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Semantech's Whitepaper Series:

"The Art of Webvertising"

Abstract

Advertising on the Internet has become a multi-billion dollar business. Some traditional media outlets are abandoning print altogether and switching their business models complete with ad revenue to the web.

The only problem is, that the level of sophistication for "Webvertising" is in a relative state of infancy compared to that of traditional media. The ability to target consumers, build quality ads and blend into it the Internet medium is something that many traditional ad agencies simply haven't mastered yet.

"The mark of highest originality lies in the ability to develop a familiar idea so fruitfully that it would seem no one else would ever have discovered so much to be hidden in it."

— Johann von Goethe

At Semantech, we've built a practice around the management of Convergence Advertising. We refer to this as 'Internet Media Solutions' on our site. This practice involves employing the methodology described in this paper as well as content production and integration efforts.

We feel that we can not only provide a valuable service to our clients but that through this practice we can also help to evolve the industry by moving it towards more sophisticated and comprehensive solutions.

Our experience with traditional media delivery and the development and integration of complex enterprise systems gives us a powerful advantage for conquering the new advertising landscape.

Presented by, Stephen Lahanas

Advertising as we have known it no longer exists. In 2006, the amount of online advertising increased to nearly \$17 billion, an increase of 35% over the previous year. More importantly, a series of technological and cultural breakthroughs are now finally impacting the very nature of advertising. What does this mean? It means simply that rules, methodologies and techniques that have been applied over for a century are now evolving and merging into an entirely new type of practice. It is still advertising, but it is now becoming converged advertising over IP – and this medium will likely become the primary channel for development and publication as it can easily be split back to its predecessor mediums. Are you ready?

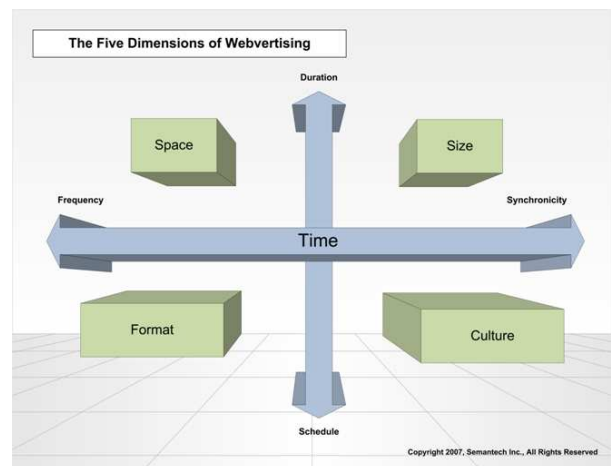
The online advertising industry is extraordinarily successful, from rather humble beginnings nearly 10 years ago, it has moved to the forefront of the traditional advertising market. 2007 has been punctuated with several multi-billion dollar deals; buyouts, mergers and consolidations. Serious corporations

are investing big money into the industry; but despite all of this, the practice and technique of online advertising and convergence management is still relatively unsophisticated.

Most advertisers have stuck with traditional banner ads; little has been done regarding site harmonization, multi-site

coordination, application integration or complex standards. The next generation of all advertising efforts must consider how a message will be multi-cast; i.e. how a particular concept will be translated across all potential IP media formats while maintaining its integrity. Before we examine that in detail, though, it might be helpful to review the nature of convergence advertising.

The terms 'Convergence Advertising,' or 'Webvertising,' or 'IP advertising etc.' refer to the same basic capability; the ability to coordinate development and delivery of advertising across all potential mediums simultaneously. The implication at the heart of this statement of course is that all mediums have now effectively collapsed into one converged medium. Advertising delivery possesses characteristics across multiple dimensions.





