

HOW BETTER
TECHNOLOGY AND
DESIGN ARE PUTTING
THE ADS BACK IN
ONLINE ADVERTISING

Display

3.0

The Magazine
of Online Media,
Marketing &
Advertising

SUMMER 2011

AOL'S TIM ARMSTRONG SENDS DISPLAY ADS PACKING

BROOKLYN AGENCY IS THE GOOD KIND OF CHEESY

INDIANAPOLIS RACES TO THE FRONT IN EMAIL MARKETING

ALSO

THE 100 MOST IMPORTANT ONLINE PUBLISHERS

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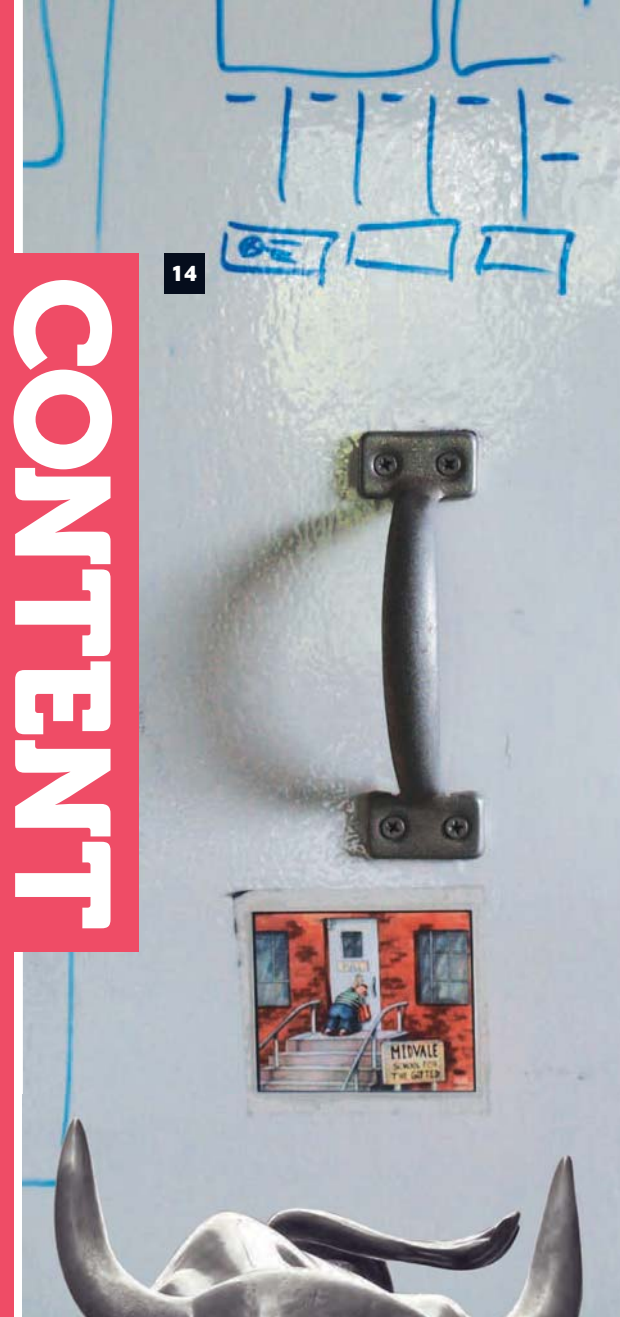
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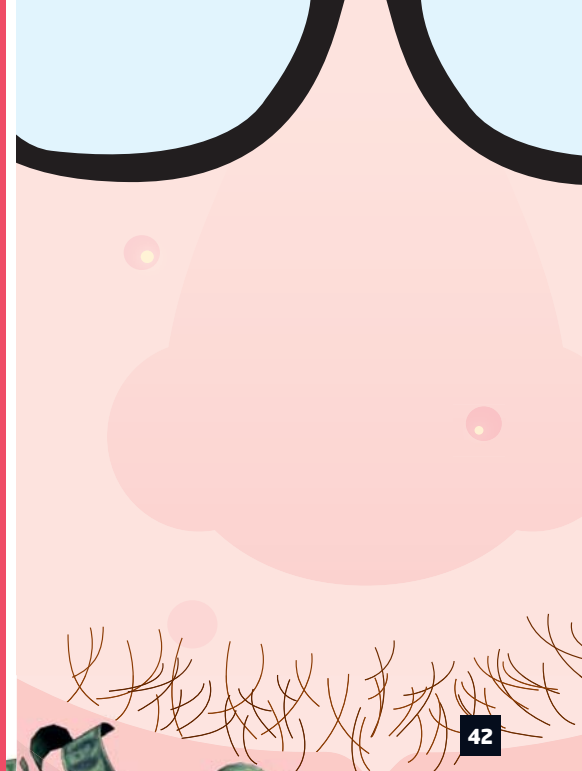
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John Capone is a freelance writer based in the Bay Area and was formerly the editor of this magazine. If this bio were an online display ad the rest of it would pop up in front of whatever else you were reading.



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Welcome to the new *OMMA*.

Well, somewhat new, anyway. We're keeping our same focus – features, profiles and informational pieces for online and digital marketing insiders – but taking a new tack by focusing more thematically on a single subject. In this issue, it's the online display advertising marketplace. You may also detect some changes in our design, as art director Nate Pollard and creative director Jonathan McEwan retool some of the visual elements to make *OMMA* more contemporary and more readable in a, well, digital age.

As for the theme of this issue, I can't think of a juicier subject to sink our minds into than online display advertising, which is undergoing a reinvention and revitalization as a result of new technology, new business models, new research and a new design orientation of its own. And it's about time. Online display advertising may still

be one of Madison Avenue's youngest major media, but its perception, if not its reality, had until recently grown stodgy and has long been in need of a makeover.

