

Advertising for E-marketing Professionals

Ever since its inception, the Internet and World Wide Web have been constantly spawning new rules and vocabulary for the marketplace in the virtual sphere. Though the basic principles of marketing like utilizing all possible channels of contact to earn consumer attention remains the same, the approach to achieving these ends has changed a bit. Businesses have also caught on to the marketing possibilities of the Internet early, and now Internet advertising is big business. With the popularity of 'plastic money' and the advent of secure online payment gateways, the e-commerce revolution has finally taken off. Nowadays, many of us routinely buy products from Internet websites. It's easy and convenient and often we can get better prices than at our local store. Naturally, businesses are now trying to take advantage of the Internet and market their products effectively online.

Internet Advertising is now slowly emerging from the shadows of traditional advertising. Though both these forms of media have a common platform, their approach and perspective is entirely different when it comes to the kind of medium that is involved. Recognizing this development, many traditional advertising firms have come up with separate divisions dedicated solely to Internet Advertising and offer specialized campaigns designed specifically for Web based businesses.

Internet advertising combines aspects of both traditional mass media advertising with more personal one on one type selling. It is most effective when it prepares an online advertising strategy that combines both elements. Internet advertising can include things such as e-mail campaigns, banner ads, pop-up ads, etc. There are variations to each of these elements. For example there are different types of banners such as a static banner, animated banner or interactive banner. A rich media banner allows consumers to have more interactions, such as playing games. The other various types of Internet advertising include search engine web advertising, pop-up advertising, pop-under advertising, banner exchange advertising, online directory advertising, and link exchange advertising.

Vocabulary of Internet Advertising

A brand new vocabulary and terminology of Internet have emerged on which all online advertising initiatives are based. The most critical components of this vocabulary are:

- **CTR (Click Through Ratio / Rate)**
It is the most common form of measuring the success of an advertising campaign on the Internet. **CTR** is the percentage of the **Ad Views** that result in an **Ad Click**
 - **Ad View** or **Ad Impression** is the number of times a visitor downloads or views an ad banner
 - The **Conversion Rate** is equivalent to a completed sale or other online action taken by user after a click through
 - According to Nielsen Netratings, the average **Click Through Rate** has declined to about 0.17 in the recent times
- **Cost Per Thousand (CPM)**
It is the amount of expenditure incurred to receive a thousand impressions. Most CPMs can range from \$25 to \$60.
- **Cost Per Click**
Another form of measuring advertising spends. **CPC's** are what businesses pay for every individual who clicks on the ad. This is generally favorable for the business buying the ad, because they don't pay unless there is action taken. This is becoming more popular as return on advertising investment is critical
Cost per Click (CPC) = CPM / (CTR * 1000)
*For example, if you paid \$15 CPM for a banner with a 2.5% CTR, the CPC will be $15 / 2.5 * 1000 = 0.006$*
- **Cost Per Visitor (CPV)**
It is the cost of advertising for every visitor to the website

- **Cost Per Sale (CPS)**
It is the amount of ad money a company pays per sale
- **Impression**
A measure of how many times a banner is displayed. Each time the banner is shown is counted as one impression
- **Page View**
A measure of how many times a complete page is displayed. It is one page view each time a page is displayed
- **Banner Views**
Similar to page views, banner views track the number of times a banner has been viewed
- **Run of Site (ROS)**
Run of a Site advertising is less expensive than more targeted advertising methods. ROS refers to displaying a banner ad throughout a website or a banner network but without the targeting; in other words, the ad displays on a variety of sites without a target audience in mind
- **Banner Exchange**
It is a system where websites exchange Banner advertisements on a reciprocal basis and mutually benefit each other

Website advertising can make or break an Internet business. Website advertising may include things like banner ads, e-mail campaigns, and pop-up ads. Each of these different devices caters to different needs of businesses. All the factors defined above play an important role in determining the kind of advertising an advertiser should engage in, as the success of that advertising effort will depend on the choice made. A certain amount of 'free' website advertising can also be done through word of mouth, writing articles, and posting blogs about your particular business. Putting your website as a link on as many other websites that are related to your company or industry is also a good option.

The most conventional of all kinds of Internet Advertising remains Banner Advertisements followed by Rich Media Advertisements. Rich Media Ads refer to multimedia advertising on the websites. They differ from Banner Ads in the sense that they do not guide a website visitor to another website; instead the entire message is located in the Ad itself so that the visitors can receive the complete message without leaving the website displaying the advertisement. These kinds of Ads came much later than Banner Ads mainly as an enhancement technique to spice up the Ads and make them more attractive. Initially, Java Applets were used to create Rich Media Ads but were later replaced with faster, compact and simpler software programs like Flash and Director developed by Macromedia.

However, even with the advent of so many types of advertising, Banner Ads still are the most popular choice of the advertisers right from the year 1994, when they first came into being. They started with click through rates as high as 25% but now these rates have fallen drastically over the years due to a phenomenon often referred to as 'banner fatigue' i.e. so many banners being presented to the people that they close them before they fully load. Today their click through rate is just about a fraction of a percentage but they are still going strong when compared to the other kinds of online advertisements.

A **Banner Advertisement** typically consists of a **banner** (graphic image) and a link displayed on a high traffic website, which the people visiting that site (**the audience**) see when the page loads. This banner commonly advertises a product, service, or just another website. They run across the top of an Internet web page or in a margin or other spaces reserved for ads and are usually Graphics Interchange Format (GIF) images. The most popular banner ad is the horizontal banner which is placed along the top or bottom of a web page. According to the Internet Advertising Bureau (www.iab.net), the standard banner size is 468 pixels wide and 60 pixels high. This takes up approximately 10% of a normal sized web page. There is enough room for text, graphics or animation. Since most banners only hold the attention of a visitor for at best 3 to 5 seconds, design is very critical. Concise, clear messages that are to the point are most effective.

