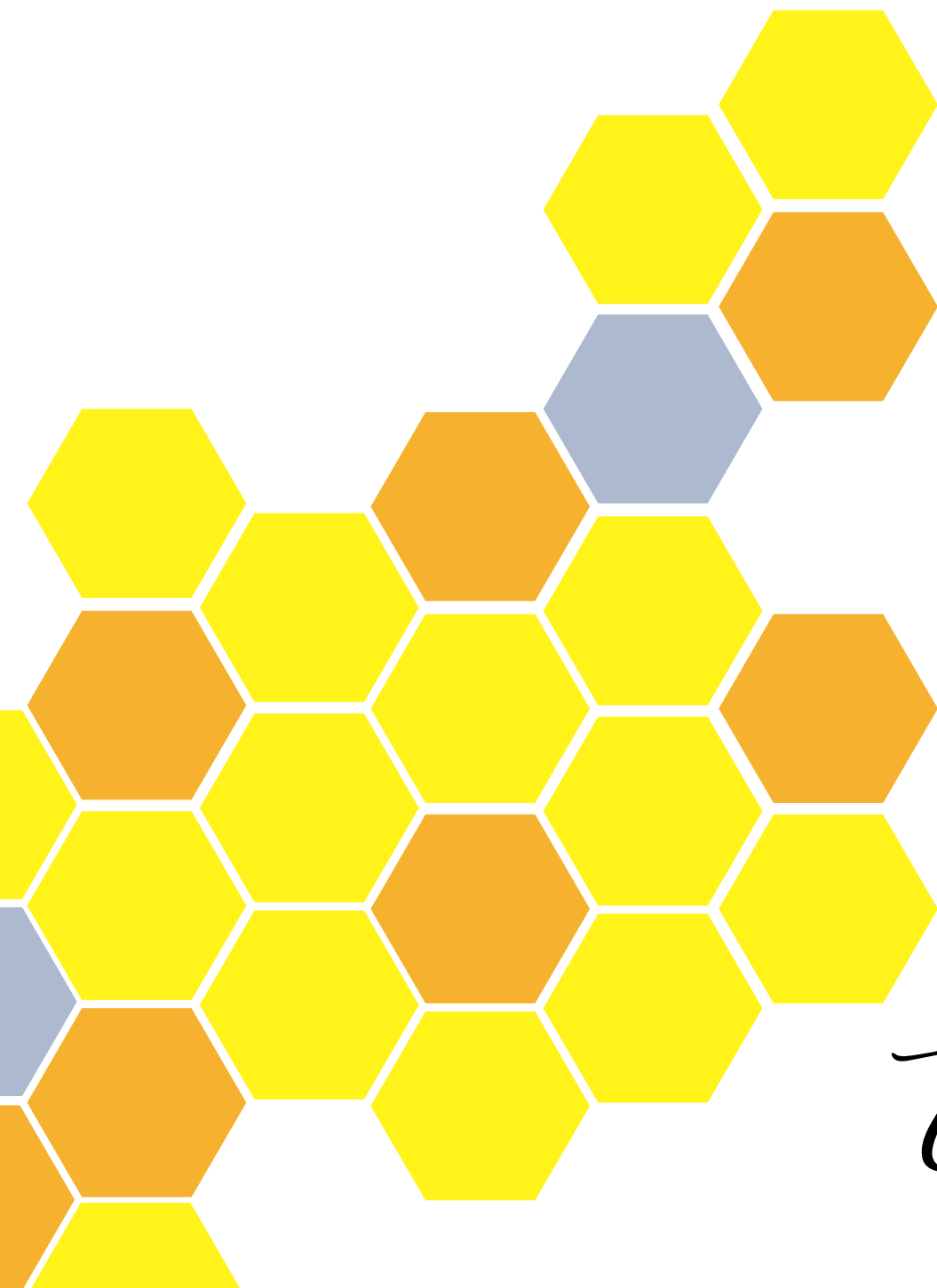


DIGITAL MEDIA PLAYBOOK

(Almost) Everything You Need to Know About Digital Media

October 2010



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MARKETING COMMUNICATIONS

HISTORY

How We Got Here

In 1704, the first print ad seeking a buyer for a Long Island estate was published in the Boston News-Letter. After that, it took 131 years for the next ad medium to take hold, the billboard, which made its first appearance in 1835 for a local circus. Seventy-four years later, in 1909, the first magazine ads were published and a mere thirteen years after that, in 1922, the first radio ads were aired on WEAJ in New York. Bulova watch company debuted the first television ad on NBC in 1941 and in 1994, AT&T published the first online clickable ad unit.