Readers of the last few issues of *OMMA* have already noticed more of an emphasis on display as we stumbled across dynamic shifts remaking the art and science of brand advertising online. Take our recent cover story on the "Nouveau Riche" media platforms that are creating the kind of engaging, on-the-fly story-telling the ad industry had previously only dreamed about. Another recent cover feature profiled the new "Ad Savers" – people like AdKeeper's Scott Kurnit who are trying to shift the online ad paradigm from avoidance to sharing and preserving the most relevant advertising content.

This issue carries that theme forward via an in-depth interview with AOL's Tim Armstrong that clears up the misconceptions surrounding Project Devil, and explains the real reason why the ad industry is getting behind its new portrait ad units and dynamic ad-serving platform. (Hint: It's not really about advertising per se, so much as about page design and user experience – with both ads and their adjacent content.)

Also in this issue, the inimitable Larry Dobrow tackles the subject of online advertising creative in a way that only he can, while former *OMMA* editor John Capone takes the opposite approach, with a somewhat skeptical view of the marketplace.

This issue has some other surprises, including a profile on Tynt, the largest collector of online user data that you've probably never heard of, and some solid looks into the display ad world's biggest players, including Yahoo and, yes, Facebook – which, according to the most recent data from eMarketer, has emerged as number one in ad dollar market share. And you thought it was the "social network."

So please read on, and let us know what you think. Also, stay tuned for some more fine-tuning in the issues to come. As always, it's joe@mediapost.com

JOE MANDESE, EDITOR-IN-CHIEF



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The Eyes Halve It

Display ads on Yahoo's home page

by Joe Mandese

Media designers frequently use eye-tracking methods to gauge whether people are likely to focus on important design elements. This is especially true of the content on Web pages. To get a better look at where users fixate, we asked eyetrackshop.com to utilize its user panel to measure elements of Yahoo's home page.

Eyetrackshop found the lead story atop the center column garnered the most attention. Surprisingly, a banner ad generated the third highest visual focus – with a 93% likelihood of being seen and 1.5 second average "visit duration."

The findings have neurological implications: content perceived quickly attracts and holds attention better and longer.

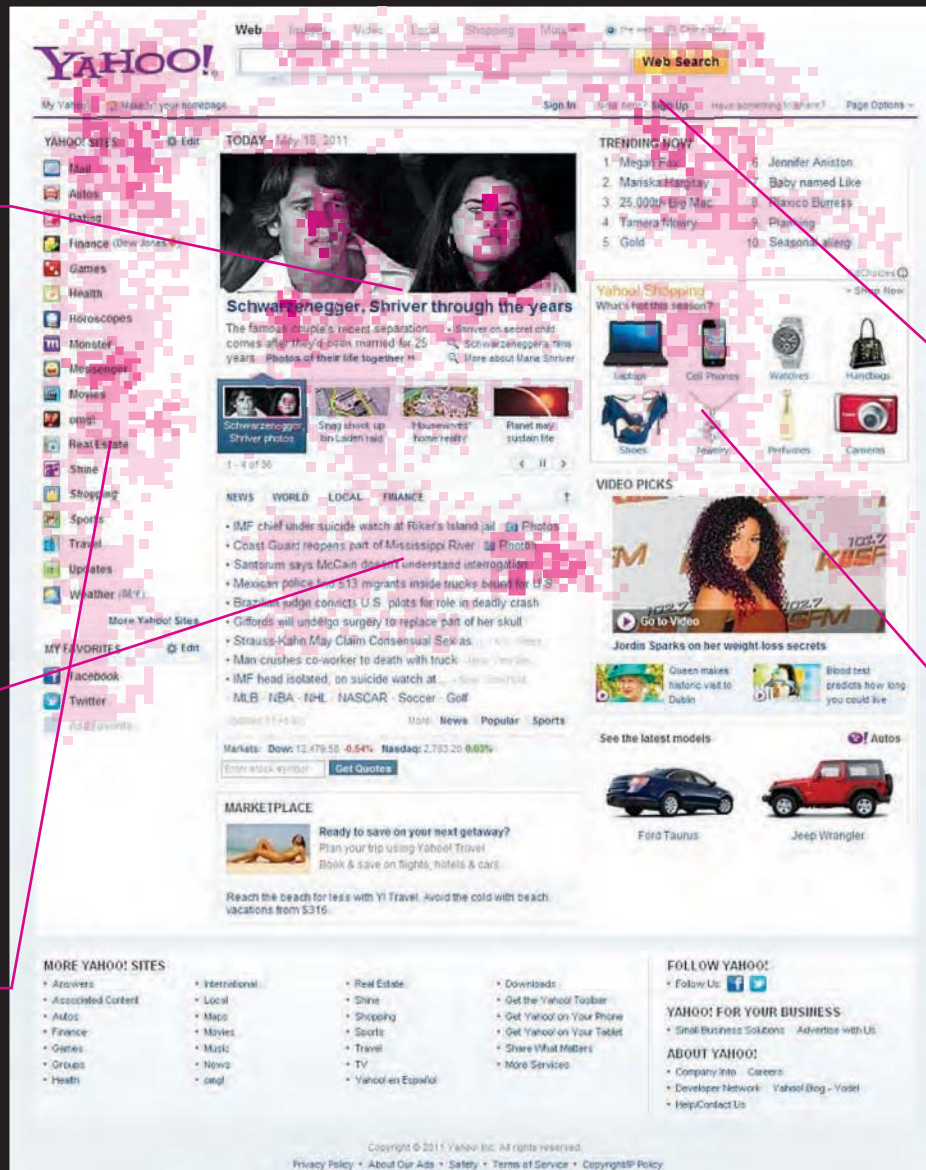
The first place the eye looks: 100% chance of being seen, with the average time spent viewing the section three seconds

The fourth place the eye looks: 30% chance of being seen, with the average time spent viewing the section two seconds

The fifth place the eye looks: 90% chance of being seen, with the average time spent viewing the section one and a half seconds

