NEW YORK (Reuters) - Apple's latest iPod, a video-enabled music player that serves up some of the season's hottest television shows without commercials, will likely prod advertisers to get serious about finding a foothold in portable media players, media buyers said.

Apple Computer Inc. (Nasdaq:AAPL - news) last week unveiled the new model in its popular iPod lineup. The company reached a deal to sell downloads of top-rated ABC network shows such as "Desperate Housewives" and "Lost" the day after broadcast for $1.99 per episode.

The announcement sent a new chill through an advertising industry struggling to reach consumers amid an explosion of media outlets. ABC and rivals like Viacom's (NYSE:VIAB - news) CBS are seeking new ways to deliver entertainment out of the television box, whether on the Internet or with new devices.

The bigger fear, and some say opportunity, for advertisers is how to keep their brand messages in front of consumers as iPods, other portable media players and increasingly sophisticated cellular phones pick up speed and vie for time once dominated by television and the 30-second commercial.

"The idea of consumer-controlled content has been prevalent, said Andrew Swinand, executive vice president at Starcom Worldwide, part of Publicis (PUBP.PA). "This is the tipping point in terms of it coming to fruition."

The market-leading iPod built its brand on digital music downloads that can be arranged and listened to like a radio, but without advertising. Portable video game players like the Sony PSP and entertainment content viewed on cellular phones are also gnawing away at television viewing.

But with television audiences slipping, marketers question why they should pay top
dollar for commercials on programs that can be watched ad-free a day later.

"It's a great concern to advertisers," said Jason Maltby, co-president of national broadcast for media buyer Mindshare, part of WPP (WPP.L). "Why spend a couple hundred thousand dollars for an ad unit on 'Desperate Housewives'? The value keeps eroding."

IF SHOWS MOVE, WILL ADS FOLLOW?

Other experts argue that ABC will pick up new viewers for its shows on the video iPod rather than harm existing ratings. Such technology-forward users have already tuned out the regular prime-time television schedule, they say.

Apple has said it won't allow advertising on its iPod platform, but some experts wonder how long it would hold off on a lucrative new revenue stream. A company spokesman was not immediately available.

"TiVo and satellite radio were not ad-supported but they are loosening their guidelines to accept ads," said Brad Adgate, research director at Horizon Media. "It really depends on the finances of Apple."

Maltby said advertisers might push television networks like Walt Disney Co.'s (NYSE:DIS - news) ABC for assurances that their costliest ads will remain embedded in a show for some time.

"One could argue that if I'm a sponsor of 'Desperate Housewives', my commercial should be wherever 'Desperate Housewives' goes, whether it's on the phone or an iPod," he said.

Marketers may also offer to pay for video downloads if a viewer watches an ad first, or invest even more to embed their brands into a program's storyline as they have to combat ad-skipping technologies such as TiVo's digital video recorder.

"You would have to make ads much more contextually appealing to iPod users," said Brent Magid, chief executive of consultancy Frank Magid Associates. "It has to be about the environment and the experience iPod users have come to like."