

“Think like a publisher, not like a marketer.”

– David Meerman Scott, *Online marketing strategist*.

In the era of Internet, people can get a lot of information online, which increases their awareness about lifestyles, products, and services. For them, the Internet serves as a channel for not only communication but also for transaction and distribution. People can visit the website and can pay online for what they purchase.

You can increase the business profit in multifold by online advertises of your products and services.

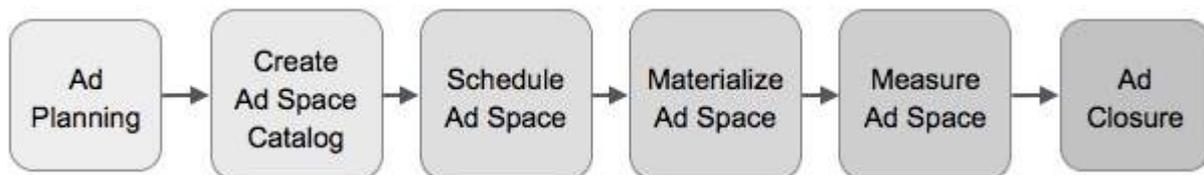
What is Online Advertising?

Online advertising is a type of business promotion which uses Internet to deliver marketing messages to attract customers.

With the rapid growth of Internet users and Internet technology, a number of businesses started to advertise their products and services online.

Publishing an Online Advertise

Publishing an online Ad is a sequential process. The following diagram shows the basic steps an Ad publisher takes to create and post the Ad online –



Ad Planning

The marketing team conducts analysis of various domains.

- Marketing analysis
- Product targeting analysis
- Audience analysis
- Customer targeting analysis

Based on the analysis results, the advertiser decides on –

- Selecting a publisher
- Ad presentation approach
- Approach of posting the Ad
- Ad posting schedules

Creating Ad Space Catalog

Ad space list is created to record Ad space availability status, space profile, location, presentation, scheduling method, frequency, etc.

Trading Ad Space

Advertisers and Publishers interact to determine online Ad space. There are three types of Ad space trading –

- **Buy and Sell** – Publishers sell the Ad space schedule to Advertisers on first-come-first-serve basis.
- **Space Auction** – Ad space bidding is conducted to settle the trade.
- **Space Exchange** – Multiple publishers interact with each other to sell the space schedules available with them, which have not been sold.

Scheduling the Ad Space

The online publishers create and maintain advertising schedules for the online Ad space. They help the advertisers for booking, purchasing, and confirming various schedules for online advertisements.

Materializing the Ad Space

The online publishers collect advertisement from the advertiser and materialize the specified ad spaces by displaying the advertisement as per the specified schedules.

Measuring an Ad Space

All active Ad spaces in the publishing websites are monitored and measured. After the Ad is actually visible and accessible online, it is evaluated regularly for performance. The analyzers collect data and evaluate the effectiveness on the viewers, its popularity, Ad space management, etc.

Ad Closure

The advertisers pay the publishers by pre-decided terms of payment for the published online Ad.

Online Advertising Performance Measurement

The performance of an online Ad is measured to enable the marketing team to analyze the readings of measurement.

What Does the Performance Measures Tell?

The performance measurement can uncover the following facts –

- Effectiveness of the Ad on views.
- Problems related to the Ad such as inappropriate content, incorrect targeting of people, Ad place, and timing for publishing.
- Estimation and prediction of sales in short and long terms.

Online Advertising - What to Measure?

The performance metrics of Online Ad are as follows –

Clicks – It is the number of times viewer clicks the Ad. It can be taken as viewer's acknowledgement to your Ad. It suggests that the viewer has seen the Ad and wants further information.

Impressions – It is the number of times your Ad is displayed on the web page.

Click Through Rate CTR – It is the ratio of Ad clicks to Ad impressions. The higher the CTR, the more relevant your Ad is.

Cost Per Click CPC – It is the amount advertiser pays for each click on the Ad. The number of clicks determines the amount of payment. The lower CPC is better.

Cost Per Thousand Impressions or Cost Per Mille CPM – It is the amount the advertiser pays for thousand clicks.

Return On Investment ROI – It is $\text{Return} \div \text{Investment} \times 100$. The higher ROI is better.

Advantages of Online Advertising

Online advertising is beneficial over conventional advertising in many ways.

- Internet access is easy and affordable. Today, the number of global internet users is almost 3 billion. No other conventional advertising medium can bring such huge audience for your products or services.
- Internet is capable of serving multimedia substance such as audio and video content apart from text and graphics. Multimedia advertisements are highly persuasive.
- Internet by nature is interactive. It can provide a reliable platform for smooth shopping experience for people. The conversion rate is high for compelling advertises.
- No time or demographic constraints on delivering the online advertise.
- Online advertising is promotional as well as informational.
- It brings speedy outcomes.
- It provides effective performance tracking.

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