The second place the eye looks: 77% chance of being seen, with the average time spent viewing the section two seconds

The third place the eye looks: 93% chance of being seen, with the average time spent viewing the section one and a half seconds



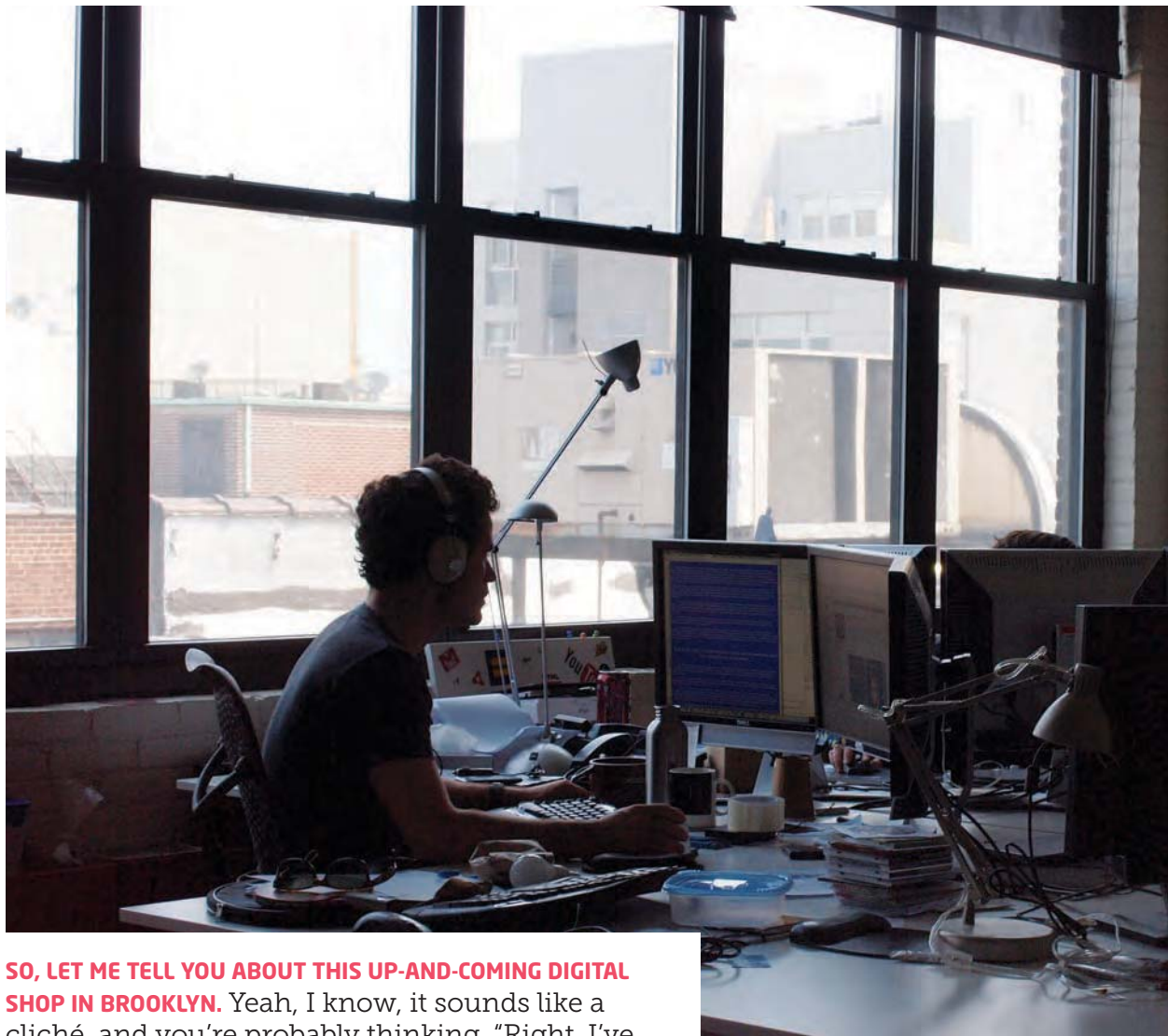
DEGREE OF ATTENTION

LESS

MORE

BLENDERBOX

AGENCY REVIEW



SO, LET ME TELL YOU ABOUT THIS UP-AND-COMING DIGITAL SHOP IN BROOKLYN. Yeah, I know, it sounds like a cliché, and you're probably thinking, "Right, I've heard this story before," but I promise you, though it may start off the same way, it doesn't end the way you think.

First of all, I should tell you that my journey began not by taking the Manhattan Bridge to DUMBO, but via the Kosciuszko Bridge to the less celebrated Brooklyn agency environs of Williamsburg. There, inside an unassum-

ing brick building in a largely residential neighborhood, I was greeted by Jason Jeffries and Sarah McLaughlin, the founders of Blenderbox. Despite its hipster name, Blenderbox is as much a part of the core Wiliams-

burg community as are the working-class homes and little shops that dot the neighborhood. In fact, Blenderbox is a product of Williamsburg. Jeffries and McLaughlin, who also happen to be husband and wife, met in a neighborhood apartment complex. She was a designer, and he was a digital ad vet who had just left Razorfish and moved to



Brooklyn's Blend

By Joe
Mandese

Williamsburg to open a coffee shop, the Verb Café, for neighborhood hipsters.

Jeffries and McLaughlin clicked immediately and, a year later, at the height of the dot-com bubble, launched incorporated Blenderbox in 2000. The name came to them while they were building a contraption to make the café's smoothie machine sound-proof — a blender

box, if you will.

Initially, the agency got by the way any start-up does, with referrals from friends, mainly old agency contacts from Jeffries' former colleagues at Razorfish and Firstborn. In time, the projects grew into sustainable accounts, and in 2003 Jeffries and McLaughlin got married and began to expand. New developments included the launch

of the Bedford Cheese Shop, a local retailer near Blenderbox's offices that has an excellent selection of imported and domestic cheeses, breads and specialty items.

