



Internet-Ad Models

BY OBJECTIVE

BRAND BUILDING → 

DIRECT-RESPONSE → 

INTERNET ADVERTISING MODELS

BY RELEVANCE LEVEL


- ADVERTORIAL
- RANDOM DISPLAYED AD
- CONTEXT-SENTITIVE AD
- RUN-BY-KEYWORDS AD

Internet-Ad Models

PHYSICAL FORMS

Text-Based (Push)	Multimedia (Pull)
E-Direct Mail Mailing List Rental	Banners & Buttons Sponsorships Interstitials

INTERNET AD MODELS

- **Text-based Advertising**
e-Direct-mailing
- **Banners & buttons (59% of web ad. Expenditure)**
 → Eg. servicemaster.com
Narrative.com
 - User interacts to complete the order process
 - Limited by the bandwidth (Ads under 9K tend to appear faster)
 - More effective for brand communication, rather than traffic drive

SPONSORSHIPS (29% of web ad. Expenditure)

- Editorial content & advertising
- Co-branding vs. sponsorship - synergy
- Add-in value comparing with pure ad.

e.g. msnbc.com
buy.com

INTERSTITIALS (4% of web ad. Expenditure)
Java-based ads which appear while the publisher's content is loading – daughter window

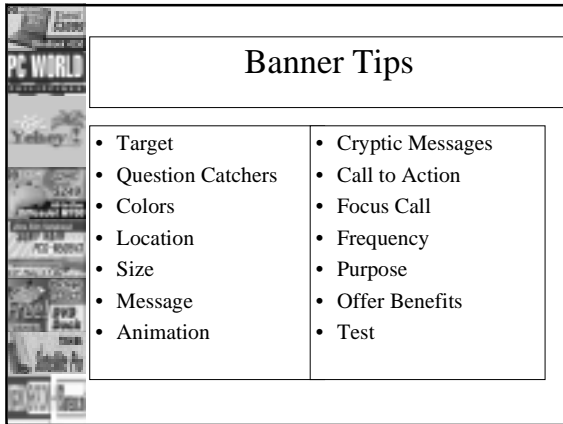
- Not popular due to the lengthening user waiting time

e.g. ospreyuk.com

Banner Basics

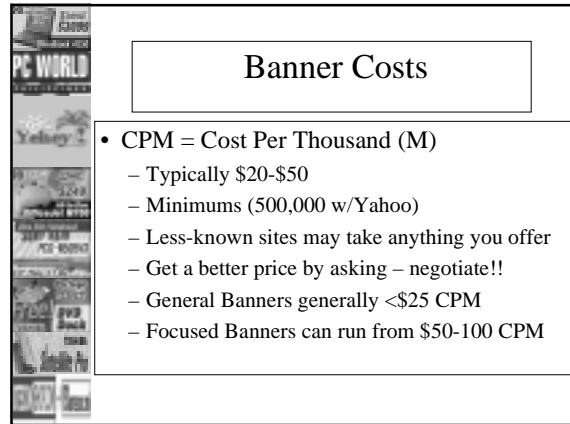
Standard Sizes

- 468 x 60 Full Banner
- 392 x 72 Full Banner with NavBar
- 234 x 60 Half Banner
- 125 x 125 Square Button
- 120 x 90 Button #1
- 120 x 60 Button #2
- 88 x 31 Micro Button
- 120 x 240 Vertical Banner
- http://www.iab.net/iab_banner_standards/bannersizes.html



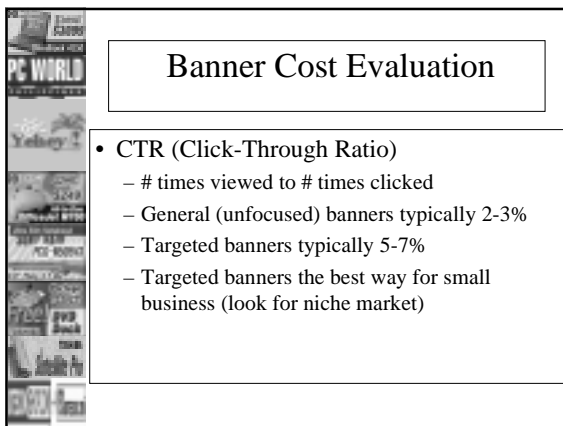
Banner Tips

<ul style="list-style-type: none"> • Target • Question Catchers • Colors • Location • Size • Message • Animation 	<ul style="list-style-type: none"> • Cryptic Messages • Call to Action • Focus Call • Frequency • Purpose • Offer Benefits • Test
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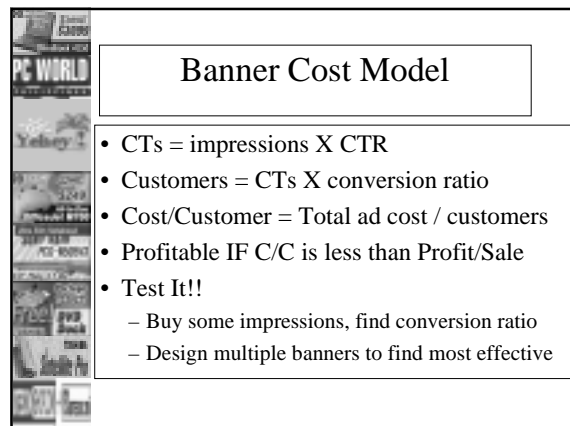
Banner Costs