The growth of the advertising industry has been exponential since that first print ad in 1704. It took radio 38 years to reach 50 million users, 34 years for TV to do the same, and just four years for the Internet. It took the iPod less than three years and in less than nine months, Facebook added over 100 million users. We have reached a place where technology continues to advance at a staggering pace. Advertisers in today's world have to be more efficient, savvy and smarter than ever before to merely keep up with the curve, let alone to write the future of this ever-evolving industry.

The size and scale of digital media is amazing, especially considering the short time it has been around. Google estimates that there are five million terabytes worth of information on the Internet today. That's five billion gigabytes or five trillion megabytes. It is estimated that more than 247 billion emails are sent each day, roughly 81% of which are classified as spam.

The web continues to become more social. There are over 133 million blogs, with 900k new ones created daily. Facebook has over 400 million active users who upload over 2.5 billion photos a month. Twitter has over 105 million users who tweet at a rate of 600 tweets per second. YouTube uploads 20 hours of new video content per minute and professional social network LinkedIn just counted its 45-millionth member. Social media has become so big that it has recently surpassed pornography as the number one activity on the Internet and has blurred the lines between owned, earned and paid media.

But these changes aren't by chance. Many of them have to do with the adoption of digital media from Gen-Y, which now outnumbers Baby Boomers in America. 96% of Gen-Yers have joined a social network. Today's digital socialites have become overwhelmingly dependent upon community recommendations. Over 78% of people in the US trust peer recommendations, compared to 14% of those who trust TV advertising. And fortunately (or unfortunately) for brands, 34% of bloggers are posting opinions about brands or products.

As the story continues to become broader and more fragmented, it begs the questions, "Where do I begin?" and "How do I stand above the clutter?" The following aims to breakdown the digital landscape into simple and digestible language that can help begin to answer these questions.

LANDSCAPE

a. Owned vs. Paid vs. Earned

When talking about the media landscape, historically, there have been three types of media: owned, paid and earned. Owned media has historically referred to media to which a brand owns the rights or content, including a website or a microsite. Paid media has historically referred to media that has been bought, largely advertising. Earned media has historically referred to press. The development of a more social and collaborative web has really meshed the three of these together. What do you call it if you've paid for a campaign to enhance consumer perception of your brand through your Facebook page? The reality is that this is an owned, paid and earned media experience.

Where brands used to leverage three different agencies to handle these different verticals, forward-thinking agencies must understand all of these spaces to build brands in this ever-evolving landscape. The digital PR landscape is incredibly complex and diverse. Where the press used to be driven by a few high-paid voices, the ease and low cost of entry into social media has given anyone with an email address the opportunity to broadcast his or her opinions, whether via a blog or tweets. By identifying connections and ranking sentiment and influence, new technologies enable advertisers to map ecosystems of individuals discussing a brand, making it easier to navigate this new complex world of digital PR. (See section 7d for info on social media monitoring.)

b. Publishers

At the heart of paid media lives publishers. Online publishers come in all different sizes with different content and different audiences. They range from one-page websites to large portals like AOL and Yahoo! Publishers play an important role in advertising, as they host the content on which ads will live. Depending on the publisher and their ad-serving capabilities, their targeting abilities may vary. (See section 4 for info on targeting.)

While large publishers often represent themselves, smaller publishers may choose to be a part of a network or sell their ad space in an exchange. (See section 2c for info on networks and exchanges.) Some publishers sell their inventory through multiple sources, which is a consideration in media planning to ensure that you're not competing against yourself for inventory, thus inflating the price.



LANDSCAPE

c. Networks & Exchanges

Networks represent a number of publisher sites and typically sell their inventory in aggregate, instead of site by site. Most, but not all, Networks have limited capabilities to do more custom executions with a particular site as they're more concerned with the whole rather than with individual sites. They allow advertisers to gain great reach across a wide spectrum of highly targeted sites, saving advertisers money and time from having to talk to each site individually. Additionally, many networks are able to layer advanced audience targeting across their sites. (See section 4 for info on targeting.)

While networks are efficient performers, exchanges have become the new shiny object in the efficient media space. Exchanges enable individual publishers to put their inventory up for sale. Advertisers are then able to bid, in real time, on this inventory. This incremental bidding system helps advertisers get inventory for the lowest price possible. Because "an exchange" is not a physical place that an advertiser can go to buy media, they use Demand Side Platforms (DSPs), which enable them to bid on and optimize media in real time. Many DSPs enable advertisers to bid across multiple exchanges at once.

While advertisers can gain great cost efficiencies from buying on networks and exchanges, one of the biggest challenges is the lack of transparency that comes with many of them. Because of the speed, the mass reach and the fragmentation of sites that the media can be run across, it is extremely vulnerable to running on unfavorable content. Because of this, vendors have created technologies to verify this inventory and even block ads from running on unapproved placements. (See section 7c for info on ad verification.)

d. Social Media

Social media has become one of the hottest buzzwords in marketing, and for good reason. It is a powerful way for brands to hear user feedback, an opportunity to have on-the-ground conversations with its consumers, an efficient way to manage customer support and an emerging way for brands to build around consumer demands. Social media can be broken into four primary buckets: listening, outreach, service and creation.

