

# 10 Reasons to Advertise Online

## 01

### Reach

Mass reach or niche audience, the internet can do it all.

Whether you need to reach a large chunk of the population with your message or target a small niche audience, online advertising has an environment and a product that's right for you. Going online is now such an essential part of our daily lives and is the first port of call for so many activities – from news to catching up with friends – that it offers advertisers an unrivalled reach in terms of audience size.

UKOM data shows that approximately 40 million people in the UK (aged 2+) use the internet every month and that the biggest UK websites (for example Google, Facebook and MSN) attract audiences of over 25 million people each month – offering advertisers the ability to reach a huge proportion of the population through a single channel.

These numbers provide advertisers with the chance to convey messages to large numbers using a single media. Having said this, if you apply the advanced targeting techniques that online offers, it's possible to narrow your focus to people with specific interests within this wider group. Add to this the variety of advertising options from search to display and affiliate to lead generation then you really do have an advertising medium that offers advertisers the chance to communicate with the audience they want using the right technique, whatever their objectives.

## 02

### Brand building

Build your brand in the most engaging environment.

Everyone knows that the internet is great for direct response advertising. The ability to measure the performance of online advertising through impressions, click-throughs and conversions means it's easy for advertisers to optimise campaigns and maximise ROI. However, advertisers are also discovering that online is a hugely effective brand advertising tool. As a result, brand advertising online has grown by roughly 200% between 2008 and 2010.

The advent of online video advertising in the form of pre and post roll ads around video content has provided advertisers with the type of opportunities for brand-based advertising normally associated with TV. Coupled with this, the massively impactful new display advertising formats such as custom backgrounds, billboards and half page skyscrapers, mean that brands can create amazing adverts online that they haven't previously been able to execute. The combination of these factors means that online display advertising is changing. It isn't necessarily about generating an initial response but is more focused on building brand awareness and driving purchase intent.

Advertisers have also realised that online advertising isn't just about click-through rates. For an online ad to work users don't have to act immediately. Just like TV, outdoor, print and cinema advertising, online has a positive long term branding effect – causing users to act long after they've seen an advert. Add great editorial environments and engaged users to this and you've got a great recipe for delivering real results for brands.

The IAB's Building Brands Online Trilogy of research projects highlights how FMCG advertisers including Starbucks, Nestle and GSK are using online cost effectively to successfully establish and reposition brands online.

## 03 Relevance

The right ad for the right audience.

The internet allows you to customise advertising more effectively than any other advertising medium, enabling brands to reach the audience that is most likely to be interested in their products or services. Examples include:

- 'Contextual' - related to what you are specifically looking at or for
- 'Demographic' - an age bracket or a particular region
- 'Content' - around a specific piece of content such as video
- 'Behavioural' - based upon previous interests / preferences
- 'Location-based' - where you are at that moment in time

Cookie technology also means that internet users can be retargeted by brands that they have previously expressed an interest in. For example a user might abandon an online purchase at checkout stage, but could then be reminded of their interest in those products with relevant advertising featuring relevant products at a later date.

These techniques allow web publishers to get a better return on their advertising inventory and invest in richer content and services for consumers to enjoy, as well as driving ecommerce. As testament to the effectiveness of this, research conducted by the IAB and YouGov shows that two thirds of advertisers using this type of customised advertising believe that it performs better than advertising that was not customised.

Advertising can also be 'frequency capped' meaning that users only see messages a certain number of times, increasing efficiency of budgets, maximising campaign reach and reducing user frustration caused by seeing the same ads again and again (as can happen with other, less targeted, media).

The IAB is working to enhance transparency and consumer control for customised advertising, particularly that which is based upon previous web browsing behavioural. You can find further details on this pan-European self-regulatory initiative at <http://www.youronlinechoices.com/goodpractice.html>

## 04 Creativity

Offering a kaleidoscope of rich creative opportunities.

