magazines...Komsomolskaya Pravda, Delovoy Mir and others. Their main objective was to grab as many orders as they could from any business and organization for their publications." SOVERO, Agency Group

While others already on the edge of bankruptcy felt the constraints of reduced government subsidy and high taxes on profits, they were confronted with new operating expenses such as employee salaries, buying new printing equipment or computers, paper and ink, office space rent and utility expenses. Operating expenses would be incurred before revenue and profits could be realized from advertising space sales:

"Now we have the following situation, that here in the editorial office we have to organize a department that specifically will be involved with advertising, hire professionals, and finalize negotiations with some kind of representative on the side." CROCODILE, Consumer Magazine

The client, the agency, the media, funding and finance, on the surface were redefined in an attempt to meet Western advertising practices. Participants acknowledged the hardships of losing government funded subsidies, yet they did not wholeheartedly embrace a free-market system as an alternate economic system. *"We have not stepped so far away from the appearance of socialism as [much as] to a civilized*

capitalism, let's say, with a civilized attitude." BARANSKY, Gosteleradio Director.

Everyone, from former government entities to aspiring individuals, became advertising "frontliners"; the vanguards in the Soviet mass communications industry. The older generation of advertising professionals hadn't completely changed their "hardliner" attitude toward advertising, but the prospects of success -- financial success -- had to make room for the new generation. *"Everyone became involved with advertising. Everyone knows about medicine and advertising, as you know. Everything is clear to everyone."* MASLOV, Agency Director. However, clients, agencies and media were interested in learning "to play the game" like in the West, but first they needed independent sources of financing, revenue, earnings and <u>profits</u>.

For example, Gosteleradio, once a strict government entity, in part became autonomous and renamed as the All-Union State Television & Radio Broadcasting Company (Ostrow 1991). Complete independence from the government was not likely in the near future primarily due to the technical operations of the national broadcasting and signal relay system. Still, Gosteleradio recognized the need to reorganize their operations toward profitability.

"We used to be the Directorate for TV and Radio Advertising. Theoretically we're supposed to be responsible of all advertising on national television and national radio networks...like a special advertising agency which was a part of the Central TV and All-Union radio network. But

nothing of that sort happened." BARANSKY, Gosteleradio Director

Other domestic firms, -- clients, agencies and media -- with little or no experience with marketing or advertising chased after "fast money" and it mattered little if they would be paid in valuta or rubles...

"It's a unique feature of our country. We throw ourselves from one extreme to another. Right now everybody's chasing valuta. At the same time they are not thinking that there has to be something domestically...if there is not,...then products won't be available to anyone. It's said if we serve only Soviet organizations, we don't need valuta. So we stuck to our budget, and government subsidies, and now everybody needs valuta." MASLOV, Agency Director

"Right now it's a very popular profession in Russia to be an advertising agent -- the man who signs certain agreements with advertising agencies or with publishing companies or newspapers and then starts running from one manufacturer to another, from organization or business to another trying to sell the newspaper. Because if he sells it, he gets a percentage of the deal." SOVERO, Agency Group

Long standing, traditional advertising media and firms suffered without government subsidies and were ill-prepared to readily adopt a Western process of advertising, particularly in setting advertising rates. Foreign firms quickly entered the Soviet market to offer financial rescue. But with promises of financial success, there were consequences. SOVERO, Agency Group cited Izvestia's experience as a joint venture with German Burda Publishing:

"...Izvestia signed the agreement 2-1/2 years ago with Burda to receive valuta for advertisements at $50,000 a page. At that time it was higher than the rate at The New York Times which was then $37,000 a page. Honestly, we were surprised with the $50,000 price tag. They said that they have a circulation of 11,000,000. 'Good, but if you would lower your rates a little, you would receive a massive

amount of advertisements.' And they would have the same profit that they first set out to achieve. The magazine International Media published the results of a survey of advertisers in Izvestia -- 90% were firms from the FRG [Federal Republic of Germany]. That means Burda could only attract FRG firms using their personal connections."

Even Pravda didn't go unscathed:

"There was a paradox last year with those rates when the newspaper Pravda decided to accept advertisements and set a price of $60,000 a page. We asked why. They said the newspaper Izvestia charges $50,000 a page, and 'We're a better newspaper.' They are CP [the Communist Party paper]. ...When Gorbachev visited the US, he met with the President of South Korea. ...South Korean firms came to Pravda and said they'll pay $60,000 a page for 3 pages to publish greetings to the Soviet people from South Korea. Pravda said, 'We are an organ of the Party and we won't permit South Korean firms to publish such an ad.' They lost $180,000."

Other organizations fell victim to fluctuating Soviet political and market conditions for foreign firms:

"...The opportunity to produce and the demand for advertising both exist, but the whole industry is immobilized because of a lack of funding sources, [or] funds for advertising, [but] the lack of commodities, products and services that could be imported and exported.... There was a tremendous interest two years ago, [and] considerable interest a year ago, but now there's only lukewarm interest from Western, and particularly, American companies. It's influenced our industry considerably.... Kodak, Johnson & Johnson, DuPont, and Coca-Cola...have lost considerable interest. ...They have enough money to make long-term plans for development...[now] they are holding back their activities [and] the money they were going to spend in our market. That is very hurtful for us." ZUEV, Agency Director

Clients -- agencies and media -- were caught in an interdependent "vicious circle." Without products and sales there would be no profit, without profit there would be no advertising; without advertising there would be no media; without media, there would be limited outlets for mass produced goods to be promoted.

"These Soviet companies, organizations, enterprises, cooperatives, collective farms have active foreign economic trade connections...but the major problem is that at present we don't have...a market of consumer goods.... Enterprises have the right to determine how much to spend on advertising. ...[However] in order to spend money on advertising, you must have this money. In order to have this money, a producer has to sell his product, and in order to sell it, he has to advertise it. It is a vicious circle." SOVERO, Agency Group

"We now have to change to a market system. Without a market -- advertising is not advertising. And without advertising a market cannot function. So advertising has become a connecting link between the manufacturer and the consumer and so forth." DOLGOPOLOV, Advt. Assoc. Director

The vanguard of advertising professionals soon felt the vicious circle of a market system becoming more of an economic barrier that could constrain the flow of capital. *"Our industrial enterprises have no financial resources for advertising, [much less] valuta to spend on it, and naturally nobody wants their rubles. It would have made sense to spend their rubles on advertising if they had products for sale."* ZUEV, Agency Director

To move to a more market sensitive system, some enterprises had to "buy out" their interests and holdings from the government. To do so meant securing new financial resources... *"We became independent from the Communist Party and Pravda Publishing. We want to make money from advertising [sic].... We searched for a source and now have two agreements with two advertising agencies, but we are not getting any ads [sic] from them."* OGONOIK, Consumer Magazine

Establishing a system of cash flow was critical to the survival of some media. Independence from government

operations resulted in a dependency on a market system that was partly under government control -- paper and ink supply, printing facilities, and so on. When magazine cover prices went up, circulation went down, and earnings potential were depressed. *"Right now our objective is to keep our price to 75 pennies. If we raise the price to 1 ruble, then we will go fully bankrupt. Maybe we will siphon off money from advertising in order to hold the price to 75 pennies. Anything to save the magazine."* CROCODILE, Consumer Magazine

"I called my director and he told me, 'We must place a four color advertising on the fourth cover [sic] for 70,000 rubles.' It was a large sum of money last year. And when somebody called me and asked 'what is the price?' I would tell them and 'OH...!' They couldn't say a word. I called my personal friends and they said, 'We need an ad.' And we need an ad. Sometimes it's a success." OGONOIK, Consumer Magazine

Other organizations reluctantly adapted to global market changes in terms of political and economic policies. There was a growing mutual frustration in not knowing what was perceived to be the "right way" to do advertising, that is, a Western way:

"Specifically with regard to [our] economic relationships [with] socialist countries in Eastern Europe, which for all purposes are no longer socialist. The conditions of our agreements with them has changed [and] now we conduct all our dealings with them in valuta. But unfortunately, neither we nor they have this valuta and this also constitutes one of our big problems." ZUEV, Agency Director

"Advertising is a more difficult process that you have [in America]. Here we have a deep-rooted opinion which is justified in many cases. Many Soviet executives, managers and those who make decisions concerning money allocations for advertising, consider that money spent on advertising is

money wasted rather than invested the way you consider it [in America]." SOVERO, Agency Group

The underpinnings of socialism, the shared belief of uniformity, whether in economic or social terms, reinforced the concept that advertising frontliners and hardliners, the new vanguards in the Soviet communications industry would one day position the Soviet Union as meeting the standards in international mass communications. The degree of concern for the survival of these advertising vanguards and development of a Soviet advertising industry was, at times, expressed in terms of business, finance and Soviet economic reality. There was a concern for the client...

