



## Advertising - The emerging dimension

Marlboro Man, Dancing Nirma Girl, Raymonds, Sachin Tendulkar, Colorful newspaper half-pages, raucous blurring of hit movie songs - all of these conjures our image of advertising. Ad agencies like Ogilvy & Mather, Dejavu, Lintas, and their creative directors were the king makers who could make or break a brand. They still do - to a great extent, but the rules of the game have changed.

### *Advertising - Catching up with technology*

Pay-per-click, Pre-roll, Post-roll, Inline, Scroll - sounds like retail jargon, but, in fact they are the species of online video advertisement. Video advertisement is the de-facto solution for eliminating the subscription fees, however, according to the Optigence Research Report 'shorter' ads would make the Video experience more pleasurable. A suave ad campaign can be launched with a smart idea, a good network, utilization of the Web 2.0 tools like Blogs, Bulletin boards, Social networking sites (MySpace, Facebook etc.), Video & Audio Podcasts, and online video ad-strategy companies like AdBrite, Brightcove, Motive Interactive, b5Media etc.

### *Why the Shift?*

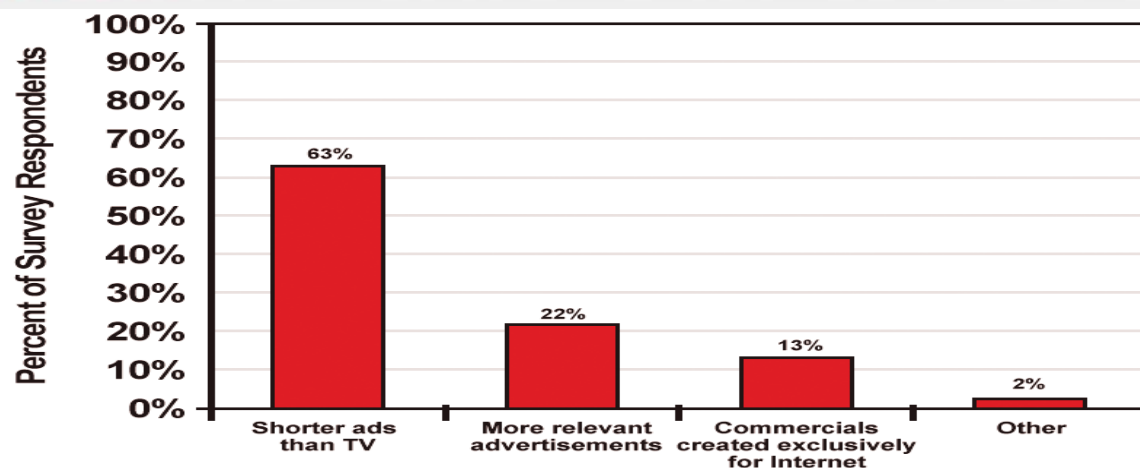
There has been a spike in the Internet Video Ad segment from \$500 million to \$4000 million (quarterly revenue) between 1997 and 2007. This graph is getting steeper because of the following reasons -

- Online advertisers are increasing exponentially (includes agencies, start-ups, content creators)
- Spending money online is getting safer and easier
- Presence of High quality internet TV channels and content aggregation - which are turning TV audiences towards the tube. Advertisers can reach comparable audience size on Internet as compared to TV
- Audience shifting from print and audio (Radio) media to the internet
- Anywhere, Anyway, Anytime content demand - Internet based TV is just the right platform and advertisers are lining up to be a part of this revolution

### *Monetizing Video Content*

Online Video advertising is an integral component of the online video experience with 94 percent of the viewers in favor of viewing ads instead of paying a fee for the content. 63 percent of the viewers are in favor of smaller ads as compared to the TV ads. (Advertising.com)

Fig: Video ads are part of the online video experience; what would make the advertising component more pleasurable? (Advertising.com)



Source: Optigence Research Report - Advertising.com)

Consumers are 8 percent more likely to view the 15-second spot to completion than 30-second spots. The video content generators can use any of the new ad placement strategies like pay-per-click, pre-roll, post-roll to monetize their video content. *Some of the current monetizing methods -*

**Banner Ad-** Comprised of an image, often placed at the top of the page

**Blog Advertising-** Ads designed for positioning on Blog sites. Companies include Federated Media & Blogads.

**Contextual Advertising-** Advertising that is targeted towards the content on a web page. Contextual ad programs include Google AdSense, Vibrant media, Kontera, and Tribal Fusion

**Cost-per-action (CPA) -** Advertising that is billed to the advertiser per user action (product purchase \ mortgage application). Examples are Amazon & Indeed.