Those dimensions include:

- Time (duration of advertising message: traditional medium, radio & TV, film; and point in time of delivery and availability – synchronous or asynchronous)
- Space (all ads are located somewhere, in a venue and in a location within that venue)
- Size (ads conform to a number of standards across multiple mediums which track the size, within this context most ads are themselves viewable in 2 dimensions = length x width)
- Cultural Context (the same ad will likely be modified to fit within the context of each culture it is presented, or at least should be)
- Format (this is where things become more technical, there are quite a few standards to consider for audio, video, web-based and other content elements. All of these need to be managed and coordinated in the production of advertising content and this category will only become more complex as time passes and more application / interactive capability is built into advertising)

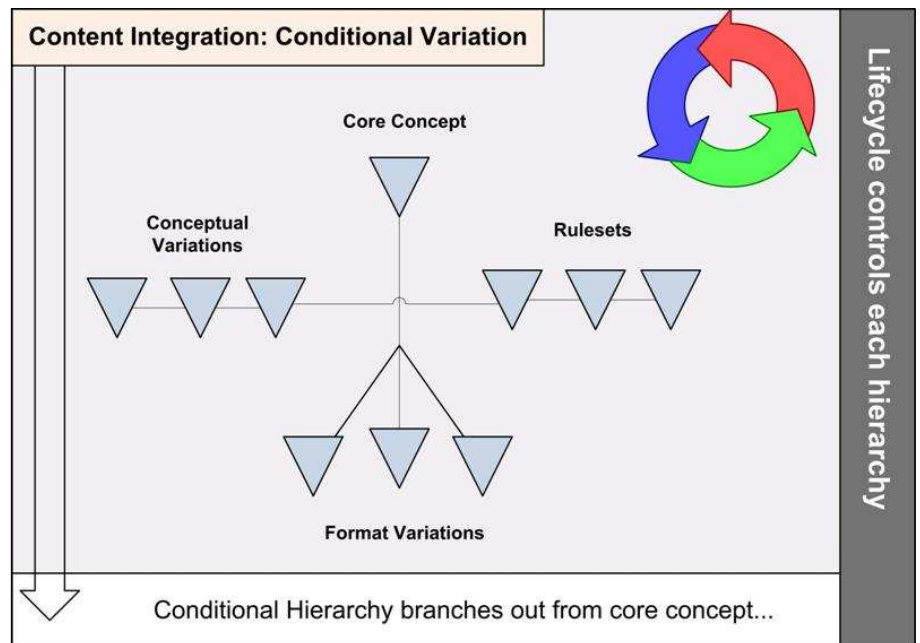
So how does Webvertising mature to fill the role that technology is helping to define for it? How do we take it from where it is now to the level of sophistication necessary to properly exploit its potential? To answer this question, we'll need to deconstruct what constitutes Webvertising. The practice of Convergence Advertising can be subdivided into three core elements:

- Content Integration
- Design Integration
- Application Integration

Content Integration

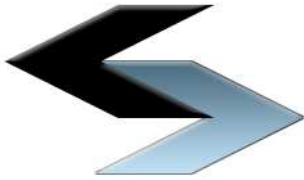
This refers to a variety of factors within the production and delivery of content. This integration starts at the conceptual or thematic level. In traditional advertising there have been limited attempts to achieve this before through orchestrated campaigns of similarly themed materials across mediums.

However, the differing cultures surrounding delivery & dissemination made it difficult to bridge concepts effectively across those mediums. For example, what if a brand became primarily known by a signature logo – how does that carry across to radio?



Conditional variation framework within content integration

By the same token, can an ad jingle play as effectively in type as in audio? Each of these examples represent conceptual triggers to a wider range of brand information stored by most consumers; any time one can utilize triggers advertisers have the ability to deliver more message than their time or space limitations would otherwise permit. We now have the advantage of combining all of the potential triggers in one place – online. A website can include the logo, play the jingle and perhaps also display a banner ad or video showing the spokesperson for the brand who is now synonymous with the product together, all at the same time.



The barriers are beginning to crumble and now we must consider how the jungle, logo and spokesperson can all be utilized together to gain the most conceptual leverage. Conceptual integration is more than leveraging triggers though; it is a methodological approach to managing the semantic content of a message across all of its possible variations and coordinating all those variations in such a way as to ensure maximum flexibility and effectiveness. The IP multi-cast becomes the baseline and launch point for content, which can then be sub-divided back out to traditional outlets.

Ad content usually falls into one of several categories; typically an advertisement is either supporting Brand-development or some type of promotional campaign. Content Integration begins with a strategy, equivalent to a long-term Brand marketing effort. However, it begins with the assumption that the delivery mechanism is unimportant; i.e. it is ubiquitous and stands on own conceptual merits first (regardless of what visual or other inspirations might be involved).