"For now, our valuta advertisers are only joint ventures, independent firms....Of course we're fully obligated by an agreement that oversees our financial operations, in that, if a firm receives valuta and wants to advertise, then they have to pay in valuta. They all turn it down, because they have very little valuta. And we also understand this, so we give it away for rubles." FEDINE, Radio Myak Director.

"...and sometime we sell [space] on the inside [pages], when we get clients that are poor..." CROCODILE, Consumer Magazine; and the advertising agency...

"They came here...and suggested we make a deal...we need money, but we have no ads. Escart [advertising agency]...said they could buy several pages in [our] magazine and they can and will pay money for that. And we got used to that [sic]. And now we need them and they need us because we have contacts." OGONOIK, Consumer Magazine; and the media...

"Well...any employee that brings in advertising gets 5% of the total order. That's the kind of internal system we have. People are doing it, sort of playing with it." FEDINE, Radio Myak Director

"I will begin with why we needed advertising -- to earn a little money for our lower [rank] employees." CROCODILE, Consumer Magazine

Messages and the Channels of Communication

Soviet advertising enterprises felt strong foreign and domestic economic influences regarding the type of message and media that would be produced. Foreign firms that approached domestic agencies and media created a dichotomy. From one side, foreign firms wanted to do business in the Soviet Union -- a unique marketplace with its own rules, procedures, and consumer attitudes. *"I figure that in 1992-93, serious investors from the West will soon appear, rather than the small fry who were here testing the waters for larger companies."* BARANSKY, Gosteleradio Director. From the other side, foreign firms wanted advertising the way they were used to seeing and doing it because economically developed countries already had successful experiences with advertising in their own countries. *"They try to duplicate advertising the way it is done in their country. They know if they do advertising a certain way, it will have certain results."* SOVERO, Agency Group.

Foreign firms with hard currency or valuta attempted to impose their own criteria for media selection and creative execution without taking into account the differences in demographic market conditions:

"Foreign clients just do not understand the psychology of our audience,... It's not ignorance. He has a more sophisticated mind, but since he does not know the specific character of our audience, he sometimes, quite simply, misses the target. Generally the client...is a very stubborn person." BARANSKY, Gosteleradio Director

"Very often firms come to us asking to do this and that for them, but they forget that our market is very different. We make suggestions, and they say 'no' they want us to do it that way. It's difficult to convince the client to agree with our way of doing it. We know our market. They don't believe it and say 'We do it this way." SOVERO, Agency Group

Even the slightest observations of the differences between Soviet and Western advertising was taken as a criticism of professional behavior. *"You are the second Westerner to ask about this."* OGONOIK, Consumer Magazine. This referred to the inclusion of an advertising agency's name or logo on the same page as the advertiser:

"Now I know that abroad, the advertising agencies don't do it. We are learning from our mistakes. [In] the agreement [with the advertising agency] they said to us that 'we put our name on every page we give.' Because we didn't know about it, we said okay. I think next year when we search for an agreement we will not do this. [Why?] Really, I don't know. Because one man [told] me...that abroad people say it is a mistake. And because we want to be modern, to be better..." OGONOIK, Consumer Magazine

There are two significant factors that foreign firms not only should have recognized, but understood before entering the Soviet marketplace. First, Soviet consumers were not accustomed to advertising, much less Western style advertising messages because:

"Before advertising was looked at as a form of propaganda to move merchandise that was unpopular. ...I remember seeing huge banners on the tall buildings inviting to 'Drink Cocoa' or 'Eat Plum Jam' or 'Fly Aeroflot'. This was all terrible. This was all rather ironical because the products that were advertised were plentiful. It was looked at as a necessary element for external human surroundings [natural environment]. And it was ignored." VOLKOV, MSU Professor

"...domestic advertising would be used when over-produced goods were not [being bought] and were of poor quality. That's when advertising would appear: 'Drink

Juices'...[or] in the 1950's 'Buy Crabs' when they were piled in heaps and no one was buying them...." MASLOV, Agency Director.

"...Now if we simply announced ourselves with an advertisement then the consumer/client would think, 'Ah, if they are advertising, then no one needs them.'" VINAROVA, USSR Assoc. Advt. Workers

Secondly, regardless of how well the language of the advertisement was translated, the Soviet people were not used to seeing or hearing very much advertising. Western-style commercials posed other problems in that they *"...are not designed for our psychology.... What is understood in the West, is not how they're understood here.... It's like taking a cactus out of the sand and replanting in our snow. Conditions are not taken in account at all, and everything just gets worse."* MASLOV, Agency Director continued:

"I was looking at two Western advertisements. ...Both [TV spots] were produced that they would be incomprehensible for us. During one of them I happen to understand that they were advertising beer. But the other one I don't remember except that the Western firms were here as suppliers. They were very interesting, but they weren't understandable. [So what was] the point?"

Domestic firms were no less committed to having an influence on what kind or how advertising was prepared but also in what medium or country. This stemmed from their own past attempts to meet the challenges of moving from socialist economic system toward a market system. *"Our clients, who place orders for advertising, think that due to the shortage of everything they will never have to worry about over production."* BARANSKY, Gosteleradio Director.

Domestic firms believed that with economic freedom came the power to be in control their destinies through advertising:

"Here comes the client. He wants to order an ad. I say, 'Let's do a film [TV spot]...and where [market] do you want it?' 'What do you mean 'where'? Both here and abroad.' I say, 'You understand we're talking about different tasks.' This is hard [for them] to understand." MASLOV, Agency Director

However, successful domestic advertising was not without consequences:

"One comrade came to us and said, 'I want to advertise beer.... I am the president of the company, a Soviet company.' Right now we don't have any beer in the Soviet market. 'They' told him to invest in advertising. He came to us. I told him that, first we have to develop a concept for the ad, what kind of beer, why it's good. We made a rolik [TV spot] and ran it in the programs we thought were most appropriate. He called us in two weeks and said, 'Stop all the advertising, I can't do anything, the phone keeps ringing non-stop!'" SOVERO, Agency Group

Furthermore, Soviet firms were reluctant to eliminate or reduce symbols of the Russian culture in structuring advertising messages or traditional media use, and foreign firms resisted using Russian cultural symbols for their products. Much depended on individuals' perceptions that the symbols extolled a Russian culture, heritage, grandeur and uniqueness -- a tie to the best of what Russia had to offer. Of particular interest was the approach taken by the newly formed USSR Association of Professional Advertising Workers who were concerned with finding a symbol that represented the revitalization of advertising with the Soviet peoples' enchantment with animals, fables and play-on-words:

