



David & Goliath: The Dangers of Big Tech Super Dominance and the Need for Local Advertising - The Problem With Advertising Dollars Going To Big Tech Companies

Local newspapers and businesses form the backbone of a community. They are often owned by local residents and provide the community with essential goods and services. As well, business owners are more likely to reinvest their profits back into the community, which can create jobs and increase the local economy. Newspapers are a venue for these businesses to advertise to their direct clientele. So, what happens when local businesses and newspapers take those advertising dollars, and give them to large tech companies to help promote their business? The simple answer is that this money leaves the community and financially cripples those businesses and newspapers alike. Not only that, but now those large tech companies are benefiting from their competition.

First, let's see how advertising has changed by looking at a hypothetical local business called Sue's Sweets. In the past, Sue would have put an advertisement in the local newspaper about a special that she was having, or a new treat that she was putting on the market. The residents would have seen this advertisement and gone to her bakery to try this mouth-watering treat! Sue was then not only supporting another local business, the newspaper, but also keeping those advertising funds within the community. Along with this, Sue would have also been reaching her targeted patrons. Recently though, Sue has stopped advertising her products with the local paper and has switched to promoting her products on large media platforms to try and reach a larger base for her products. Unfortunately, Sue's Sweets is not the only business doing this. Businesses all over the world are using their advertising dollars to try and reach a larger market through big tech companies. However, is Sue reaching a target audience that will boost her revenue, or is she allocating her resources with no real return on her investment?

Advertising dollars have been leaving local communities for years, as businesses increasingly direct their advertising budgets to big tech companies. The reasons for this shift are numerous, but the most important factor is reach. Big tech companies like Google



and Facebook have a national or even global audience, while most local businesses only have a customer base in their immediate area. Advertising on big tech platforms allows businesses to target their ads more effectively, thanks to the vast amounts of data that these companies have on users. As a result, this is often seen as a more efficient use of advertising dollars than advertising in local news outlets. However, is this truly the case? Yes, a local business may be able to reach a larger range of people, but how many of those people are going to become paying customers? The chances are not very high. The people that are going to be your repeat and loyal customers, are going to be the residents that can be reached by keeping advertisements and promotions local.

However, in the digital marketing world, it's hard to avoid the influence of big tech. Since their inception, big tech companies have had a monopoly on the digital advertising industry. With all these companies under one roof, advertisers don't have many options when it comes to where they can share their products or services. When advertising dollars leave a community and go to big tech companies, businesses in the community suffer. Advertising is a key-way for businesses to generate new customers and grow. When advertising dollars flow out of a community, businesses have less money to invest in advertising and marketing, which hurts their ability to compete. In addition, big tech companies often have a monopoly on advertising in certain areas, such as online search and social media. This makes it difficult for small businesses to get their message in front of potential customers. As a result, businesses in the community suffer when advertising dollars leave the community and go to big tech companies.

In short, when businesses make the decision to allocate their advertising funds, there are many things that need to be taken into consideration. Are they reaching their target audience? Are they receiving an acceptable return on their investment? Is their revenue improving as a direct result of their marketing efforts? In conjunction with those reflections, it is vital that local businesses bring their advertising resources back to local newspapers. By doing so, businesses can help to ensure that the character of their community is preserved, and that the community is stronger than ever.