It is important to take this step because the goal will be to ensure that the final message is effective across ALL mediums not just one. The methodology also must identify 'conceptual crossovers,' this refers to elements of the message that can act as triggers. The most effective triggers are those that play well in multiple mediums although the ability for triggers to build upon one another is even more powerful. A good illustration of how effective this can be is found in comedy. The most memorable comedy routines employ triggers throughout allowing each successful repetition to build upon the previous ones.

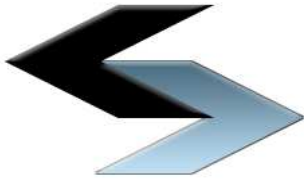
Once core themes have been identified, potential triggers cataloged and conceptual integrity verified one can move to the conditional variations. Disseminating the same ad over and over again across mediums is simply ineffective. For much the same cost, an advertiser should be able to convey the same ad message with thematic integration across dozens or hundreds of variations. The conditional variations will allow for demographics targeting and maximum exploitation of media formats without straying too far from the prime message.

From a practice standpoint; all of what is being described above can be modeled. A concept is after all captured using data and there a wide variety of architecture modeling tools that might be bent to achieve this. The most obvious candidates include mind mapping and conceptual mapping software. After a hierarchy of conceptual elements and conditional variations are mapped out then come the business rules. Content is no longer really just content is it. For example, depending on where your website visitor is from you can deliver a regional message; many sites can perform this function already, however the message associated with each regional variation is generally the same. In the past, an ad agency might manage this across multiple offices, using different resources and tools. However for this to be effective, the content integration from strategy forward needs to be managed centrally. This goes a step beyond what most current content and ad management software can handle, however it won't take long before these tools catch up.

Design Integration

For the average consumer, the person forced to look at advertisements, this is the most important consideration. And right now, this is where we are failing to impress them. Consumers are sophisticated; they may not now how to edit video or film, but the average person can spot 1 missed frame in 30. The banner ads in sites are universally disappointing; interactive graphics tend to be annoying, pop-ups are downright aggravating and even the best looking commercials shown on television seem lost when displayed on the web. So what's wrong; why is it so hard to get ads that look good on the web? Let's consider some of the factors which are often ignored when advertisers design for the web:

- The real estate is unique; i.e. there is less immediate room than in print but it is more flexible.



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- There are really two designs happening here, the advertiser's design and the website's – newspapers and magazines dealt with this by placing ads in non-critical locations, however web advertisers want space on the site's splash screen.
- Design created for one medium isn't always suited for others. Which is why you have conditional content with conditional formats rather than trying to stick your same Superbowl commercial everywhere just because you paid too much for it. Ultimately, it's not the content creation cost that should drive decisions but rather the effective return on investment.

Many designs simply don't take advantage of the web. What is it that is really happening there? How much message can you jam in or do you want lure consumers across to another location with more information? Also, what about interactivity? It's a wonderful thing when done right, but having dancing animated characters floating around on the screen is enough to drive away your potential clientele forever. So what do people want from the web? Easy – they want information, information they can't get from radio, TV or even print.

The vast hidden potential of online advertising begins with the understanding that the web is an information portal. Add to that the knowledge each example above can be used and integrated together – i.e. hook ads, information ads, branded tools, brand recognition and mixed across the same site, across time and across many other sites. And of course, it doesn't make sense for your ads to destroy the design integrity of another site – in the not too distant future all ads will need to be skin-compatible with the UI framework of any number of unique sites.

There are several basic sets of guidelines regarding banner ads and rich media; many of these have not been updated since 2004 and don't take into account more detailed considerations. No one here is advocating establishing new technical standards per se; but perhaps there does need to be a consensus on how these are applied between the major ad publishers and websites. For example, as technologies such as AJAX (which represents a combination of Javascript and XML) are becoming more popular for building interactive websites, it would be helpful if the ad industry defined a minimum compliant configuration (for web server delivery and client browsing) for both developers / publishers to consult. This type of technology might necessarily make it easier to transform an ad into a CRM front-end or some other type of application without the need to redirect to another page.