"We felt we needed a symbol of our own for our standard of advertising. If it would be a person, then for a Russian person [to understand] the [symbol] 'the person would be a cow tender -- a person with a neckerchief or some kind of kerchief with one fat, fat cow. And from the cow comes farmer's cheese!'... We wanted our Nightingale to sing in such a way that everyone understands. And we remembered two things: that the Nightingale [pronounced in Russian] 'Solovey' and the Russian author 'Solovey' were both well-known and made an interesting play-on-words and symbols. We've all read his works and he is in our hearts. Today people may not understand a lot of things, but they understand the Golden Nightingale." VINAROVA, USSR Assoc. Advt. Workers

Conversely, Soviet advertising agencies also attempted to dissuade domestic firms from using Russian symbolism in foreign market advertising:

"I ask her who's this for?' Answer: 'The whole world! And when you show this rolik [commercial], provide an interpreter who'll say that in Russia there was a writer, Vozhov, who wrote tales of the Urals. One of the characters was the mistress of Copper Mountain, who runs into a lizard. Then she captures Danila Mastera, asks him to make a stone flower, and the inspiration from this flower named the perfume.' I've been talking about this for 2-1/2 minutes... She said that she hadn't thought about that. This is a very characteristic client approach: if they know, they think the whole world knows [Russian fables]." MASLOV, Agency Director

To others, they were symbols of an old tired system, of failing communism -- the worst of a political and economic system. To be progessive, joint-venture advertising agencies or Soviet enterprises with foreign experience attempted to incorporate Western concepts of advertising and communications into the Soviet domestic market:

"We are now building a bridge to a modern market, but while we are doing it, the attitude remains the same 'Drink Tomato Juice', [but] people are coming around to it very slowly.... He has the 'bureaucratic gift' and cannot see how advertising really should work." SOVERO, Agency Group

Advertising Self-Regulation

The push to adopt a Western model of advertising did not bring with it the regulations and laws that constrain Western advertising. The lack of government regulation that recognized or addressed issues in the Soviet advertising industry had quietly prompted advertisers, advertising practitioners, the media and other organizations to look inward at their own industry. *"In reality, we don't have anything. Legal rights for advertising do not exist. Advertising has no legal foundation."* ZUEV, Agency Director.

"In our country [advertising] was always considered a second rate job. It's this attitude we have to change in order to move the advertising profession to another level." BARANSKY, Gosteleradio Director

"They think working in advertising is easy. Socialist advertising was. They think if one can't work anywhere else, they could always work in advertising." SOVERO, Agency Group

As participants discussed their views of regulation and ethical behavior, part of the stigma associated with the advertising profession stemmed from Soviet perceptions of socialist economics: *"Perhaps because here profit was considered unimportant. To talk about money was uncomfortable. This attitude is a by-product of our ideological education."* BARANSKY, Gosteleradio Director. Their introspection revealed three methods by which advertising professionals felt they conducted their activities. First, there was a need to create a reputable,

voluntary organization that would initiate and standardize professional behavior for its members:

"The tendency now is already changing toward ways of normalizing, regulating advertising activities so much so that the aspect of advertising won't be forgotten in view of this new advertising that now exists here. Here is a very important work of control groups, commissions, somewhat like censorship groups. The American experience has proven that the creation of such groups was remanded by the present times." VOLKOV, MSU Professor

"...the Association [of Professional Advertising Workers] was created on the basis of certain principles, a declaration every member was suppose to sign.... Then it would be possible to undertake public actions, have members consider the disputes and voice their approval or disapproval. Membership is open to anyone who can present proof that he has published ads, created advertising films or videos [TV spots], or some other advertising material. Still to enforce this process or regulation will be difficult. ...We are on the way to creating our own Code..." VINAROVA, USSR Assoc. Advt. Workers

"The USSR Association of Professional Advertising Workers is only in an embryonic stage. There are no rights or responsibilities of its members that were defined. Sure there is a charter, the organization exists, but membership in this organization is not mandatory." ZUEV, Agency Director

This young Association was formed in 1989 to offer education, training and a forum for exchanging ideas and regulating ethical business practices of its members. In part, it was similar to traditional Soviet organizations such as the USSR Association of Writers and Journalists, and complemented the International Marketing Center that included The Marketing Association and The Advertising Association.

The second method of self-regulation was to attempt to establish professional codes of behavior within each advertising industry enterprise:

"We have a department that works with this today this internal code is used, and if there is a difficulty, they come to me and we decide that we don't need to accept this advertisement." FEDINE, Radio Myak Director

"When we put this ad in our magazine. [The ad] will sell because we have a name, OGONOIK. We feel we write truthful materials,...and if we have deceptive advertisers, it is very bad for us. It is impossible for us to research every client to ask him to give a special paper about his company. But we are not going to [run advertising] from people we know [are dishonest]." OGONOIK, Consumer Magazine

"Here we deal with a complete lack of professional culture in our TV network.... The client was supposed to be happy to see his advertising shown at all, never mind when.... We don't have an advertising code that can be used to say what can and cannot be advertised. We use a self-imposed code for now. ... We're trying to develop a code for business dealings for television and radio." BARANSKY, Gosteleradio Director

The third method was regarded as one of "arbitrary rule." Decision-making was based on instinct and experience to preserve the integrity of the advertising system and the Soviet society that was exposed to its practices.

"First of all, we will not advertise any public or political organizations if they contribute to stirring up national conflicts and perpetuate racist prejudice. Secondly, from an ethical point of view, we would like a very tactful use of naked female and male models for advertising. We don't object to it, just that it be tactful. We don't think there's a need to advertise alcohol. In our country everyone drinks. We turn down all alcohol advertising. I'm not in favor of advertising for tobacco products, though I smoke myself. We think that it's tactless from an artistic point of view to insert advertising into programs for children. Children must have an intact impression of a program. [Their] impressions are very fragile and very sharp impressions [remain into adulthood]." BARANSKY, Gosteleradio Director

"It's a tyranny of arbitrary rule. If there's no legal foundation, no laws, [then] the relationship [between client and agency] is purely amateurish, purely time-serving. It depends on the client's needs and how he behaves. I don't even know if there is a law...describing what may or may not be advertised. One of the general laws is that you may not produce advertising for pornography.... There's no copyright law in advertising." ZUEV, Agency Director

"Last year the Hungarians had some advertising on our television -- Hungarians chickens. Here we had protests! 'What do you mean advertising when there's nothing to buy in the stores?' That's the psychology here. Now television has a requirement that you can only advertise things that are actually available for sale." MASLOV, Agency Director

"Let's say you bought this magazine, and there's some merchandise with a response coupon. You fill it out and send it to that organization, and in all probability, at this time there isn't any merchandise. ...[but] the magazine still prints it." SOVERO, Agency Group

Advertising industry practitioners, as a form of self-regulation, became self-appointed "caretakers" from the position of dealing with social issues and responsibility toward society. Here advertising professionals expressed an overwhelming concern for the effects of advertising on Soviet society. Discussions were centered less around the stigma of "censorship" to constrict the flow of information to the public as to preserving Russian social norms and cultural values. *"Right now it's impossible for anyone to be without advertising. ...but I think that publications or television that accept advertising cannot do [it] without social responsibility."* CROCODILE, Consumer Magazine. Individually, their opinions were quite diverse, but collectively, they portrayed a concern for responsible

behavior and sincere attitudes toward social issues that superseded immediate economic prosperity.