The first step in any social media campaign is listening. What are people saying about the brand? Who is talking about the brand? Where are they conversing? Answering these important types of questions helps provide the insights for a sound social media strategy. Social media monitoring tools make monitoring the social sphere of the web easier than ever. (See section 7d for info on social media monitoring.) They aggregate and measure conversations from across the web, perform sentiment analysis and even provide a singular platform from which to respond, when ready. As good as hearing glowing reviews about your products is, oftentimes hearing the negative remarks can be more valuable, allowing brands to get ahead of potential PR problems, address product issues and prevent potential wildfires early. Think of listening to your community on the web as having a focus group of millions.



LANDSCAPE

d. Social Media

After a brand has listened to the social sphere, the next step is to engage. There are three types of engagement models within social media, the first of which is outreach. Outreach refers to brands talking to and with members of their community. Campaigns often include pushing deals, responding to user comments and reaching out to influencers, and are often seen occurring on sites like Facebook and Twitter. It creates a unique environment for users to engage directly with the brands, unlike any environment that has existed before.

The third type of brand engagement is around service. Brands may use social media as a platform to listen to and address customer-service problems. Some brands have created further efficiencies by building platforms through which their community members can help each other, a self-serving service model.

The fourth and final type of brand engagement involves creation. More and more brands are using social media as a platform to crowdsource ideas and leverage mass collaboration for developing new products or refining old ones. This can range from reviews on shopping sites to crowdsourcing sites where the users collaborate to build new products.

e. Search

Search marketing is typically divided into two buckets: SEM (Search Engine Marketing, sometimes also called SEA or Search Engine Advertising) and SEO (Search Engine Optimization). SEM is the practice of paying for media to run on a search engine, whether it be Google, Bing, Yahoo, AOL or another. SEM is typically bought on a cost-per-click basis and is bought on a bid-based model, where one's maximum allowable bid (and relevancy to the search term) determines one's paid search rank (where on the page the search text is located). (See section 3 for info on media buying.)

SEO is the practice of optimizing a webpage to improve its page rank (a site quality score determined by the search engine). These optimizations affect how search engines rank a website against a particular keyword, which in turn affects where on the SERP (Search Engine Results Page) a website appears after a user has searched for a particular keyword. Sites are optimized through page copy optimization, meta-tag (a standardized piece of code that is read by search engines) optimization and so forth. Another factor in determining the page rank is the number of inbound and, to a lesser extent, outbound links. A large number of links to and from the page help to validate the quality of the page in the "eyes" of the search engines.



LANDSCAPE

f. Email

There are several available opportunities with email. The first is to run dedicated emails to an internally owned and managed database of individuals. These may be individuals who have signed up or opted in to receive communications from your brand or from email lists that can be bought and managed through an internal database. CAN-SPAM laws enable companies to initiate emails with an individual, as long as there is a clear and easy opt-out option and a clear and honest indication of what the email is about. Conversely, the ECPA (Canada's version of CAN-SPAM) requires that individuals opt in to receiving an email before they can be emailed.

The second way to target users via email is to send an email through an email vendor. In this circumstance, the email will contain brand content; however, it will be sent from the vendor and often in the vendor's template. Some vendors allow for brand-dedicated emails, while others offer only ad space in their own emails.

g. Mobile

Before the mobile web, the only available mobile advertising was through SMS or text messages. Since the expansion of Internet-enabled mobile devices, mobile advertising has seen large growth. With new interactive web browsers on mobile platforms, advertisers are able to dynamically serve creative into mobile web pages, and the expansion of HTML5 (a revised version of HTML coding language) is enabling vendors to produce rich media type ad units on mobile. While mobile advertising has expanded greatly over the past four years, mCommerce challenges have inhibited the adoption of advertising on mobile devices. (See section 8c for info on mCommerce.)

h. Emerging Platforms

While new emerging platforms are coming into the market every week, there are a few that have already proven to have a large impact on digital media. The first is tablets, which includes devices like Apple's iPad. Almost 60% of consumers plan to buy a tablet within the next three years. The touch screen and high-resolution multimedia capabilities give advertisers a new rich and engaging platform for which to build advertisements. It could only be a matter of time before tablets have taken over the print world. Imagine a doctor's office with several tablets instead of a table of magazines. Or envision a restaurant with tablet menus where a customer can click on an item to see a picture of it and instantly read reviews that others have written about that item. And if they want it, they can put in their customized order through the menus. And when they're done eating, all they need to do is swipe a credit card to check out.