Buying and Selling Banner Ads

Banner space is usually sold by impressions, or banner views, although it is sometimes sold by click-through when the user clicks on the banner for more information. Banner advertising can cost anywhere from \$25 to \$150 per 1,000 hits, depending on the website an advertiser chooses. One can also participate in banner exchanges with complimentary businesses. The other business owner gets to place a free banner

advertisement on your website and you, in turn, get to place one on his website promoting your product or service.

Banner Sizes

Online banners vary in dimension, making the pricing ambiguous and subjective. Having set standard banner sizes would assist with pricing standards and help the website designer plan the ad space into the website as part of the website layout. In addition to being limited to a certain physical size, many websites also limit the size of the file to a certain number of bytes so that the banner advertising will display quickly. Some conventional sizes of banners are:

Size (Pixels)	Type
468 x 60	Full Banner
392 x 72	Vertical Navigation Bar
234 x 60	Full Banner
125 x 125	Half Banner Square
120 x 90	#1 Button
120 x 60	#2 Button
88 x 31	Micro Button
120 x 240	Vertical Ban

Types of Banner Advertisements

Though GIF images are the most commonly used Banner Ads, several other types of banners can be created, such as static banner, animated banner or interactive banner. There are also different kinds of interactive banners--HTML interactive banners allow users to have interactions, and rich media banners allow users to have even more interactions such as playing games. Banner ads are often animated because animation has been shown to attract a larger percentage of users.

There are two major types of banners, static banners and dynamically-rotated banners.

- Static Banners do not change, they stay the same to every user, every page load
- Dynamically-Rotated Banners can change for each user. With dynamic-rotation, you will be able to advertise a different banner to each viewer and therefore have multiple advertisers, or, multiple banners for one advertiser, or any such combination

A dynamically-rotated banner is usually a more effective way of advertising, but it requires a program to make it work, usually a .cgi script.

Uses of Banner Advertising

- To increase the traffic on the site
- To sell more of your product(s) or service(s)
- To be able to notify buyers of your new product or service, or offer them a special deal/discount
- To spread your ideas about a certain topic
- To get people to remember your company's name

Advertising on the Internet translates into more sales and more visibility and brand recall for your website. Banner Advertising can be done either independently or through existing applications that simplify the whole process. The main advantages of advertising individually are:

- **Freedom:** If you get to choose your own rates and standards, you will have better control over the layout of your website. You are free to make your own rules
- **More Reliable:** You ads don't go down unless your website goes down. You won't have to wind up finding a new advertising broker if your current one declares bankruptcy

Going independently also has its own share of disadvantages like:

- **More Work for you:** Getting your own advertisers and maybe customizing the rotator and/or rewriting it can be a real challenge. If you want to be independent, expect to spend much more time working, and maybe even being a little more stressful.
- **More Costly to Run:** Having a server that is able to handle your rotation scripts may be more expensive than what you currently pay. You are unlikely to find a free provider that will allow you to run these simple (yet complex) scripts.

Finally to sign off, here are ten tips that will help you in creating and launching a successful Banner Advertising campaign on the Internet:

1. Bait your customers with the word "FREE"

Make sure your ad clearly states any free gift or trial included in your offer. The word FREE not only catches the eye, but also usually raises the click-rate

2. Playing Quizmaster helps

Using questions in your ad copy initiates an interaction with your viewer with the banner acting as a teaser. People can get enticed to click on your banner. Questions can raise the click-through by 16% over average

3. Catch their eye with colors

Bright colors help attract a user's eye, contributing to higher response rates. Research has shown that blue, green and yellow work best, while white, red, and black are less effective

4. Be as clear as possible

Cryptic banners can garner attention but might often test the viewer's patience. Make your offer obvious to the user and state clearly what you're offering and how easy it is to get it. A good offer will always help the response rate irrespective of the creative presentation

5. Clearly state your target audience

Specifying your audience in the banner will drive a more targeted and qualified audience to your offer and not one simply attracted by a clever ad. This will result in a better conversion rate

6. Use Animation

Strategic use of movement grabs attention more effectively than static banners. Using simple Java or gif animation can increase response rates by 25%

7. KISS (Keep it simple stupid!)

Making your offer brief and easy to understand is a very important step in getting your audience to click on your ad, buy your product, or fill out your lead form

8. Call to Action

Telling consumers what to do helps raise response rates. Simple phrases such as "Click Here", "Visit Now" and "Enter Here" tend to improve response rates by 15%

9. Offer Incentives

Using premiums and incentives is an extremely effective way of getting the final sale you are looking for

10. Target Leads in your campaign

On the web, consumers usually buy something only after they are fully convinced and familiar with your product. So, it's better to speak to a more interested audience and considerably raise your chances of closing a sale by targeting people who you already know are interested in your product

All this shows the extent the field of Internet Advertising has grown and proliferated in the last few years. It also underlines the fact that no matter what the medium is, any business or market that wants to grow cannot do without Advertising. The only thing is that in each medium, the approach and perspective to Advertising has to change a bit to adapt to the conditions of that particular medium. If this small adjustment is made, then Advertising can turn your company's way to the future into a dream run.

Sources:

<http://www.aecmedia.net/advert/tipstech.htm>

<http://advertising.ru.com/article3.html>

<http://www.davesite.com/internet/webads.shtml#intro>