"We had no advertising in magazines and newspapers until perestroika. Now when our people see advertising for computers, refrigerators, fax machines for high prices, they don't understand it...we run these ads to make our magazine more useful for the people. They're not used to advertising, ...they never saw ads in our magazine." OGONOIK, Consumer Magazine

"We think that so far we have to make our audiences accustomed to advertising. That's why we are not in favor of airing advertising during movie programs. We think that advertising should be shown only between programs." BARANSKY, Gosteleradio Director

"During our most popular listening time, when the majority of audiences [listen], we schedule straight forward broadcasts, all kinds of international news...if we know it's simply impossible to include the advertisement, then we simply tell them it can't be done." FEDINE, Radio Myak Director

"From the point of view of controlling advertising during programming in the sense of timing, for example for children and teenagers, what kind of material is appropriate for these age groups. It's obvious that there's some motivation, and that's important for government and society. We don't have to make the same mistakes that existed in the US. We have to learn and not repeat them ourselves." VOLKOV, MSU Professor

The Enigma of the Russian Culture

While the advertising industry may have been self-conscious about its policies, Soviet consumers maintained a set of cultural expectations about advertising that were formed under the command paradigm. What they experienced under the emerging market system did not fit with their expectations. Radical policy changes had an immediate effect on the structure and functions of the Soviet government, economy and enterprises, but did not take into

account the time that would be needed for the Soviet people to adjust to these new forms of capitalism.

How advertising was prepared, when and where it was seen and heard, affected how Soviet individuals perceived advertising's value in their personal lives. *"Some have a negative attitude because they say, 'It's better if you put on these pages other materials that we'll read with an interest.'"* OGONOIK, Consumer Magazine. Advertising affected their attitude toward Soviet enterprises and the media. Both individuals and advertising practitioners believed there was a shared responsibility for what was advertised:

> *"People are not as yet accustomed to watching advertising, they don't do it with a piece of paper in hand. First, they don't know, like the devil, when it will pop-up. Then the ordeal starts. 'Well, I saw it, but I can't recall whether it was Wednesday or Thursday, whether it was evening or morning, but I saw that they were saying something about sewing machines. How can I get in touch with them?' We try to do what we can...."* BARANSKY, Gosteleradio Director

Advertising started to intrude into the lives of older adults, their habits, their finances. The Soviet middle-class was confronted with advertisements for goods at high, unaffordable ruble prices or only available, if at all, for scarce valuta. *"They haven't altogether rejected the idea that money is evil, it still evokes a certain opposition."* MASLOV, Agency Director. Advertising affected the cost of traditional print entertainment and information sources for

retirees, the working middle-classes, professionals and their families and relatives:

"Now that we cost one ruble per copy, it's a high price for the people.... The whole year it will cost 50 rubles...and many old people cannot afford us. They must go to the libraries to read it there and our renewals became low." OGONOIK, Consumer Magazine

"...a large portion of pensioners won't be separated from their favorite magazine. We have readers who have subscribed to us for 50 years. We started publishing in 1922, say 1928. These people are truly our subscribers, elderly people who grew up with our magazine. They were forced to decline renewals. From the money from the advertising, we are paying for the annual subscription for those people who write us emotional [heartfelt] letters. And that's why we also need advertising." CROCODILE, Consumer Magazine

The Soviet Union was already suffering from a shortage of goods at state controlled prices. Then advertisements appeared for goods that were available, accessible but unattainable. Consumers blamed both the advertiser and media.

"Advertising in their thinking is not needed by anyone. Let me say that these pickles, that are being offered in the south, they are less aggravating to the people who live in the Myrmanskoii region. This advertisement is an expensive example that does not fit into the everyday lives of our middle-class readers. This is aggravating. They ask, 'For who are you publishing this?' For who? Well, maybe for ourselves so we can earn money." CROCODILE, Consumer Magazine

"Some of them can afford to buy, but I think that it's businesses that are reached. I have letters from our older women and men who write, 'We read the advertising in OGONOIK. We can buy the refrigerators, [but] when we call this firm, they said [it costs] at lot of money.' In their whole life they couldn't save this [amount] of money to have on hand. They say it's not for the people." OGONOIK, Consumer Magazine

For the consumer, the issue was how to pay for the advertised goods that they may have wanted or needed. *"Advertising interprets attitudes...not as an appeal from the sellers, but they use newspapers and television, which function as organs of government power. And it turns out that the same government power exasperates its own citizens by declaring that there are goods, but for valuta that you don't have."* MASLOV, Agency Director. Valuta was not readily available or accessible to the average consumer. Easing of government restrictions to earn valuta was directed at businesses to stimulate economic growth. Instead, it built resentment among the very consumers that would be making purchases:

"...many products were advertised. As soon as the copy is read: 'Sold for freely convertible currency' it provoked a beastly behavior because for us, the SKV [valuta] isn't available or we don't have it. This is an irritating factor. At the moment is quite a popular [form] of advertising for us. And television appears unethical when [it] accepts [this type of] advertising.... Firms, experienced ones, don't understand that [with this] type of advertising, that they're upsetting Soviet audiences and are making it worse for themselves. This is purely anti-advertising." MASLOV, Agency Director

"I can't understand what sense it makes to advertise on Soviet TV products that can be bought for valuta. Millions of our housewives, our citizens are watching this and it causes nothing but resentment. This advertising is useless." ZUEV, Agency Director

G2: "It's a big problem with this unfortunate valuta. There are certain [people] that are allowed that luxury. But if you look at it as a percentage of society, it accounts for maybe 20% of the people, maybe even less." B2: "If we look at it as an example of advertising, from a Western perspective, then so far we don't have it. Or what is advertised -- 'Buy Computers' -- who needs computers?

Basically, businesses because the average middle-class person can't afford to buy a computer." MSU Students

"People who read us are not rich -- engineers, doctors, teachers -- and if right now we have a page or half-page bought by a big company like MMM that markets computers, video cassette recorders, it's [what] interests our readers. They simply don't have the money to use advertising of this nature. The ideal advertisement would satisfy the advertiser, our readers and our own interests. It has to be directed toward our middle class, our readers." CROCODILE, Consumer Magazine

Individuals paid attention to what affected them the most, that is, the price of goods and the means to buy -- valuta. Then other issues surfaced dealing with what appeared to be a replication of Western-style advertising. This included not only the scheduling of advertisements but also the content:

G3: "During one broadcast they showed three clips [TV spots], and in exactly 10 minutes, they show the same three again. Each one lasts 1-1/2 minutes. Besides, knowing that they are dull, uninteresting, they're almost identical in style that they didn't think about how often they would be shown. After the first showing, my family already thinks [it's] one continuous clip." MSU Students

"Everybody says [this ad] is terrible because this girl is trivial. The girl is sitting on money, there's a computer near her, [the expression] on her face is as if she doesn't know what is near her. And the whole design [layout] is unreadable." OGONOIK, Consumer Magazine

"If the name of the toothpaste is not the same as the name of the manufacturer, the consumer knows the name of the toothpaste because he saw it...the name of the manufacturer is of secondary importance to him. It's possible that he doesn't connect the two names. The Rostropovich concert signature was 'sponsored by Proctor & Gamble' and a small percentage of people will understand what is going on. However for people from the provinces, for them it will be an empty sound, [mean nothing]." BARANSKY, Gosteleradio Director

For some practitioners, advertising was considered a necessary form of communication to ensure a future for the next generation. Advertising was a form of education that would supplement traditional schooling and upbringing. It would offer opportunities to learn and share in the discovery of people outside of the Soviet Union. For many, it would be the only way to be prepared for the uncertainties that would lie ahead:

> *"I think in terms of educating the new generation, we are done, but the next generation and the one after, those who are rebuilding our country will have to be different, it's very important. [Advertising] is something we have to peddle, and bring out a way of thinking. They have to live a different way. They don't know how we used to live before. But drop after drop of information that comes to then now, he has to absorb as much as possible, and faster, in order to get through the generation gap."* CROCODILE, Consumer Magazine

Summary of Findings

Advertising played diverse roles in the social and economic life of the Soviet citizenry. To some, it was a like test of wills, the challenge of conforming to Western expectations of the forms and functions of advertising in a country that viewed advertising as an economic proposition, a transition from a socialist system of marketing to a free-market system. To others, advertising was a paradox of trying to improve the quality of life, raise the standard of living, for the Soviet citizenry while removing some of the cultural artifacts they enjoyed: commercial-free television and radio broadcasts, newspaper and magazine publications.