LANDSCAPE

h. Emerging Platforms (cont.)

The second emerging platform that is starting to creep its way into retailers and restaurants is surface computers. These interactive and engaging surfaces allow users to do things like view different outfit combinations, put in orders and preview content before purchasing all through a large touch-screen surface computer.

Crossing the bridge between printed media and digital media, QR (Quick Response) codes are matrix barcodes that can be read by scanners, including mobile phones. When mobile phones read these barcodes, it can respond by sending an image or text to the phone or by directing the phone to a website.

Another emerging technology that is being adopted by mobile devices is augmented reality. Augmented reality is a live, real-world view where virtually created elements are built into the image. Yelp has adopted this technology into their mobile app where you can look through your phone camera and as you hold it up to local businesses, it displays the businesses Yelp profiles. Companies like Nokia and the University of Washington are building augmented reality glasses and contact lenses with augmented reality capabilities.

While the list is long, the last emerging platform to address here is gaming. While gaming devices have been around for a long time, these consoles, for purposes of advertising, have changed dramatically over the past few years. Most major gaming platforms are now Internet enabled and have the ability to dynamically serve ads into the game, whether it be a billboard on a street racing game or the sideboards at a football stadium. New handheld gaming devices, including Apple's iPod, have created new and unique platforms for advertisers to reach consumers.



MEDIA BUYING

a. Per Volume

Digital media can be bought in several different ways. The most basic buy model is a CPM (Cost Per Mille or Cost Per Thousand). When buying on a CPM basis, an advertiser is paying a rate per 1000 impressions. While CPM buys are by far the most common buy model, there are some risks to the advertiser associated with CPM buys. Because the advertiser is paying for each impression, they must take particular caution in understanding where each impression is being served.

Dynamic CPMs, or dCPM models, are similar to buying on a CPM except that instead of paying a fixed cost for each impression, advertisers pay varying costs for their impressions that average out to their CPM. For example, if an advertiser's dCPM is \$5, they may get inventory for \$1, 2, 4, 5, 6, 8 and 9, but it will all average to a \$5 CPM in the end. This can be an effective buying model because publishers can optimize the low CPM inventory (<\$5 inventory) to top performers, while giving the advertiser more premium CPM inventory (>\$5 inventory) that they may not be able to afford otherwise.

b. Per Performance

Pay-per-performance buys typically come in two forms: CPC and CPA. CPC (Cost Per Click, sometimes referred to as PPC or Pay Per Click) is a rate paid each time a banner or link is clicked on by a user (This can be referred to as Cost Per Call on a mobile device where the click leads to a call). CPA (Cost Per Acquisition) or CPEA (Cost Per End Action) is a rate paid each time a user completes a particular agreed-upon action. In the case of a sweepstakes, an advertiser would pay only when a user entered the sweepstakes. One benefit to performance-based buys is that an advertiser doesn't have to worry as much about wasted impressions, as they are paying only when a particular action takes place. Typically, performance-based buys will be bought on a network or an exchange and they are typically served in high impression volumes to help fulfill delivery. (See section 2c for info on networks and exchanges.) Because the spend is not guaranteed, performance-based buys are often prioritized below CPM buys, which can result in several adverse outcomes. First, this may mean that the inventory is sub-prime remnant inventory. Because of this, and the high volume of impressions served, performance-based buys are often at risk to end up on unfavorable sites. Lastly, because of this low priority, performance-based buys can see great fluctuation in performance and spend levels, especially during times where CPM advertising may spike (typically holidays or major media events). Despite the risks, performance-based buys can work quite well for advertisers backing into tight metrics.



MEDIA BUYING

c. Time Based

For certain custom or high-impact placements, advertisers may negotiate a time-based buy, which is a flat rate for a placement over a certain period of time. For example, an advertiser may run 100% SOV (Share of Voice) on the AOL homepage for a 24-hour period. Buys are often done this way when it's difficult or impossible to project the exact number of impressions on a page. These buys are at risk of under delivering, thus increasing your eCPM (effective CPM is the CPM you would have paid at the end of a time-based buy, given the overall cost and the impressions). Conversely, a big unforeseen event may cause a large spike in traffic to a particular page, thus lowering your eCPM greatly. While there is risk of fluctuation, most publishers have a lot of historical data to quite accurately project expected volume.