Over the next several years, Blenderbox grew slowly but steadily, largely on a word-of-mouth basis thanks to satisfied clients. Because many of its initial accounts were corporate, b2b, and especially not-for-profit, philanthropic and cultural, Blenderbox's work escaped the kind of consumer-facing efforts that normally generate buzz on Madison Avenue and in the trade press. But the work proved both creative and sustainable and enabled the shop to craft its own style for interactive media

THE NAME CAME TO THEM WHILE THEY WERE BUILDING A CONTRAPTION TO MAKE THE CAFE'S SMOOTHIE MACHINE SOUND-PROOF - A BLENDER BOX, IF YOU WILL.

design that combines both utility and aesthetics.

Initial projects included work for a hedge fund, KPMG, and publisher Time Out New York, as well as some e-learning and online training and seminar outfits.

"One opportunity would refer us to other opportunities," recalls Jeffries. "Eventually, that led us to our biggest project, the law.com site for American Lawyer Media. It was the first time we had a large enough engagement that we could start to hire some people. It got our real growth going."

But it wasn't the kind of explosive growth Jeffries had experienced working at Razorfish during the heady run-up to the

dot-com bubble. And that might have been a good thing, because it enabled Blenderbox to nurture an organic identity and talent. Initially, the company worked out of a loft space, until it had enough cash flow to open its own offices in 2005 with a team of a half-dozen staffers, mostly technology and graphic designers.

Referral work continued to mount, especially when Blenderbox started creating sites for cultural and arts-oriented organizations, including the Rockefeller Foundation, Scholastic, National Geographic, the Kennedy Center, the Clinton Foundation, the Hewlett Foundation, Helmsley Charitable Trust and the



Besides Blenderbox, Jeffries and McLaughlin also run the Verb Café (l.) and Bedford Cheese Shop.



Verizon Foundation's Thinkfinity.

Still, Blenderbox was falling below the industry's radar, failing to get recognition in the trade press and in industry awards programs.

By the time I first met with them about a year ago, they had still not won a major award, and Jeffries and McLaughlin said they dearly hoped to win a Webby, which they were sure would finally put them on the map. A year later, they have won multiple Webbies and one of this magazine's namesake OMMA awards, along with a few others.

Actually, I was first introduced to Blenderbox by the team at Pictela, a spunky super-rich media platform that was also under the radar and had just had its site launched by Blenderbox. In the last year, Pictela has been acquired by AOL and made the centerpiece

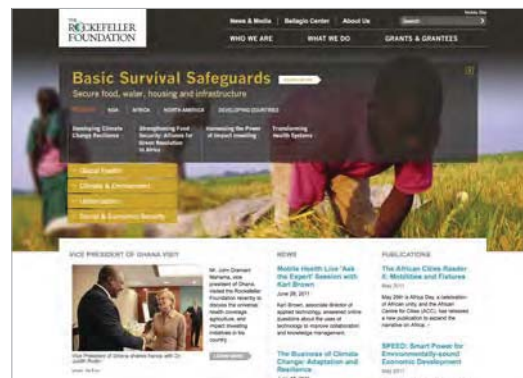
of its "Project Devil" Web page and advertising redesign effort (see related story, page 31).

Blenderbox continues to win business with its "clean and balanced" approach to design that works, but it's still being left out of the industry buzz. When another trade magazine did a close-up of up-and-coming shops in Brooklyn, including Williamsburg, it once again left Blenderbox out of the story. While mainstream Madison Avenue media may still be unfamiliar, the Brooklyn community definitely knows about Blenderbox. The agency recently won an economic development project for the Brooklyn Navy Yard, and, at press time, it was in a promising pitch for the Brooklyn Academy of Music.

Another one of its accounts is the Brooklyn Brewery, despite the fact that the agency actually competes with the microbrewery brand, producing its own homebrew on its premises. Blenderbox even grows its own hops on the roof deck, but Jeffries says they haven't managed to produce a successful enough harvest to make a batch.

One other mark Blenderbox has made on the Brooklyn agency scene was the formation of an industry ping-pong league, which has become the borough's alternative to Madison Avenue's notorious softball league competitions.

It started when rival Brooklyn agency execs would stop by Blenderbox's offices for a brew and a round on the agency's



A snapshot of Blenderbox-designed sites for its clients

office ping-pong table. Then it blossomed into an official league.