The Soviet mindset, Russian culture and traditions permeated the participants' discussions about advertising in the Soviet Union. The findings suggested a variety of perspectives, answers to the research questions presented in Chapter III. These questions guided the study to discover what advertising meant and what institutional role advertising played in the USSR:

How did the Soviet participants formulate their perceptions of Western-style advertising? Did Soviets, as professionals and consumers, feel advertising was a critical component of *perestroika* and *glasnost?* And how did Soviet citizens interpret and percieve advertising and its institutional role in the USSR?

After 1985, the rapid influx of Western advertising concepts and procedures created a "conflict of values" among Soviet advertising professionals. Torn between holding on to their Russian cultural values and pressure to adopt new Western images of a "civil" society was forcing Soviets to reinterpret and redefine their roles in advertising and advertising as an institution in the Soviet Union. Old generation professionals were reluctantly conforming to Western standards and practices of advertising while the young generation forged ahead to quickly adapt the Western model of advertising. In order to advance *perestroika* initiatives, Soviet advertising industry professionals began

to adapt selected concepts and protocols imposed upon them by Western agencies and businesses.

In some instances, Soviet advertising professionals better understood the rewards and consequences of their market system compared to a Western free-market system than did their Soviet commerce and industry counterparts. The urgent need to make a transition to a market system that demanded valuta currency, and the need to support domestic enterprises with only ruble currency, created on decision-maker pressures to decide who would reap the benefits of or pay the penalties of economic restructuring.

Soviet professionals considered advertising an integral function of any market system including the one that existed under a command paradigm. In order to advance *perestroika* initiatives, advertising was viewed as a critical component in penetrating Western markets and enticing foreign investments in the Soviet Union. The underdeveloped domestic market, a consumer market with increasing deficits of consumer goods and services seemed to be neglected by Soviet enterprises. What advertising was produced was designed to intensify an exchange of market information between domestic commerce and industry and foreign enterprises. The use of mass information media channels, that is, what is considered to be traditional Western-type of measured media used for consumer advertising, was clearly

not a discriminating factor in structuring business-to-business communications.

The use of mass information media by large foreign or domestic firms tended to monopolize information channels as a preemptive strike against competition to ensure market power. Smaller foreign and domestic firms were relegated to scattered messages via the mass information media as their primary means of business-to-business communication in the form of market information. In both cases, business and industry advertising neglected the Soviet consumer with purchasing power as a vital component who also had an active role in the Soviet economy.

The Soviet consumer was exposed to advertisements for products that were either available for valuta, which consumers did not have, or merchandise at high ruble prices that made it unaffordable. This led to a further division of social and economic classes, of poverty and wealth, of the "have and have nots" in a new Soviet society that did not want to completely shed socialism or their Russian culture values.

This approach to advertising was not without consequence. While *glasnost* opened more avenues for the exchange of information, advertising was perceived by Soviet consumers as an intrusion into their personal lives. They considered advertising as unwanted information about products and services that were either unavailable or

unaffordable to the average Soviet consumer. This was further exacerbated by their perceptions that advertising was diminishing the quality and, in some ways, the cultural aspects of their lives. Program broadcasts were interrupted with advertisements for inconsequential products and services, favorite editorial material was being compromised by addressing the needs of "businesses." Soviet consumers essentially felt they were being cheated. They were in some way paying for information they did not want or need.

The role of advertising as an institution of economic and social influence created a demoralizing atmosphere among the Soviet citizenry. Measures of success and individual wealth were evidenced by a proliferation of new enterprises in the service industry: brokerage firms, advertising agents and agencies, commercial banks and so on. The concept of "fast money" did nothing to improve the quality of life among the Soviet citizenry. Consumer goods were still scarce and sources of information and entertainment were being replaced with what was reminiscent of "bourgeois propaganda" in the form of advertising. The security of having lived under socialism, a philosophy of equality among social classes was becoming more fragmented by creating extremes between economic classes and social strata.

Changes in the social and economic conditions within the Soviet Union, also affected how advertising training and education were percieved by both young and old

professionals. To conform to a Western view of the role and functions of advertising and market system, the advertising vanguards in the Soviet communications industry felt their educational and professional backgrounds were inadequate. They perceived that in order to produce advertising according to the Western model, advertisers and practitioners had to have specialized and advanced training in advertising. This instilled a sense of inferiority in the Soviet advertising industry. Soviets turned to whatever sources about advertising were available: self-study, on-the-job training, temporary foreign training and formal academic courses.

Soviet practitioners felt that a separate, more formal approach to advertising education was critical. Soviet industry and advertising professionals both considered that their specialized training or broad educational background did not adequately prepare them for a role in the advertising profession. For the most part this was due to living, learning and working under a socialist system throughout their formative years into adulthood. Taking a stance to advance specialized training for young professionals in some ways created another specialized career field to address the needs of the Soviet economy and the propagation of current problems. While looking to the West for new ideas, they failed to see the diverse

educational background of Westerners as a significant factor in advertising synergism.

Regardless of the amount of information about advertising that had become available in the Soviet Union, government legislation and industry regulation of advertising content and practice was virtually non-existent. Soviet advertising professionals for the most part relied on their own ethical standards, those rooted in their Russian culture, to determine the suitable scheduling, placement and content of advertisements. The growth of professional advertising associations had also spurred the need to establish a code of ethics and self-regulation exemplified by Western practitioners and government legislation.

This conflict of values produced a "tyranny of arbitrary rule." To exercise economic freedom to achieve individual and entrepreneurial prosperity, Soviet professionals had to determine to what degree advertising could intrude in children's and adults' private lives. Mass information media in the Soviet Union supplemented out-of-home educational and cultural information. The West certainly had a significant influence in shaping Soviet perceptions of advertising, but not to the degree such that Soviets were prepared to relinquish the rich heritage, individual values and social norms of their Russian culture.

The meanings assessed to advertising were as diverse in nature as the research participants were in social,

professional and academic backgrounds. But all, with some sadness, expressed broken ties to the traditions and values extolled in their Russian culture. Struggling with their conflict of values, social and economic paradoxes, Soviets attempted to preserve the good works of socialism, the symbols of their Russian heritage and to replicate them while trying to move toward a form of democracy and free-market system.

Soviets understood and accepted that change was inevitable, but felt change should be at its own pace and not that of one set by the West. Western countries with developed economic systems that employ a free-market system and advertising as a form of communication have had the time for trial and error in creating the advertising game with rules for winning in the marketplace. In the Soviet Union, there was no advertising game. What rules existed were as much the dictates of government as they were of the older generation in the mass information media, commerce and academia. The younger generation had the spirit, and in some way a freedom from preconceptions, to explore and structure their own field of advertising, their own Soviet model of advertising and free-market system.

"We still, unconsciously, consider that advertising is always a lie. The absence of a legal foundation, a consistent general system, and of course, a culture of communication and the culture of our society, has led to our current situation. Right now we're not up to the point of telling the truth, but we hope for the best." ZUEV, Agency Director

The "lie" was in the Soviets believing that advertising in the USSR had to succumb to the influences from the West. The "truth" was that the institutional role of advertising in the Soviet Union would begin to resolve societal and individual's conflict of values between *perestroika*, *glasnost* and their rich Russian culture and traditions.