**Cost-per-Click (CPC) -** Ads are billed on pay-per-click. The Web publisher gets the revenue for every click the user makes on the ads. E.g., Google AdSense

**Cost-per-thousand impressions (CPM) -** Advertising (usually banner advertising) that is billed per thousand impressions, regardless of whether the user clicks on the ad. Companies include DoubleClick, ValueClick and many more.

**Interstitial Ad-** An Ad that plays between page loads. Companies include Tribal Fusion, DoubleClick, and many more.

**In-text contextual advertising-** The Web page contains double underlined key words. When the user puts the cursor over this key word, a text ad comes up. When the user clicks on this ad, it takes them to the advertiser's page. Companies include - Vibrant media, Kontera, Tribal Fusion

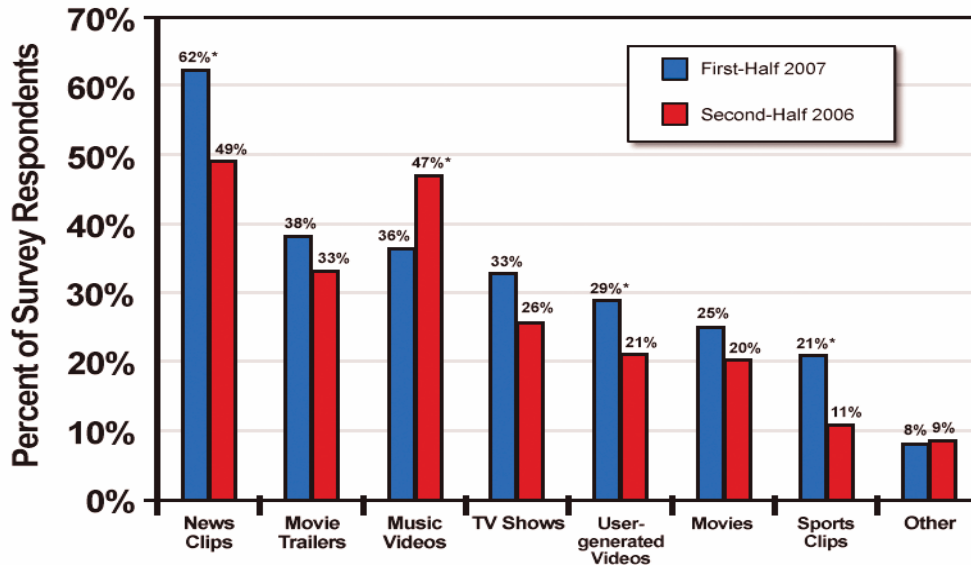
**RSS Ad -** An Ad included in RSS feeds. Companies include Feedster, Feedburner and Yahoo!

### **Content Streaming Categories - The best place for your ad-spots**

The Video viewing pattern is one of the focus areas for advertisers but the dominant categories are prone to variation because of the changing socio-economic conditions. More than 62 percent of consumers are most likely to stream news clips, with movie trailers (38 percent), and music videos (36 percent) next in line (for

the first half of 2007). Thus, consumers are streaming more of news clips, UGCs (user generated content), and sports clips as compared to the dominant category in 2006- music videos.

Fig: What type of content are you most likely to stream?



(Source: Optigence Research Report - Advertising.com)

### ***Adapt or perish***

We all know that 'the only constant is the change', and in the realm of technology, the only recourse is constant adaptation. The whole gamut of Web 2.0 platform technologies has challenged the strategic thinkers in most advertising and marketing firms. Technology, brand advertising, marketing campaigns are dictated by the whims of the online video consumers rather than by a complex algorithm. Embracing the concept of citizen marketing, social media, and rich internet applications will be the only discriminating factor between the leader and the followers in the pack.

### ***Rules of the game - made by consumers***

The landscape of internet technology is defined by net-citizens. This new brand of audience is the architect as well as the consumers of social media (blogs, wikipedia, podcats, Bulletin Boards etc.). Measuring the likes and dislikes of the online community is on the priority list of every organization and advertising agency. Conversation and dialogue with the consumers have become the mantra of this new era in advertisement.

#### **About the Author:**

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