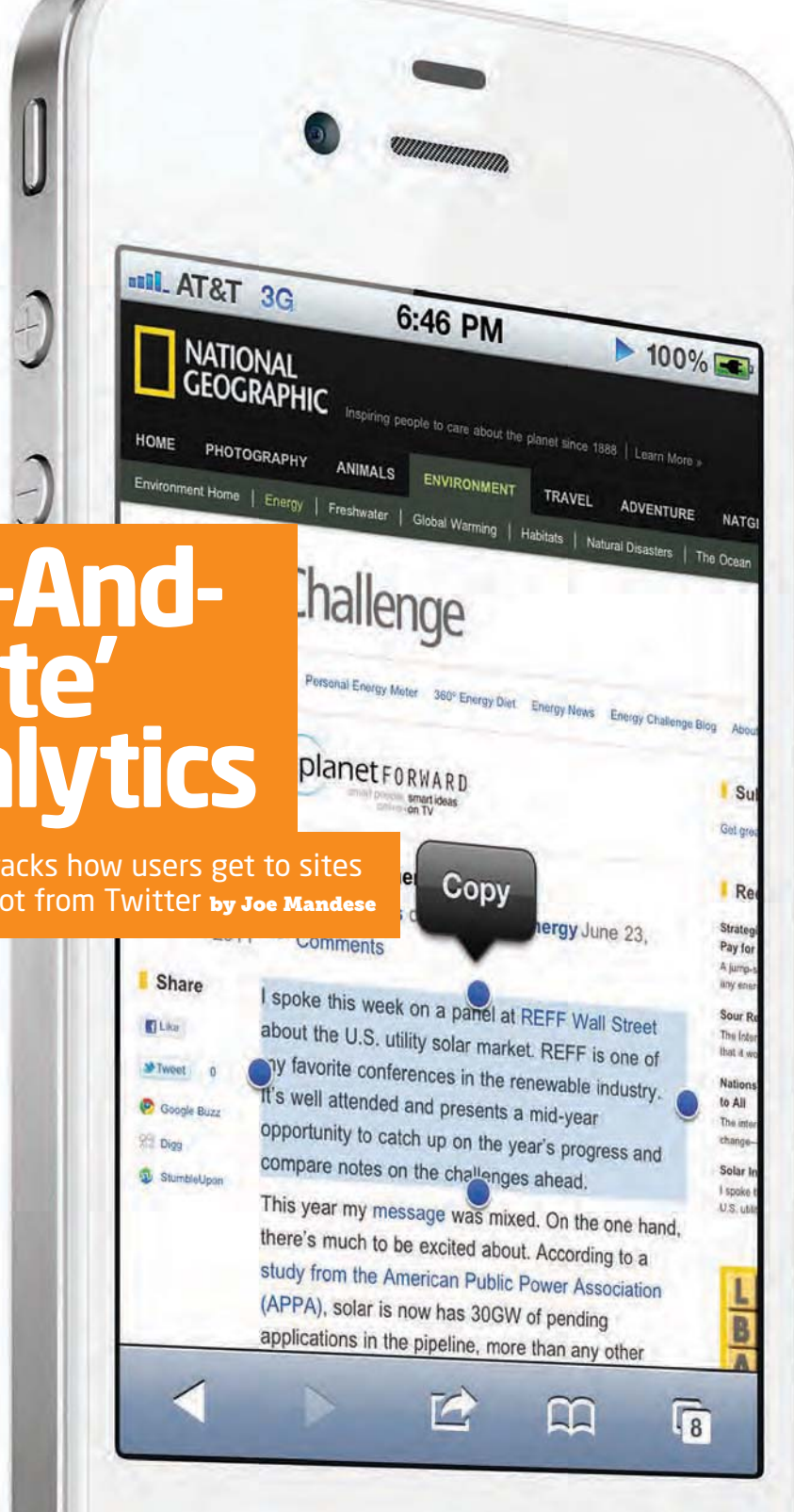
"It's the first year, and there's already a waiting list for other agencies to join," Jeffries says with just a smidgen of Brooklyn pride. ☐



TYNT PROFILE

'Cut-And-Paste' Analytics

Tynt tracks how users get to sites
Hint: not from Twitter **by Joe Mandese**



BEFORE YOU READ THIS STORY, I'd like you to take a mental leap and imagine that, despite this contrived start, it turns out to be pretty insightful, and important enough to make you want to save it, or maybe even pass it on to a friend or colleague. In the old days, you might have torn it out of this magazine, or made a duplicate on a copier and forwarded it through the postal service. But, more likely than not, now you would simply copy and paste the link to the online version into an email, tweet, personal blog or social media page.

That would be apt, because this story fundamentally is about that simple human behavior — the act of copying and pasting links, text, pictures or other content from a Web page — and saving them or passing them along to others. And even more importantly: what publishers, marketers and agencies can learn from tracking, aggregating and analyzing that behavior.

It's a behavior that may be taken for granted but is probably as prevalent as many of the online industry's most common behavioral metrics — clicks, searches, liking, friending, tweeting, etc. Until recently, however, it had been virtually ignored by Madison Avenue, though it says a lot about users' intentions regarding the content they read, listen to and watch. Not to mention how much they care about it, or the brands associated with it.

We might never have realized this if an accidental discovery hadn't led the management team of Web analytics firm Tynt to conclude that some powerful data could be unearthed by following the trail of copy-and-paste behavior. The data is powerful enough to make Tynt one of the 10 largest sources of data about online users — and, most likely, the largest one you've never heard of.

The epiphany occurred when Tynt chairman Allan MacKenzie's son was diagnosed with meningitis, and he turned to the Web to do research on the disease. What he discovered helped turn the fledgling analytics firm around. It was 2008, the economic crisis was beginning to take its toll, and Tynt's previous efforts to make a mark by analyzing social network data was beginning to fizzle.

"We were doing a project with social networks, but then the customers we were working with all got eaten by

"WHAT IF WE COULD... TELL PUBLISHERS WHAT CONTENT PEOPLE WERE COPYING AND PASTING, AND HOW MUCH THAT WAS DRAWING PEOPLE TO THEM?"

DEREK BALL
CEO, TYNT



Facebook," recalls Tynt CEO Derek Ball, who says the experience helped Tynt get "very good at operating in the white space between the user and the publisher."

The epiphany came after MacKenzie spent a night surfing the Web for the meningitis information. He told his Tynt colleagues that he had gotten his results from hundreds of different Web sites. Ball recalls him saying, "Wouldn't it be great if when I cut and pasted something there was a way that could append where it came from?" Ball says that's when the Tynt team had its light-bulb moment: "What if we could do that and tell publishers what content people were copying and pasting, and how much that was drawing people to them? What if the content became a breadcrumb trail back to where the content came from? So we started looking at cut-and-paste and we found there was no research on it

at all. No one had ever tried to study cut-and-paste rates."

Ball says the initial reaction was that there had to be one of two reasons why there was no research on it: "Either people had looked at it and the data just wasn't very relevant, or nobody had thought of doing it."

To find out how relevant it might be, the Tynt team developed an application to track the cut-and-paste rates of publishers who would

install it on their pages. Initially, they deployed it on a Tynt engineer's Web site.