CHAPTER V

THE NEW WORLD ORDER AND THE ROLE OF ADVERTISING IN RUSSIA AND THE COMMONWEALTH OF INDEPENDENT STATES

Introduction

Between 1985 and 1991, two "superpowers," the United States and the Union of Soviet Socialist Republics, reduced their political tensions to focus on stabilizing, maintaining and strengthening their leadership positions in what has evolved into a New World Order (NWO). Within a short period of time, from 1990 to 1992, the world witnessed the reunification of East Germany and West Germany; the independence of the Baltic Republics -- Latvia, Lithuania, and Estonia -- from the Soviet Union; the resurgence of economic political cooperation between South and North American countries in the Western hemisphere; the rebuilding of a European Commonmarket (EC) comprised of 12 Western European nations; and the destruction and reconstruction of the USSR into the Commonwealth of Independent States (CIS).

With the exception of some Asian, African and Middle East nations, "superpower" status would no longer be attributed to a nation's strategic arms defense mechanisms such as "fire power" to protect self-interest political ideologies. The United Nations took on a greater role as "peace keeper" within and among smaller nations, while the International Monetary Fund and The World Bank played a more

prominent role in foreign economic policy issues by influencing the economic credit worthiness, and the flow of capital and currency. Economic controls within and among nations has reduced the value of propagating political ideology. The rewards and consequences of participating in global, free-market economy has directly affected the social welfare and social systems of all nations.

Advertising is an important social and economic institution among nations with developed and developing market economies. In the West, it is viewed as forms of market power, market information, social control, and education and persuasion, among others. In the CIS, the Russian culture is a constant reconstruction of the perceptions held by the citizenry toward themselves and their homeland and toward Western influences, past and present. To better understand the inherent conflicts that the CIS people feel toward advertising, Western firms must accept that CIS ideas and institutions stem from their Russian culture and may run counter to the basic trends of the West.

The city of Moscow in the Independent State of Russia, the largest member in geographic area and population in the CIS, is still considered by Westerners and Russians to be a dominant sphere of political and economic influence, not unlike Western metropolitan cities such as New York, London, Paris, and Berlin. Russia, with its two major

communications centers -- Moscow and St. Petersburg -- will remain at least in the immediate future, a prominent focal point for the developing advertising industry throughout in the CIS.

Historically, and especially since 1988, Moscow has been the base for the first joint-venture advertising agencies and business enterprises between the West and Russia. The first academic curriculum in advertising was introduced at Moscow State University that served as the seedbed for new mass communications and marketing professionals. Russia was and is literally "home" for experienced advertising practitioners, including the research participants who continue work in their same professional capacities and organizations. Technological advancements in the broadcast and print media are generally introduced in Russia, which maintains major portions of the electronic transmission, telecommunications and transportation industry. Russia will continue to play a dominant role in the socioeconomic stability of the CIS. The role of advertising in Russia will help to redefine the CIS's member states economic power and social identity. Advertising and the institutional role of advertising in Russia will have meaningful consequences and rewards in changing the relationship among member states of the CIS, their societies, and the position of the CIS in the New World Order.

The Tyranny of Arbitrary Rule

The concept of *perestroika* in the USSR initiated by former President Gorbachev has redefined the role of business and enterprise in Russia and the CIS. Within Russia and the CIS, a major objective has been the development of foreign trade at the expense of developing domestic consumer economies and preservation of social stability. The power of political ideology is being replaced by Western influences that dictate economic development and that may violate national sovereignty and self-determination. The interaction among and between these factors continues to accelerate the role of advertising as an economic and social institution in Russia and among the independent member states of the CIS.

Advertising in Russia is viewed as a function of marketing, a way to aid in the distribution of goods and services, and not as a distinctive, separate function of communication. The primary role of Russian advertising is as an institution of economic influence vis a vis market information. Advertising attempts to prompt both foreign and domestic firms in the exchange of goods and services that will serve to stimulate the Russian economy and global trade.

For example, the Soviet Union was one of the countries with which the United States consistently had a trade surplus and the West saw it as a largely untapped consumer

market (Naylor and Rhinesmith 1988). And as with other Western nations, there is an incentive to reap the long term benefits of being "first" in the CIS marketplace. First, the problem is that Western firms rely on incomplete information about Russia's marketplace rather than uncovering Russian cultural influences that govern decision-making and motivation (Mahatoo 1989). Western firms attempt to address the needs of Russia's consumers based on their own perceptions of what Russia's citizenry want or expect as a result of initiating a transition to a free-market economy.

Secondly, Western firms must also recognize that the citizenry of Russia with its widely dispersed population is not representative of the citizenry of other member states in the CIS. While the Russian culture plays a dominant role in determining how individuals reinterpret and redefine social and economic systems, imposing Russian values and social norms on the ethnically diverse CIS, is as wrong as imposing Western standards on Russia. Western firms must come to terms with the concept that the role of advertising in the CIS is one of cultural communication among others.

Clearly during the tumultuous period of radical economic reform imposed by Russia's President Boris Yeltsin, the only motivation to create and invest in advertising is to rescue his unsuccessful attempt at economic "shock" therapy. As demonstrated by the accolades from Poland,

Hungary and other former Eastern European block countries, shock therapy had laid the foundation for a free market economy. But those accolades were rarely tempered by discussions of the difficulties encountered in changing political and economic ideologies and of society's willingness to accept a new social and economic system.

Russia's advertising patterns traditional marketing models found in the early days of mass communication and market research in the Western societies. Undue pressure from the West will not accelerate the development of a Russian model of advertising, but only impose the problems the West has yet to overcome. Russia's advertising industry must solve its own problems in meeting what they have set as an "international standard" of advertising without blindly accepting Western practices and procedures.

The Western concept of advertising does not mean the same thing once it's transferred to another culture. For the most part, Westerners view advertising as a functional process, a channel of marketing -- to move goods from producer to consumer. However, the State, state-owned enterprises, entrepreneurs and joint venture organizations are producers who view advertising as a means of quickly reaching, thus communicating with, other domestic and foreign businesses to stimulate national economies. To a lesser degree, consumer advertising has and continues to exist in Russia and the CIS in the early stages of market

development. The distinction between Russia, the CIS and the West is not that advertising is not an effective means of mass communication by Western definition, but only that advertising in Russia and the CIS serves different audiences in different ways at different stages of economic and social development.

Russia's advertising practitioners advocate directing advertising to specific markets, but there is little formalized information on those markets. Decisions are made primarily on an intuitive, observational basis. On one level, Russian advertising professionals and business entrepreneurs recognize the need to first rebuild a domestic industrial and manufacturing market. To do so requires concentrated methods of information exchange to reach the global marketplace in order to stimulate hard currency cash flow and long-term investments in Russia. Advertising was presented as a means of achieved economic survival by demonstrating to Western firms that foreign investments are viable in the Russian market. By doing so, Russia's advertising attempts to reposition the independent state and the CIS as an economic force deserving of recognition in the New World Order.

Russia's mass information media are becoming increasingly dependent on domestic and foreign advertising revenues to sustain publishing and broadcasting operations. Some mass information media have become completely

independent of government entities and are struggling through financial difficulties that approach bankruptcy. Broadcast media function relatively autonomously, but due to the technical transmission constraints and signal relays systems, are still receiving government subsidies to maintain operations in Russia and throughout the members states of the CIS. However, the increase in the number of Western joint-venture publications and commercially funded media have added to the competition for valuta advertising revenues.