Online offers advertisers a limitless creative canvas. Back in the day of the notorious "12k gif banner" this may not have seemed to be the case as there were lots of restrictions – from the physical space, to the amount of animation, and even the number of colours you could use. Yet in just a few years, the very technology that makes the internet a living, breathing, ever-evolving platform - together with some clever minds - has created a rich landscape of digital disciplines.

Now, whatever you want to do, online advertising can deliver it. From an innovative display brand advert to the audiovisual impact of a pre-roll video, or from clever word play in search ads to deep, engaging and interactive experiences through games, online advertising delivers creativity in spades.

What's more, online is best friends with innovation, presenting new opportunities to marketers every day. You just need to work out when to locate your customers and send them a relevant message - like Guinness' iAd - or think laterally about how to usefully surprise and delight in real-time as demonstrated by John Lewis' spring season campaign which employed geo-climatic technology.

And perhaps the best bit about online, is that it fits into consumers' lives like no other medium - on the commute, at work, at home, on the plane and even on the beach.

## 05 Engagement

Online can get your attention and keep it. For ages.

VGL brand WLTM consumers with GSOH for LTR.

If we were a brand, looking for true, lasting love, we'd use online.

Why? Because it's got great chat up skills. It's more than just sound and vision. It's interactive and utterly dynamic. It's contextual and real-time so it can really deliver its line. And once it's got your attention, online works hard using those skills to keep you engaged, offering you not only choice of format but choice of how deeply you want to participate.

For example, here's our brand new product. You can read about it, watch the 60-second video demo, beta test it before anyone else or ask questions about the product direct to the people that invented it.

If you're about to book a flight and a well-placed travel ad lets you check hotel availability without leaving your page, you'll probably go back to that brand to book because it's not only engaged you but it's been really useful. If you're planning to get fit and a sports brand offers you a free personal training app, you're going to spend a few hours with that brand every week and shout about how great it is.

Basically online has all the right skills not only to get the girl (or boy) but to get them properly engaged, leaning forward and involved in the brand discussion - all of which pays dividends when it comes to brand choice.

- VGL - Very Good Looking
- WLTM - Would Like To Meet
- GSOH - Good Sense Of Humour
- LTR - Long Term Relationship

## 06 Social

People are inherently social and especially so when they're online.

When you consider that TV advertising has been around for more than 25 years and radio advertising 70 years - you begin to realise that digital is still in its infancy. And yet since the internet began its spectacular rise to prominence in the early 90s, online has found its feet in no time with over 40m active UK users.

Part of online's success is down to its inherent sociability which has universally changed the way we behave. You can have a water cooler conversation whenever and wherever you want...

...you can look up a new restaurant and in seconds scan dozens of reviews. And when you've experienced something mind-blowing you can share it with friends, family and frankly, the world – all at the tap of a touchscreen. All this has led to us as a nation, spending a massive quarter of our online time on social networks.

Since we're spending so much time being social online, there are huge opportunities for brands to engage, as long as they complement the experience and emit a relevant message. For example, seeing a targeted ad on your Facebook feed for a local event where your favourite band is playing. Spot on. Or when searching for recipe inspiration, being presented a video recipe on a branded Youtube channel which also allows you to click and buy all the ingredients. Bingo.

And as people connect, they do more things together. Using group buying power to get the best deal, reacting to news in real-time or actually creating a third dimension to CSI or X Factor with fans while they watch the show. The digital landscape is bursting with platforms, people and technology that make the world in which we live more connected, collaborative and more of a community. And really, we've only just begun.

## 07 Accountability

The internet is the most accountable medium ever.

On top of all the brand measures used in traditional media, online offers a vast array of consumer touch points which can tell you about consumer behaviour, your campaign's effect and the return on investment (ROI) of almost every pound you spend.