It was Christmas 2008, and that site — a guide to restaurant menus and contact information — was generating a tremendous amount of activity from users copying and pasting menu listings, addresses and phone numbers.

"We were astonished by the rates," Ball recalls, adding that the team was encouraged enough to take the beta version out for a real test drive: they installed it on Tynt investor Guy Kawasaki's blog.

"That's when we found out that as much as six percent of the page loads on his site were coming from people cutting and pasting something," he says, "and that's when we realized that this data could be very useful to publishers who wanted to understand what was going on with people cutting and pasting their content."

Tynt began tagging URLs of publishers who wanted to understand cut-and-paste behavior, how it generated traffic back to their pages and where it was coming from.

The answer was surprising. While conventional online industry wisdom would indicate that most of the traffic comes from social platforms like Facebook and Twitter, Ball says the data disproves that: "The biggest social network in the world is actually email, and it is an uncontrolled, peer-to-peer network that nobody knows about."

Specifically, about 70 percent of all page loads resulting from copied and pasted links are generated by users pasting the links into emails and forwarding them to one or more other people.

Facebook is no slouch either, but it pales in comparison to conventional email communication. Ball estimates that about 25 percent of all traffic generated by copying and pasting comes from people pasting on Facebook pages.

Twitter, by comparison, is hardly even a factor.

"Currently, we're only seeing Twitter as being about two percent of all page loads," Ball says, though he thinks that is an underestimation. The actual rate might be twice that, he says, because many publishers do not have their address tracking bar turned on for Twitter.

In fact, Ball says the biggest issue — and where a big part of Tynt's time and energy is spent — involves analyzing the "signal-to-noise" ratios

around copying and pasting. There is so much information related to the way people copy and save or share information on the Web that much of Tynt's resources go into "filtering" the noise to understand what data is truly meaningful.

"The trick is finding what's valuable in the signal, and which signals to disregard," he says. For example, he notes, it isn't simply macros or keystrokes that enable users to copy and paste information, but



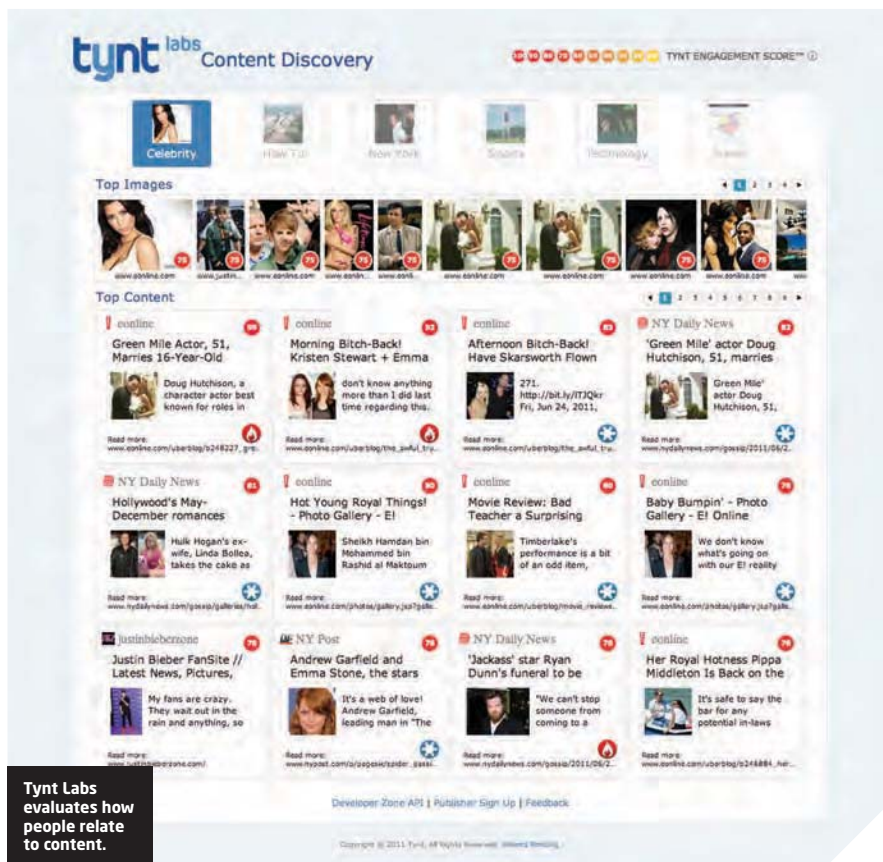
other actions as well, including printing.

"We really want to understand what people are interested in, and frankly, printing something off of the Web may be as strong an indication of someone's interest as copying and pasting something," he says. "For us, it's a similar signal of intent."

Fundamentally, Tynt's methodology isn't that complicated. It provides some simple code to publishers who register to be tracked, enabling

them to create anonymous cookies that track where a unique user is coming from, and whether the traffic came as a result of pasting a link or a short code, or whether it was something shared with the user via an email or Facebook.

Tynt has even created a testing facility, dubbed Tynt Labs, to understand how other technologies motivate people to link, read and share Web content. For example, it is in the process of evaluating the



Tynt Labs evaluates how people relate to content.

impact of offline QR codes placed in analog media like magazines, newspapers, catalogues and billboards.

Regardless of how that behavior manifests itself, Ball says the goal is the same: to help publishers and marketers understand what their users are most interested in — and what triggers users to grab content and share it with other people.

In fact, Tynt's tagline is literally "who's interested." And, with more than 600,000 publishers now registered to track how users interact with their content, Ball says Tynt is also "the largest interest graph on the Internet."

It's not just "Joe's blog" that has signed up for Tynt; big publishers like Conde Nast and Hearst are using it to figure out what content their users find most compelling.



FACTCHECK: GLUE STICK & SCISSORS NO MORE

According to Wikipedia, the term "cut and paste" comes from the traditional practice in manuscript editing whereby people would physically cut paragraphs from one page and paste them onto another. The practice was later made easier by copying machines and came to computers in the mid to late '60s, when data entry moved from punch-cards to online files.