The increased competition among the media in conjunction with the growth in the number of advertising agencies or service organizations has made it difficult for Russia's enterprises to evaluate which communications vehicle may best reach potential customers. Even with the shortcomings of Russia's and the CIS's postal system, direct mail marketing will continue to be the most effective means of reaching prospective business clients. Seminars and symposia offer an efficient means of establishing direct contact between sellers and buyers with tangible information about products and services.

On another level, socialist truths have been questioned, but not discounted. Russia's advertising practitioners and entrepreneurs recognize that their citizenry is not prepared to accept the long-term economic devastation by disbanding socialism. While they cannot

forget Lenin's and Stalin's horrors and those who perpetuated Marxism, socialism is also the security and nurturing symbolized by "Mother Russia". The commitment to change rests with the people and their Russian heritage and not solely with organizational or systemic restructuring.

Considering the social and economic influences of advertising, Westerners often neglect the individual cultural, ethnic, social and geographic characteristics of Russia and the CIS. By doing so, Westerners also misjudge how advertising as an institution is viewed by people in Russia and the CIS and err by imposing Western concepts, standards and model of advertising.

Over the years, the influence of Western movies and music, has led Russian consumers to perceive America as a "country of abundance" where life is free and easy without economic hardships and social consequences. Similarly, Western-style or foreign advertising is an important aspect in the construction of these capitalist realities. In contrast, Russia's advertising reflects new socialist realisms that promote high-tech, high-priced goods to the small, yet growing number of people with "new wealth." The consequence of increasing wealth has created difficulties within social classes. The working class -- a middle class -- is being divided into lower classes of physical laborers and entrepreneurs.

The work ethic has deteriorated and is being replaced by "fast money" and greater economic class divisions -- those that can afford to buy goods for valuta and those who rely on goods available for rubles. Basic necessities, food supplies, adequate housing, household staples are still in devastatingly short supply. Western-style advertising that is being reflected in Russia's advertising is exacerbating this situation and weakening a socialist concept of unity, conformity and working for a common good. Instead of healthy economic competition, Western influences continue to inflame social and economic conflict exemplified by capitalism and a free-market system.

Adopting Western-style advertising to address consumer needs is simply not viable in Russia and the CIS in the immediate future. Besides the relatively unstable political and economic situation that permeates Russia and the CIS, the citizenry must recognize and understand that advertising, as it was in the past, is no longer a source of negative information. Their perceptions of advertising were based on its functional role to move excess production and stimulate an influx of scarce valuta. There is nothing wrong with an illustrated advertisement that reads "Fly Aeroflot" or "Drink Cocoa" except that people's experiences with advertising have not changed as rapidly as the economic restructuring.

The unfeigned desire to return to values extoled by their Russian ancestry and social traditions while attempting to meet the demands of making a transition to a market system has placed Russia's advertising practitioners in a precarious position. Advertising practitioners and entrepreneurs must again rely on their intuition to determine what is appropriate advertising material for the citizenry. In the area of advertising regulation, Russia has the opportunity to glean from past Western mistakes and adapt the positive elements.

The growth of professional advertising associations' reaffirmed the need for a code of ethical businesses practices. The difficulty lies in the differences of what is believed to be ethical by Western standards may not be applicable or appropriate in Russia. Each code or standard must reflect what is acceptable within each country's economic, political, cultural and social norms.

The need to present a unified effort to meet the dictates of the Western nations, the International Monetary Fund and The World Bank is forcing Russia and the members of the CIS to conform to arbitrary standards that are the long-term products of advanced free-market economies. In substance, there has been nothing to indicate that there is a willingness among the people of Russia and the CIS to readily adopt Western economic models or social values and norms. By adapting Western concepts and practices,

advertising creates tensions among social and economic classes.

Advertising in Russia and the CIS will remain a significant factor in economic and social change, but as a channel of marketing. There is no overwhelming evidence to suggest that the CIS must adapt Western concepts of advertising as a channel of mass communication. Businesses and enterprises must be capable of and willing to produce goods for their domestic market rather than for foreign export. To many, producing goods for and advertising in foreign markets are conditions for recognition and acceptance by the West, the IMF and the World Bank. The ongoing problems with a non-convertible monetary system is tangible evidence of the problems the CIS encounters in international markets.

The citizenry of Russia and the CIS need to be willing to accept some of the economic perils of a market system in order to adjust to a new system of advertising. The influx of Western goods and Western-style advertising concepts is exploiting the underdeveloped economies of Russia and the CIS. The consequences of these actions are further disrupting the social stability and initiating class conflicts forewarned by Marxian philosophy. A Western "tyranny of arbitrary" rule is contributing to accelerated economic changes in the CIS while ignoring the social needs of society. Without the support of its peoples, Russia and

the CIS will not be able to solidify a formidable position in the New World Order.

Summary

Advertising and the role of advertising as an institution in Russia and the CIS must be treated as an interaction and not simply a transaction between economics and members of society. Western firms must look at not only Russia's and the CIS's political and economic conditions as a basis for introducing Western advertising concepts. They must listen to the people whose ties to socialist philosophies and Russian culture significantly influence the role of advertising in the future of Russia and the CIS. Western advertising influences create class conflicts by further segregating what, in spirit, was a homogeneous society of producers and consumers. Advertising is used for business-to-business communications and therefore is a product and process of the advertising industry, global economic practice and Western foreign policy. The social implications of advertising in Russia and the member states of the CIS will be resolved based on the peoples' Russian culture and traditions and ethnic heritage. The interaction between economics, society and the role of advertising as an institution of social and economic influence will, in time, produce a Russian model of advertising that will attend to

the demands of a market system without neglecting social responsibility for the citizenry.

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APPENDIX

WESTERN/SOVIET ADVERTISING TERMINOLOGY

Cross-Cultural Semantic

Western Terminology (example)	Soviet Equivalent (if any)
CLIENT	Cooperative Distributor Domestic Trade Company Foreign Trade Company Independent Firm Manufacturer (Producer) Government Ministry Wholesaler
FUNDING	Barter/Countertrade Hard Currency (Valuta) Rubles
STRATEGIC DIRECTION	Marxist-Leninist Doctrine Soviet Ideology (Socialist) Western Philosophy (Current) Western Philosophy (Interpreted)
CREATION	Architecture Cinematography Design/Graphic Design Drawing/Commercial Art Editing Elaboration Engineering Illustration Journalism Photography Reporting Stylistic Writing
ADVERTISING MESSAGES	Annual Reports Fact Sheets (Telefax/Telex) Manufacturer Brochures Manufacturer Pamphlets News Releases Price Lists (Prospectus) Product Promotion/Flyers Public Relations Publicity Trade Shows

ADVERTISING AGENCY	Design Studios Enterprises Percentage Takers Profiteers
PERSONNEL	Advertising Majors (1995) General Director (Soviet) General Director (Western) Graphic Designers Illustrators Journalists Stylistic Writers

GLOSSARY OF TERMS

AGENTSTVA -- Agency; advertising agency.

AGENT -- Agent; advertising agent/broker/account executive.

ALTERNATIVE MEDIA -- By Western standards, any media other than measured media such as newspaper, radio, television, and magazines.

CROCODILE -- Semi-independent periodical, featuring humorous and satirical editorial content.

CLIP -- A short commercial film *trans* television spot. Also film, rolik.

DESIGNER -- Any Soviet individual or firm engaged in creating or developing ideas and concepts.

DIRECTOR-GENERAL -- Chief Executive Officer or President of a business firm or enterprise.

GOSTELERADIO -- All-Union state-owned and operated radio and television broadcasting network.

GOSUDARSTVONIE -- State-owned and operated retail outlets.

GOSUDARSTVO -- Public; state-owned; society as a whole.