User interface design often takes in account something that is referred to as 'Human Factors.' That is more or less the ability to design for the context and / or venue you're deploying to with the added bonus to helping to visually accentuate or facilitate conceptual or functional elements of the interface. How does that apply to advertising? Well, let's take a hypothetical car ad that we wish to place across multiple sites that the same demographic might wish to visit. On one site the ad could be built with the image of a speedometer, on another within a rear view mirror, in another a tire perhaps with conditional content in each ad focused on elements of the car related to the images. In this case each image also represents a trigger and the multiple triggers across sites 'build' a car.

One thing to keep in mind, though, no matter how wonderful your idea seems on paper sitting by itself at some point it has to go and live amongst many other design elements. Shakespeare once said all the world's a stage, but his actual stage was pretty darn small, somewhat analogous to our situation with a website splash page and the Internet. The great actors of the stage tend to recommend that on the small stage, less is more – a subdued delivery with momentary hints at brilliance will always overpower an exercise in noise pollution.

Application Integration

Sounds painful and we can tell you from experience that it often is. But this term and this practice is going to become more and more familiar to those working in the advertising. Folks are just now beginning to realize that online ads don't have to be merely ads, they can be:



- CRM applications
- Retail, wholesale or auction storefronts
- Surveys & Polls 7 Demographic Management
- Content Delivery Mechanisms
- An ad can perform just about any of the ecommerce related functions that any other website can...

How does that fit into what we discussed about content and design? Well, these possibilities can be mapped at the conceptual level, and then designed within the context of conditional variations. There are added complexities here which will involve ad integration with the back office systems at the advertiser's company, as well as integration or configuration capability with the ad host site (which implies that there may need to be multiple variations of the application-focused ad to ensure it runs properly on any site which might wish to accept the ad). It is worth noting here the potential convenience here for consumers in having ads serve this dual capacity. Perhaps the most tedious aspect of the Internet is the amount of time it takes someone to find what they're looking for; this includes products and services. Believe it or not, consumers in the near future may request ads – as personal discovery tools continue to evolve the ability to include advertising from preferred vendors that also acts as front-ends to those vendors could accomplish quite a lot. Let's say a the consumers have their discovery management tool for desktop and web equipped with ad subscription that fills one pane of a portal like interface.

After filling out a very brief profile including location and items that you tend to be interested in (or activities) and brands, then the pane populates with those items or activities suited to your profile – no spam, no searching for hours and of course anything interesting can be saved for later viewing. But for this to work, the ads have to offer more than the tailored message, this must be the message and transaction medium as well. This takes the consumer a step closer to the effectiveness always promised by the Internet and provides the advertiser with a highly targeted delivery in a congenial atmosphere (low-key, no high pressure pitch).

Conclusion

Some of you might be thinking, I've seen a lot of these techniques employed elsewhere already, so what's new about this? The difference that we're advocating is the combination of all of this within a single practice approach or methodology for Convergence Advertising. All aspects of the methodology follow lifecycles, lifecycles should conform to strategic objectives (i.e. Brand building or campaigns or you could consider campaigns subsets of Brand building; there you have lifecycles within lifecycles but they are all related and traceable). Following this approach will provide quite a few advantages to all participants; those advantages include the following:

- The ability to track lifecycles; i.e. both through content development and dissemination
- The ability to target a wider range of demographics more effectively
- The ability to harmonize ad designs within sites and adapt across multiple sites
- The ability to target the most effective and design combinations across mediums
- The ability to consider and coordinate ad and application integration up front and track its effectiveness
- The ability to present more sophisticated designs on a consistent basis
- The ability to coordinate outward campaigns spirals across subdivisions of the IP content (through traditional outlets).

By building comprehensive approaches up front, the total cost for production will be more economical than random redeployment of campaigns across mediums. The truth is that while Advertising is still a very subjective and perhaps artistic undertaking, the "Art" that hasn't yet been mastered is one of organization. Organization doesn't generate creativity but it can certainly facilitate it and more importantly it can ensure that creativity is being applied to just the right aspects of your endeavors. The opportunities being described here are largely derived from technological advances but keep in mind that this is not going to be a repeat of what was in place before – i.e. decades of stability. The new reality will continue to change and advertising will need to keep changing with it in order to reach its potential and properly serve both consumers and advertisers.