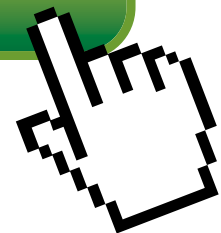
d. Per Engagement

New types of media executions have spawned new buying models. A CPE is a cost-per-engagement model where an advertiser pays only when a rich media ad unit is engaged with (expanded, played with, video viewed, etc.). Like pay-per-performance models, engagement buying models reduce the risk to the advertiser by only charging them for actual engagement, meaning they are not paying for wasted impressions.

e. Bidding

Exchanges (and search) have opened the gates for bid-based buying models. When publishers release inventory to an exchange, advertisers grant a maximum bid they are willing to pay for inventory, and they are charged incrementally more than the other advertiser's bid until they've hit their limit. (See section 2c for info on exchanges.) Because advertisers offer only incrementally more for each impression, opposed to committing to a flat CPM, they can often get inventory for much cheaper than when bought on a flat CPM.

[Click Here](#)



TARGETING

Targeting has been one of the most controversial yet most important parts of digital advertising. (See section 7e for info on privacy.) It helps advertisers connect the right message with the right person, at the right place, at the right time.

a. The Cookie

The cookie was originally invented to enable shopping carts for ecommerce. Imagine you're shopping online and put three items into your shopping cart. You then leave the page and 10 minutes later return and open your shopping cart. Cookies make it possible for the website to recognize your computer and restore your shopping cart. Cookies are ID markers that publishers put on your computer. These markers can then be read at later points in time. Companies will look at the types of sites you visit to make inferences about who you are. If you visit a lot of parenting sites, it's likely that you have a child. If you visit ESPN 30 times a day, it's likely that you like sports. Advertisers can then use this information to serve you relevant ads.

b. Content Targeting

Content targeting is the simplest type of targeting and what is typically found in traditional media. It pairs ads with a particular piece of content that it believes is relevant to the audience it's trying to reach. If you're trying to reach sports fans, chances are that the people reading an article about the NFL will fall within your audience.

c. Audience Targeting

Advertisers use a combination of cookie profiles, online profile data, and IP addresses to demographically and geographically target individuals. They can target geographic regions, typically down to the DMA, but depending on the publisher can be as granular as zip code. Demographic targeting may include variables like gender, age, household income, education, age of children and ethnicity. Advertisers can also target different parts of the day, called "day-parting."



TARGETING

d. Behavioral Targeting

Advertisers use cookies to build behavioral profiles for users and can then target them based on their behaviors. They may identify a user shopping for jeans online as “in market for jeans,” and based on this behavior, serve them Levi’s ads or ads for a complementary product.

e. Retargeting

Retargeting is an extremely efficient and effective way of targeting. A publisher will place a pixel on a particular page or number of pages of a site. Once the pixel is placed, the publisher can then retarget users who have hit that page. These users have self-selected themselves as interested through their initial visit to the page. This can be particularly effective when trying to get a user through a user flow. An advertiser can target individuals who started in the user flow but left before they completed, getting them back to finish the action.

f. Fourth-Party Cookies

One of the newest means of targeting is with fourth-party cookie data. The targeting works just like any or all of the above targeting; however, the cookie data comes from a fourth-party vendor that aggregates cookies from across the web. This data can be particularly valuable when looking for in-market buyers. For example, a fourth-party data vendor may capture data from BestBuy.com, data that an advertiser would normally not have access to. If you are Samsung, trying to sell TVs, this data can be particularly captivating. Because the 4th party data vendors are able to collect and distribute the data blindly, advertisers are able to leverage the data. The business of buying and selling this type of data has been a booming field over the past couple of years.

g. Search Retargeting

Search retargeting is when a publisher targets a user with a display ad based on a previous search result. When someone enters your page, you can read a script that tells you the URL of the website they came from. If the user came from a search engine, the referral URL will contain the keyword from the most recent search query. Data vendors collect and use this keyword data to target users.



MEASUREMENT & TESTING

a. Key Performance Metrics

One of the biggest differentiators of digital media is that it is highly measurable, down to every single user action. These granular measurement capabilities allow for detailed optimizations and have opened the door for sophisticated testing.

When building a tracking strategy, it's important to begin with your end point. How will you determine success, and what are the variables that determine the outcome of your end point? Once you've identified these points, a tracking strategy can be put into place.

This end point and variables may vary greatly depending on the campaign. The three most standard key performance metrics (KPMs or KPIs, Key Performance Indicators) are impressions (the number of times an ad was served), clicks (the number of times an ad was clicked), and a particular end action, which may range from a landing page hit to the completion of a form to an order.

Tracking impressions and clicks is relatively straightforward with any ad server. (See section 7a for info on third-party ad serving.) Advertisers typically look at click-through rates (CTR) to determine initial ad performance. CTR is the rate at which the ad was clicked per the number of impressions served ($CTR = \text{clicks} / \text{impressions}$).