HIGHER COMMERCIAL MANAGEMENT SCHOOL -- Professional program, graduate business school with an emphasis on foreign trade. Affiliated with the USSR Ministry for Foreign Economic Relations.

IZVESTIA -- All-Union newspaper ideologically aligned with the Central Committee of the Communist Party.

JOURNAL -- Periodical; magazine.

KINOTHEATRE -- Movie theatre.

KOMMERCHESKIE -- Independent, entrepreneurial "commercial or retail" outlets in the Soviet Union. Retail owners buy goods through wholesalers or jobbers, and add a customary profit margin to the cost of goods sold.

KOMMISIONIE -- Independent, entrepreneurial "commission or consignment" retail outlets in the Soviet Union. Individual consignees and retail owners share the moneys earned from the sale of goods.

KOOPERATIVNIE -- "Cooperative" manufacturing and production enterprises that purchase raw materials, contract labor, manufacturer, distribute or sell goods through state-owned or independent retail outlets.

MAHIR -- Hungarian advertising agency.

MENATEP FINANCIAL GROUP -- Semi-regulated, commercial bank.

METAPRESS -- marketing communications agency.

MOSCOW STATE UNIVERSITY -- Largest state-owned, degree granting public institution of higher education in the Soviet Union.

NTD -- private, independent full service advertising agency.

OGONOIK -- Independent, general interest periodical.

OSTANKINO -- Russian Federation Teleradio Company

PLAKAT -- Poster; billboard.

POSTROYBANK -- State-owned and operated banking system.

PRAVDA -- All Union newspaper ideologically aligned with the Central Committee of the Soviet Union.

RADIO MAYAK -- State-owned and operated radio broadcast network in Moscow.

REKLAMA -- Advertisement: print or broadcast.

REKLAMADATEL -- Advertiser; a person or business who orders or places orders for advertisements.

REKLAMIST -- Advertising professional; a person engaged in selling or producing advertising.

RITA -- Russian Information Telegraph Agency; subordinate to the Russian government and required to transmit its official reports.

ROLIK -- Reel of film; *trans*. television commercial.

ROSTORGREKLAMA -- Russian Republic Advertising Associaiton.

RUBLE -- Currency of the Soviet Union.

RUSSIA -- Republic of the USSR (1924-1991), an independent state and member of the Commonwealth of Independent States (1992-)

RUSSIAN CULTURE -- Historical traditions, heritage, beliefs, norms and artifacts attributed to a society during the Byzantine and Czarist eras in Russia.

SOUVENIR -- Promotional items; premiums e.g. T-shirts, key rings displaying a company name or logo.

SOVERO -- Soviet joint-venture advertising agency with Young and Rubicam.

SOVIET UNION -- Union of Soviet Socialist Republics (1924-1991) comprised of 15 republics.

SOYUZTORGREKLAMA -- All-Union Advertising Agency.

TASS -- Telegraphic Agency of the Soviet Union.; official news agency of the Soviet Union.

TIZSA -- Soviet joint venture advertising agency with Ogilvy & Mather and Mahir.

VALUTA -- Convertible, hard currency.

VNESHTORGIZDAT -- Foreign trade publisher/publishing.

VNESHTORGREKLAMA -- Foreign trade advertising agency.

WESTERN -- countries with democratic governments and free-market economies.

PARTICIPANTS INTERVIEWED

Positions Held: 1991 and *1992*

Baransky, Nikolai N.

'91 Managing Director, USSR Gosteleradio, Department of Teleradio Advertising and Video Programs
'92 *Executive Director, Broadcasting Corporation Business Line, Founded by Ostankino and other commercial enterprises*

Fedine, Evgeni B.

'91 Deputy Director-General, Radio Myak Operational and Commercial Relations
'92 *Deputy Director, Studio of Information Broadcast Programs Radio Myak, Ostankino*

Olhovnikov, Alexander V.

'91 Chief, Sociological Research, USSR TV and Radio (Gosteleradio) Public Opinion Research Center
'92 *Manager, Department of Fundamental Research, Sociological Research Center, Ostankino*

Pergamenshchick, Igor V.

'91 Advertising Expert, All-Union Independent General InterestMagazine, Ogonoik
'92 *Advertising Expert, National Magazine, Ogonoik*

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'91 Deputy Editor, All-Union Special Interest Magazine Crocodile
'92 *Executive Editor, Special Interest Magazine, Crocodile*

Penkova, Eugenia M.

'91 Lecturer in Advertising, Faculty of Journalism, Moscow State University
'92 *Lecturer in Advertising, Faculty of Journalism Moscow State University*

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'91 Associate Professor and Head of Marketing and Advertising Laboratory, Faculty of Economics, Moscow State University
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'91 Director-General, Sovero/Vneshtorgreklama, Joint-Venture Advertising Agency
'92 *General Director, Sovero Advertising Agency under the auspices of the Chamber of Commerce and Industry of the Russian Federation.*

Maslov, Eduard V.

'91 Deputy Director, Sovero/Vneshtorgreklama, Joint-Venture Advertising Agency
'92 *Deputy General Director, NTD Private, International Advertising Agency*

Topuria, Eve Z.

'91 Deputy Director, In-House Advertising Agency, "Eye Microsurgery" Complex
'92 *Director, In-House Advertising Agency, "Eye Microsurgery" Complex*

Dolgopolov, Alexander P.

'91 Board President, Rostorgreklama, Russian Republic Advertising Association
'92 *Board President, Russian Federation Advertising Association and General Director of Rostorgreklama Advertising Agency*

Vinarova, Natalia C.

'91 Deputy Director, USSR Association of Professional Advertising Workers
'92 *Executive Director, Association of Professional Advertising Workers*

Nikitin, Michail E.

'91 Department Head, Marketing Communications, Menatep Financial Group (Commercial Bank)
'92 *Board Member, Metapress Marketing Communications Agency*

Gelfenbuim, Boris V.

'91 Deputy Director, Chusovoy Mettalurgical Manufacturing, USSR Association of State, Industry, Building, Transport and Communication Enterprises
'92 *Deputy Director, Chusovoy Mettalurgical Works, Member of the Association of Industrial Enterprises of the Russian Federation*

Irina

'91 Director of Marketing and Finance, Independent Food Services and Tourism Enterprise
'92 Unknown

Elena

'91 Director of Finance, Independent Hotel Services Computer Software Enterprise
'92 Unknown

VITA

Ludmilla Gricenko Wells was born in Newark, New Jersey on June 28, 1954. She attended elementary schools in the Essex County School District and graduated from Maplewood High School in June 1972. The following September she entered Fairleigh Dickinson University, Madison and in January 1973 transferred to Eastern New Mexico University, Portales, where she received a Bachelor of Arts degree in Commercial Art in May 1975 and a Bachelor of Business Administration degree in Marketing in April 1976. She reentered Fairleigh Dickinson University, Madison, in September 1979 and in May 1981 received a Master of Business Administration degree in Marketing. In August 1989, she entered the University of Tennessee, Knoxville, and in August 1992 received a Doctor of Philosophy degree in Communications with a concentration in Advertising and Soviet Area Studies. She is fluent in English, Russian and Spanish.

Since 1976, she has worked in the advertising industry as a layout artist, production assistant, copywriter, corporate manager of advertising and promotion, advertising agency account supervisor, and assistant director of marketing. She has taught advertising, marketing and public relations courses as an adjunct professor at Fairleigh Dickinson University and Bristol University, and as a Graduate Teaching Associate at the University of Tennessee.

She has been a visiting lecturer for the USSR Ministry for Foreign Economic Relations at the Higher Commercial Management School and Moscow State University, Russia.

She presently teaches advertising and public relations courses in the School of Communication at the University of Miami, Coral Gables, Florida.