- CPM = Cost Per Thousand (M)
 - Typically \$20-\$50
 - Minimums (500,000 w/Yahoo)
 - Less-known sites may take anything you offer
 - Get a better price by asking – negotiate!!
 - General Banners generally <\$25 CPM
 - Focused Banners can run from \$50-100 CPM



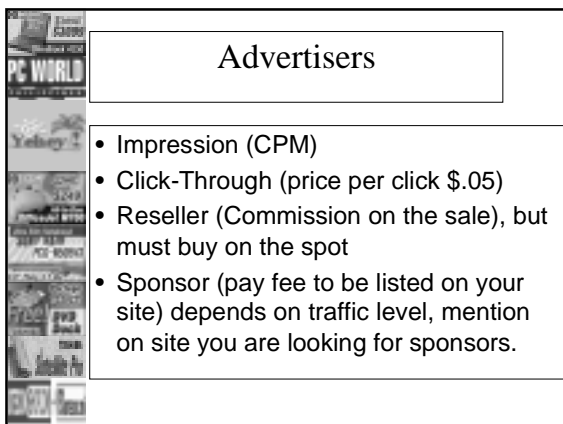
Banner Cost Evaluation

- CTR (Click-Through Ratio)
 - # times viewed to # times clicked
 - General (unfocused) banners typically 2-3%
 - Targeted banners typically 5-7%
 - Targeted banners the best way for small business (look for niche market)



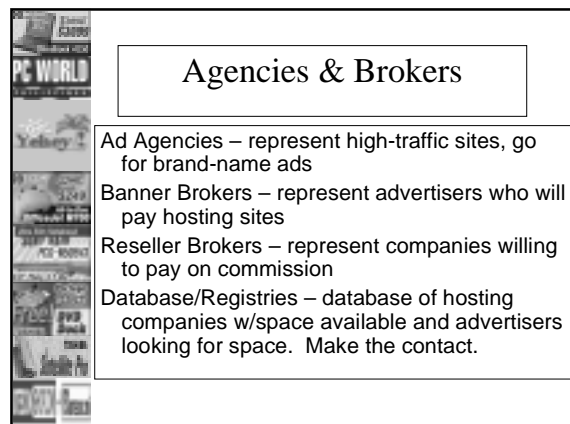
Banner Cost Model

- $CTs = impressions \times CTR$
- $Customers = CTs \times conversion\ ratio$
- $Cost/Customer = Total\ ad\ cost / customers$
- Profitable IF C/C is less than Profit/Sale
- Test It!!
 - Buy some impressions, find conversion ratio
 - Design multiple banners to find most effective




Advertisers

- Impression (CPM)
- Click-Through (price per click \$.05)
- Reseller (Commission on the sale), but must buy on the spot
- Sponsor (pay fee to be listed on your site) depends on traffic level, mention on site you are looking for sponsors.



Agencies & Brokers


- Ad Agencies – represent high-traffic sites, go for brand-name ads
- Banner Brokers – represent advertisers who will pay hosting sites
- Reseller Brokers – represent companies willing to pay on commission
- Database/Registries – database of hosting companies w/space available and advertisers looking for space. Make the contact.



Evaluate a Target Web Site


- Quality of the site's editorial environment.
Example: choose one site appropriate for Volcano Condom.
 - ~ Playboy <http://www.playboy.com>
 - ~ Cnnfn <http://www.cnnfn.com/>




Evaluate a Target Web Site

- Quality of the site's audience.
 - www.collegeedge.com is to "ease the transaction from high school to college"**
 - www.fastweb.com is "internet's largest scholarship search site"**
 - www.tripod.com is to "offer streetmart for work, life, and everything else"**




Evaluate a Target Web Site

- Size and placement of the available ad slots
 - More than one ad per page?
 - Ads are hardwired(fixed position on a page), good for a specific group;
 - or dynamically rotated(delivered on different pages), good for general group?



Evaluate a Target Web Site

- Ads provider's customer service
 - Lead time
 - How frequently you can choose your ads?
 - How many banners you can change in the contract?
 - Ad-Tracking report.



Web Advertising Placement Checklist

- Check whether or not the web site is suitable
 - Content relate to company' s products?
 - Site's audience match desired audience?
 - Site's design and ad space ok for the ads?
- Check charge rate from the site
 - Cost, number of impressions, CPM
 - Number of banners per ad, even delivery

Web Advertising Placement Checklist

- Check specific definitions
 - Impression counting methods
 - Exact dimension of ad
- Create audience profile.
 - Identify most frequently visited site areas.
 - See if the site can target banners demographically, age, income etc.

Web Advertising Placement Checklist

- Check specific definitions
 - Impression counting methods
 - Exact dimension of ad
- Check site's reporting system
 - Report sent by email, fax or on line
 - How often does the site deliver report
 - What's in the report.

Internet Advertising Summary

- What to Build
- Who to Hire
- What to Buy
- What to Pay

Internet Advertising Summary

- What to Build

Internet Advertising Summary

- What to Build
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Local Companies

- StarrTech Interactive
 - www.starrtech.com
- CyberCom
 - www.cybercominc.com
- Hawaii Internet Emporium Inc.
 - www.hawaii.biz
 - www.pete.com/bio