In the nearly three years since these behaviors began being tracked, Ball says Tynt hasn't seen any fall-off in the rates of activity. On average, he says, publishers reap between two percent and six percent of total traffic from copy-and-paste behavior, but on the high end copying and pasting can generate more than half of a site's total traffic. This is especially true for something like a travel site, as many users copy and paste listings of hotels, rates and other information before they book their trips.

So the big question is: with so many major publishers copying and pasting Tynt's tracking codes onto their pages, how come you have probably never heard of them? Don't worry, you're not alone. Last spring, during MediaPost's Social Media Insider Summit, while presenting data showing that Tynt is now the eighth largest Internet data collector — ranked just below AOL and ahead of Audience Science and Rubicon Project — Lou Kerner, an analyst with Wedbush Securities, asked how many of the Insiders had ever heard of it. No hands were raised.

To be fair, Ball says Tynt had been focusing primarily on publishers and only recently began pitching Madison Avenue directly. The data is just as compelling for brands as it is for content publishers, he says.

For example, Tynt's data reveals that, compared with other major automobile manufacturers' Web sites, Ford's are doing a much better job engaging consumers online.

"Ford is killing it right now, and Honda is too," Ball says, adding, "Wouldn't you like to know why?"

After reading this story, chances are that someone from one of Ford's or Honda's agencies — or those of their competitors — might find it interesting enough to copy, paste and forward it along to someone who does. ■

New Challenges and Opportunities

This month, two of the industry's leading experts on online media — eMarketer chief **Geoff Ramsey** and McCann WorldGroup global director of marketing performance **Vipin Mayar** — publish *Digital Impact: The Two Secrets to Online Marketing Success*. The following excerpt zeroes in on the book's discussion of online display advertising trends and issues.



PHOTO: DINURAY K



EXCERPT

IF YOU LOOK AT THE MODERN ONLINE AD MARKETPLACE TODAY, you'll see that it functions more like the financial stock market — with display ads being bought and sold through a real-time market exchange, much the way stocks are traded.

For the past few years, much of the news and developments taking place in online display advertising has concerned ad networks. These organizations, large and small, aggregate ad inventory by connecting up web sites that are looking to sell ads (i.e., publishers, portals, blog sites and even social media sites such as Facebook) with advertisers who want to deliver their ads to select target audiences. An ad network typically amalgamates thousands of web properties ranging from small, niche web sites to larger, premium sites, all with ad inventory to sell.

An advertiser can come to an ad network to buy ads armed with their audience profile, as well as pricing ranges for placing the display ads. The ad network, in turn, purchases the ads from a variety of publishers and other sites, and sometimes even from other ad networks. Through this process, an ad network can reach audiences comparable in size to those at the larger web sites, but at a lower cost. Some of the big ad networks are Backpage.com, Advertising.com and 24/7 Real Media.

However, there are two major drawbacks with ad networks. First, they have yet to deliver on the promise of truly

cost-effective scale. Second, advertisers usually have no clue about where their ads are getting placed. Brand advertisers are particularly sensitive about the kinds of contexts in which their ads appear and so they are increasingly demanding greater transparency.

These two issues have led to some significant transformations in the online ad marketplace, both driven by technology — real-time bidding (RTB) and demand-side platforms (DSP). Traditional ad networks are being replaced by these more cost effective, transparent systems that provide the advertiser with greater buying control. What we are talking about here is an auction-based, media buying platform in a real-time bidding environment. There is no middleman — no ad network that takes a percentage cut to administer the inventory. As a result, prices for display ads are being significantly reduced as they slip down to true, market-driven equilibrium.

Ultimately, this real-time bidding approach shifts the advertiser's focus from purchasing web site pages to buying actual audiences — wherever they are — based on detailed audience profiles. This leads to far greater buying efficiencies, and often business results.

Almost all large ad agencies and their respective holding companies have started to create in-house display ad trading desks that use these exchanges and demand-side auction platforms to access online ad inventory directly and buy ad space for advertisers. The market leaders in this space are Media Math, Invite Media, x+1, Triggitt, Turn and eXelate.

If you are a sizeable marketer, you need to ensure that your agency is using these platforms and employing real-time bidding and demand-side auction platforms for placing your display ads. Otherwise, you are paying significantly more than you should for your media.

Another development in the display ad marketplace is the emergence of self-service platforms that enable even relatively small businesses to easily purchase inventory for banner campaigns. Such services, being offered by leading Internet players like Google, Facebook, AOL and Yahoo, reduce the amount of time it takes to buy online ads as well as the associated costs.

Creative Counts

It pays to invest in good creative execution! According to Jon Gibbs, VP Media Analytics at Nielsen Company, "Creative is about 70% to 80% of the effectiveness of advertising." Sharing this opinion is Ken Mallon, SVP, Custom Solutions & Ad Effectiveness Consulting at Dynamic Logic, a company that has evaluated the brand impact of

thousands of online campaigns. Mr. Mallon says: "By far the biggest driver of brand impact success is the creative. The best ads that we see in terms of performance online tend to be ones that almost have a magazine feel. They look nice; people think about things like having the right human form in there, the right product shot."

If there is a really compelling piece of content — that just happens to

be an advertiser's brand message in the form of a display ad — consumers will gravitate to it and respond. A strong image can pack a lot of punch. Even in campaigns for text-heavy websites — such as publishing websites, print book retailers, financial services and health care products — it's been shown time and again that strong images with limited text provide the emotional pull to draw audiences

TRADITIONAL AD NETWORKS ARE BEING REPLACED BY THESE MORE COST EFFECTIVE, TRANSPARENT SYSTEMS THAT PROVIDE THE ADVERTISER WITH GREATER BUYING CONTROL.

in. There's also considerable credence to the idea that a static banner ad with a strong, emotional image can be as effective as a busily animated display ad.