When measuring conversion success, advertisers typically calculate a click-to-conversion (CTC, also called a Continued Action Rate or CAR), which is the number of conversions per clicks ($CTC = \text{Conversions} / \text{Clicks}$). This metric is important when considering landing page or conversion path optimizations because it only accounts for individuals who make it to your landing page. Advertisers also look at Conversion Ratio (CR), which is the number of Conversions per Impressions served ($CR = \text{Conversions} / \text{Impressions}$). This is an important all-up number because it takes into account the full user flow, from ad served to conversion. For several reasons, including misleading creative messaging, some ads may see a high CTR but see a large drop off once the user hits the landing page. Other ads may see a low CTR but high CTC because the creative is only recruiting the highest qualified individuals. Conversion rate shows the overall efficiency of an ad to drive a conversion.



MEASUREMENT & TESTING

a. Key Performance Metrics

Beyond these standard three metrics, rich media creative often has metrics of its own. Expandable ad units will track expansion rates, the number of times an ad is expanded per the impressions served. For ads that a user can interact with inside the ad unit, they may look at engagement rates for different aspects of the creative, whether it's clicks on a button, views of a particular tab or the number of times a game is activated or finished.

Video units often track plays and finishes, but can also show how long various people are playing the ad unit for, which may show if there is a particular problem spot in the video during which a lot of individuals drop off.

Brand-measurement studies can be done to test ad effectiveness. These often take place in the form of online surveys, which can be dynamically loaded and highly targeted to individuals based on whether or not they have seen an ad.

b. Multivariate Testing

The ability to do multivariate testing in digital media is very important to its success. Basic models of testing might put five different creative units into equal rotation across a buy and look to see if one outperforms the other. Advertisers have built sophisticated modeling tools not only to show which of the ads is the most successful but also to determine the attribution effect that the other ads had, and create rotation weightings accordingly. For example, ad A may do very well at driving conversions, while ad B does not directly drive conversions; however, we may see that while users who see ad B aren't clicking on the ad, they're following up by searching for the product and converting at a high rate. If we only used CTR or CR as a metric of success, we wouldn't have gotten the full picture, but by testing through a more critical lens, we're able to see the full story.

This type of basic testing has another flaw, which is that we don't know if a user saw multiple ads. If we're looking to do a clean multivariate test, we need to ensure that individuals who see ad A *only* see ad A, and individuals who see ad B *only* see ad B, or some standardized combination or order of the two. This is also important when testing landing pages to ensure that a user who visits the page multiple times doesn't find four different landing pages. Through the use of cookies, we're able to segment audiences and serve across a campaign in this controlled manner.



MEDIA CREATIVE

a. Static & Standard Flash

Static creative typically refers to a static image ad, typically just a gif or jpeg. A standard flash unit is a simple flash unit, perhaps animated and clickable, but does not allow for much in-banner engagement. Static and standard flash units are by far the most common creative types and are typically the most inexpensive; however, they typically see lower engagement rates than richer ad units.

b. Rich Media

Rich media creative typically allows for in-banner engagement or interaction between the ad and the page. Types of rich media include expandable ad units, floating ad units, synced ad units, and interactive ad units. Some rich media units may enable video. (See section 6c for info on video.) Rich media ads may be more expensive to create and serve; however, they typically see much higher engagement rates than static or standard flash ads, which can offset the cost of the ads.

c. Video

Video creative is, as it says, creative that plays video. These typically come in two varieties: in-banner or in-stream. In-banner videos are videos that play within an ad unit. In-stream video is video that plays during a stream of content and includes pre-roll video. Typically, auto-play videos see much higher engagement rates than videos that require an action (click or rollover) to initiate the video.

d. Dynamic

New technologies have enabled for creative to be served dynamically based on different variables, including demographics, geographic, or weather. For example, a retailer may dynamically insert a woman into an ad when seen by a woman and a man into an ad when seen by a man, while users in New York will see a New York skyline and users in San Francisco will see a San Francisco skyline. The creative dynamically loads the images based on the user that receives the ad.

e. Mobile

Mobile creative is still in its infancy. Previously, most mobile platforms have only been able to serve static images; however, the development of HTML5 has enabled more engaging ad units that act similar to rich media and can even play video. Due to the lack of cookies on mobile devices, on mobile creative targeting is still quite limited.

In addition to visual creative, mobile platforms also allow for SMS messaging (text messaging), typically involving text copy.

TRACKING & ANALYTICS

a. Third-Party Ad Serving

Third-party ad servers serve ads through a piece of code called an iframe. The iframe pulls the ad creative off of the ad server and allows the ad unit to be tracked in the process. Ad servers have a host of ad-tracking capabilities. On the most basic level, they track the number of times an ad was served, also known as impressions. They can also track the number of times the ad was clicked. Through the use of action tags, a 1x1 pixel that is placed on a web page, ad servers are able to tell not only how many times that page has been hit, but also if a page has been hit by a user who clicked on a particular ad. Leading the industry in ad serving is Atlas, DFP & DFA, MediaMind, PointRoll and EyeWonder.