Unique to the internet is its ability to show activity throughout the entire online consumer journey. Common activities include sales, newsletter sign-ups, the number of times an advert is displayed (ad impressions), the number of times people click on an advert to visit a microsite (clickthrough), the number of times people have interacted with an advert, sign-ups, social media likes and follows and much, much more.

For instance, an online advertising campaign for Cadbury Dairy Milk in 2010 was able to show a delivery of 30 million ad impressions, reaching 6 million unique users (10% of the entire UK population). Within this campaign, other metrics included the number of videos created by users and watched, commentary about the campaign on blogs and twitter and more.

Taking things a step further, a range of products are coming to market that link online advertising activity to offline sales, such as those provided by GfK and Yahoo! Consumer Connect (connecting online display with Nectar usage). Using these tools, Cadbury, for instance, was able to learn that they could make £3 for every £1 spent online.

## 08 Interactivity

Enabling brands to respond to and extend engagement with consumers.

The internet is both a push and pull medium that lets people click, type, talk, film and drag their way around websites, emails and other online services. And even better, it allows advertisers to directly respond and interact with their customers.

Interactivity makes for an incredibly engaging, immersive experience for consumers. Online display adverts can deliver a brand message, but they can also offer much more – e.g. forms to collect customer details, video clips, games and even shopping functionality.

This double whammy of brand advertising coupled with interactive experiences extends the conversation, stirs emotions and encourages a response. Interactivity can be used to tell people about products or services, to entertain consumers, to build brands or even to collect feedback, leads and make sales.

The only limit to online interactivity is your imagination and the imagination of your consumers. For instance, Lynx and Tippex have both used interactive video ads that change their stories depending on words typed by users. Meanwhile, Lady Gaga and the Grammy Awards created a microsite that automatically updated with highlights of the latest and most popular social media videos, tweets, images and blog posts.

What these examples show is that you shouldn't just push out a message. Involve the consumer and draw them in with online's ability to encourage interaction.

## 09 Real Time

Update and improve campaigns in real-time, unique to online.

Unlike any other medium, the internet lets you see results as they happen and adjust your activity in real time. This unique ability is unbelievably powerful, yet so simple to use. Whether you're using online display advertising, search, email or social media, you can launch a campaign and see the reaction of consumers within minutes.

You can then edit and change the advert on the fly to improve the results while the campaign is live. No other advertising medium can offer such flexibility. One of the best uses of the real time nature of internet advertising is to test multiple ad creatives at the start of a campaign, see what works best, and edit the campaign accordingly.

This prevents advertisers from second guessing what consumers will react to and removes wasted ad spend. In offline media the campaign has to run no matter what, even if your ad creative isn't working. Worse, you're unlikely to know if it's worked or not until the middle or end of the campaign. Online's real time nature is a revolution in marketing that's engrained into every aspect of the medium.

## 10 Mobile

Brand building on the move, in the palm of your hand.

Year on year, mobile continues to flourish. Indeed the usage of the mobile internet in the UK grew at the fastest rate on record in 2010. As of May 2011, 21.3m people used the mobile internet each month and 19.8m used apps. Mobile media has become a part of daily life, with the average mobile media user reaching for their phone 18 times a day - and this doesn't even include calls and text!

Consumers are using their mobile for everything. For example, 30% of overall Google restaurant searches were made via the mobile internet. Likewise, 17% of automotive searches and 16% of consumer electronics queries were made on mobile devices. Importantly, not only are consumers surfing on their mobile, but they are also actually buying. IAB research shows that 51% of UK mobile phone owners have engaged with M-Commerce.

More advertisers are waking up to the potential of mobile. The IAB/PwC Mobile adspend study showed that spending on mobile advertising was up 116% from 2009 to 2010 on a like for like basis. The range of advertisers using mobile to benefit their brands is also becoming broader as more mainstream brands from sectors such as finance and consumer goods are investing on mobile. When it fits, mobile can offer a wealth of benefits to advertisers. So get involved to ensure you don't get left behind.