Slightly more complex, ad servers can track rich media ad units and track different engagement metrics, including time spent in ad, video views and view length, the number of times an ad is expanded and clicks on different parts of an ad. Even more complex, Ad Servers enable cookie targeting and attribution modeling, which attributes value to ad units that came before the final click based on their impact in driving an action (See Section 5b for info on Multivariate Testing).

b. Third-Party Measurement Aggregators

Third-party measurement aggregators measure publisher data, advertiser data, and audience data across the Internet. Audience and publisher measurement aggregators include vendors like Comscore, Nielsen and Quantcast, which measure metrics including site size, audience composition on a site, as well as site demographic, geographic data and psychographic data.

Advertiser measurement aggregators like TNS measure metrics including advertiser campaign spend and provide screenshots of in-market creative.

Audience measurement aggregators include companies like MRI and measure audience affinity indexes across behavioral and psychographic categories. Research firms like Forrester and eMarketer also do similar audience research; however, they do not provide raw data as it is provided with MRI.



TRACKING & ANALYTICS

c. Ad Verification

The reach and lack of transparency accompanied by many digital buys has led to brand safety concerns. Additionally, malware technologies can serve ads in a way that the impressions may be wasted and never visible by the user. Due to these issues, ad verification software has emerged from vendors like Double Verify, mpire adXpose and AdSafe. These technologies can do three things, the first of which is ad tracking. Through ad tracking, they are able to identify when ads have been placed on unapproved content or are being subjected to fraud.

The second verification is creative verification, which tracks ad engagement, time on page and page placement to identify if ads are being served in a way that they are not being seen.

Lastly, at the pinnacle of ad verification, is ad blocking, which actually prevents ads from being served if they are not compliant with the insertion order (or IO, the contract between the publisher and the advertiser outlining the terms of the buy). This could be a result of inappropriate content, impression fraud, below-the-fold ads, ads hitting geographic regions that they are not assigned to hit, and so on.

d. Social Media Monitoring

As social media has grown massively on the web, so have the tools to measure and track it. Social media monitoring tools come in a range of shapes and sizes, from free analytics tools to expensive and complex tracking and engagement tools.

On the light side of the social media monitoring spectrum are free, web-based tools that allow users to search for a keyword and will give trending information, like volume of posts over time, for a particular term. These range from tools like Twitter Search and Google Alerts to analytics tools like Trendrr and TwitterAnalyzer.

In the middle of the pack are tools like Radian6 and TruMonitor. These are web crawlers that scan the entire web for particular keywords or groups of keywords. They aggregate all of the relevant posts and can analyze volume, trending, sentiment and location of posts. New tools, like Meteor Solutions, enable advertisers to track how their information is shared online, showing which information was shared, by whom, and where.



TRACKING & ANALYTICS

d. Social Media Monitoring

On the complex side are tools like TruCast, which provide a full suite of measuring and analytics tools, and also provide a platform through which one can manage workflows and engage across a multitude of sites, all through the TruCast interface.

There are dozens of tools, and the correct tool for a particular brand depends on the brand itself and its goals; however, it is clear that as social media grows, so does the ability to measure its success.

e. Privacy

Ever since the development of the cookie, online privacy has been a huge topic of conversation. (See section 4a for info on cookies.) The establishment and growth of social media has brought this conversation to the forefront. It is important for publishers, vendors, agencies and clients to respect the privacy of consumers. We need to use user information, cookies or otherwise, only in ways that benefit the consumer and understand that what is good for the consumer is good for the brand. As an industry, we need to respect the boundaries and privacy of consumers before regulations strip away our ability to perform an important part of our jobs.



LOOKING FORWARD

a. The Digital Takeover

Unless you're reading this document over my shoulder as I'm writing, it's likely that by the time it hits your desk, most of the above will be outdated (well, not literally, but you get the idea). The reality is that this is an incredibly fast moving industry and it takes a commitment to continuing education to keep up to speed and get ahead of where the market is going. There are a lot of changes that have been evolving in the industry that will shape the future of the world we live in.

Despite popular belief, print is not dead; however, many print publications are shifting to digital. While newspapers are at their lowest circulation of all time, only 41.1M, magazines are going strong, with nearly 93% of Americans reading them. However, tablets may soon change the landscape for magazines. Sixty percent of Americans plan to buy a tablet over the next three years, which will, with certainty, move more magazine publishers to a digital platform. Book publishers are also seeing a lift in sales, largely driven by digital downloads, which are up 204% year-to-date. Even higher education publishers are now pursuing opportunities to publish their books digitally.

Like print, radio has already made a large leap toward digital media. Services like Pandora and Last.fm have customized radio online, and an increasing number of Internet-enabled devices have allowed these digital radio platforms to live beyond the computer.

Second to online, out-of-home has seen the largest media growth over the past year, and this is due largely to digital integrations. TVs in doctors' offices, on gas pumps, in cabs, and digital billboards have changed the world of out-of-home media. New subway billboards have cameras to detect the age and gender of passersby and will dynamically serve ads accordingly. In-store multi-touch displays enable shoppers to accessorize an outfit before they've even hit the dressing room. The possibilities for digital out-of-home are virtually endless.

Television, while maybe the slowest to transition, is moving towards digital as well. Services like Apple TV and the soon-to-premiere Google TV are changing the way that people watch television. TVs and compatible devices are increasingly WiFi enabled, allowing them to connect to the Internet and dynamically stream content. It is only a matter of time before users are dynamically served TV ads based on the programs they watch.



LOOKING FORWARD

a. The Digital Takeover

Beyond the conversion of traditional media to digital, digital media has built a new level of connectivity and integration online and between the online and offline worlds. Social technologies like Facebook Connect and Open Social have added a new level of connectivity throughout the web, connecting your social profile with everything you do online. Instead of having 10 logins to 10 sites, you can now have one connected login. New social networks are integrating the online and the offline worlds, like Bump, which is a social network of drivers that is tied to your license plate. You can now send a message to a fellow driver without having to lay on your horn and scream out the window.

b. Location Based Services

For the past five years, all of the advertising outlets have proclaimed that “this is the year for mobile.” While that has yet to be the case, mobile has made some large strides in the advertising space, one of the largest being the development of location-based services. Applications like FourSquare, Twitter and most recently Facebook Locations, enable local businesses to target local consumers at or close to the point-of-purchase. Google Latitude allows you to see where your friends are at any particular time. While it’s still in it’s infancy, the possibilities for location-based advertising are broad, from couponing a user for a fresh smoothie as they pass by on a hot day to sophisticated location-based scavenger hunt games.

c. mCommerce

One of the biggest barriers keeping mobile from breaking out has been the challenge of making on-mobile purchases. While Apple has begun to crack the code on mcommerce through their iTunes platform, we’re still a ways away from sophisticated mobile purchases, where any purchase can be the click of a button and tied either to a stored credit card or to an online account. There are many vendors currently trying to solve this problem, and once solved, we will see a drastic shift in the way mobile devices are used for advertising.



LOOKING FORWARD

d. RFID

While RFIDs have been around for decades, they are close to paving the next generation of advertising. RFIDs are tiny micro chips that can be made as small as a human red blood cell. Imagine this: You walk into a grocery store and fill up your shopping cart. Each item is tagged with an RFID. Once you're ready to check out, you simply walk out the door and head to your car. As you walk out the door, each of the items is scanned via its RFID tag and the total is summed. Once totaled, the system succinctly bills your credit card, which is tied to another RFID tag embedded in your cell phone. You just scanned your entire shopping cart and charged the purchase all by just walking out the door with your cell phone. Or imagine that a man gets into a car accident but has no identification. He arrives in the ER and the doctors scan an RFID tag, which has been embedded in his arm. Immediately, they are able to pull up his medical records and treat him accordingly.

RFID tags open the opportunities for advertisers to connect on a one-to-one level at any place and time. Using the food-shopping example, supermarkets may have screens in the aisles that read what's in your cart and make product recommendations. Similar screens in retail shops might read your outfit and recommend other similar items. The opportunities with RFID tags remain to be seen.



CONCLUSION

As new technologies continue to evolve, so will the world of advertising. And if the last 10 years are any indication of the next 10, there will be some drastic fundamental changes to this long-standing industry. As advertisers, it's our job not only to stay up to speed on these emerging technologies but to help build and utilize them for the future of our brands and clients. The possibilities with new technologies are vast; however, it is obvious that they will require a fundamental shift in our lifestyles and our ability to deal with privacy concerns. Technology is evolving at a pace that makes it simultaneously impossible to predict what the future holds while ensuring it will be exciting.

ABOUT THE AUTHOR

Steven Clough is the media director at Williams-Helde. Clough graduated from the University of Washington with degrees in Business, Psychology, and Music. Since starting his business career in Seattle's start-up market, Clough has spent time with MEC and most recently, Razorfish, where he focused on emerging media and new technologies.

ABOUT WILLIAMS-HELDE

Founded in 1969, **Williams-Helde Marketing Communications** is the oldest independent advertising agency in the Seattle area. The agency has a SMARTER LIGHTER FASTER approach to developing communications and focuses on global companies with healthy, active lifestyle brands. Current clients include adidas, BodyMedia, Darigold, Insect Shield, Philips, Princess Tours and Taco Del Mar.

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