As proof that creative execution really matters with display ads, Dynamic Logic evaluated results from 2,512 online campaigns and found significant differences in brand metrics from those campaigns deemed "best," versus "average" and "worst" campaigns.

Another creative approach with banners is to focus on giving consumers what they want. In a 2010 study by Cone, while only 21% of online consumers said they wanted marketers to "market to me", 77% said they would like marketers to offer them incentives, such as free products, coupons and discounts. Further, a healthy 46% said they would like marketers to "solve my problems/provide product or service information," and 39% wanted marketers to solicit their feedback on products and services. Thus, even banner ads can serve as Magnetic Content — if they are useful, offer help, entertain or inform consumers. ■

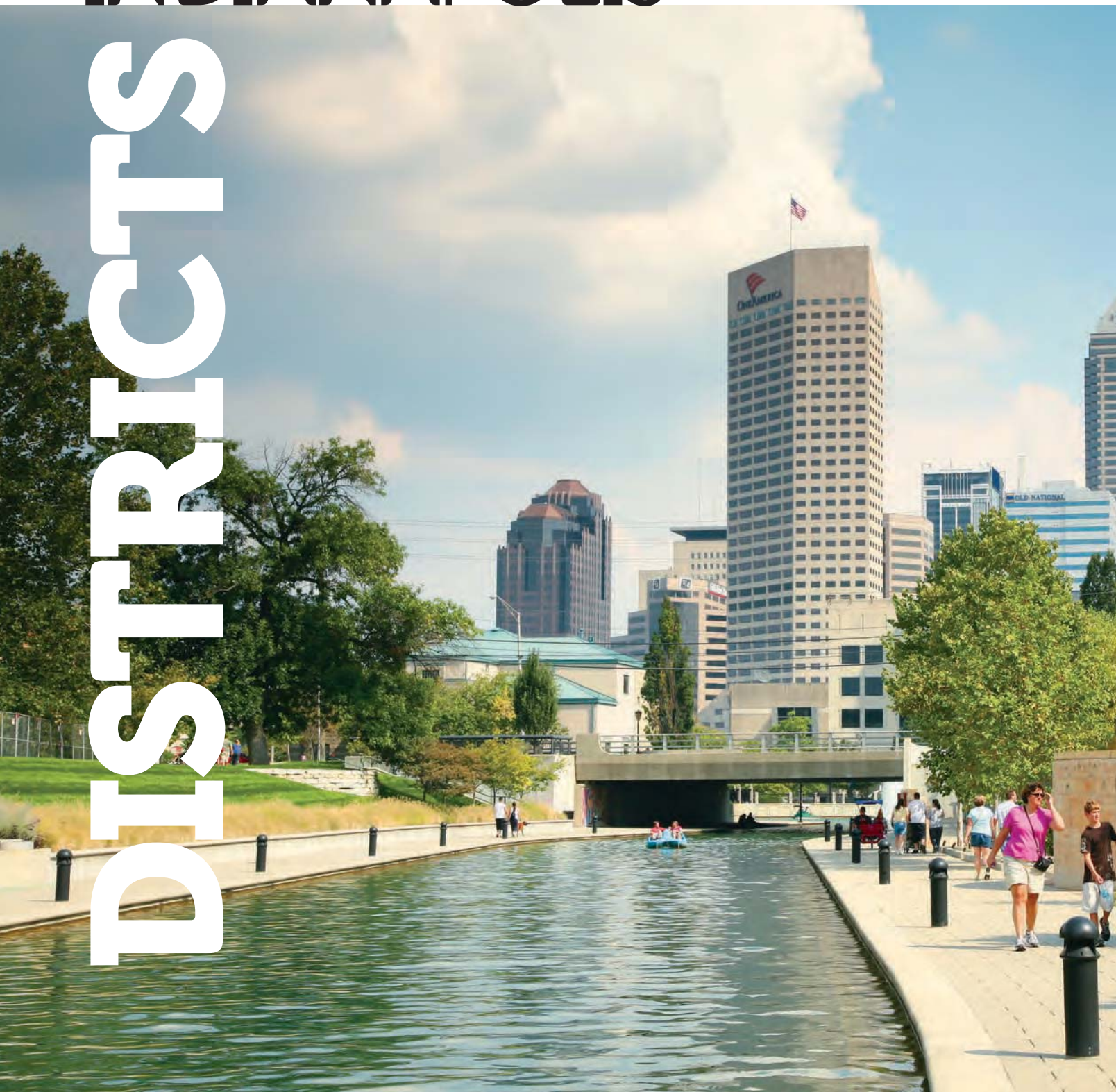
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PHOTO: WALLY COBETZ

INDIANAPOLIS

DISTRICTS





IT'S A BIT IRONIC THAT BEFORE FOUNDING A SUCCESSFUL FIRM in an industry that prides itself on delivering precisely targeted marketing messages, Neil Berman was in the waste services business. Nevertheless, trash can lead to treasure.

After leaving, Berman took a circuitous route into email marketing, launching a firm 12 years ago that's now part of a thriving sector in the Indianapolis business community.

Madison Avenue can produce Super Bowl commercials; Indianapolis is content to operate in below-the-line "measured marketing" with an ROI-driven ethic. The greater metropolitan area is home to 70 or so businesses that provide email services, publish blogs, optimize search engines or try to crack the social media space.

A trio of circumstances in the late '90s prompted Berman to launch Delivra, an email services provider (ESP). He was tired of being an accountant; his wife worked for the Postal Service; he wanted in on the dot-com boom. As with many bootstrap entrepreneurs, lack of knowledge be darned.

"I didn't know anything about technology or about the Internet," he says.

His wife's work seems to have played a critical role. Berman wondered why marketers were spending so much money to mail material when a more cost-effective and cheaper route beckoned in the form of email. "At the time [that] was visionary," he says. "People didn't have email addresses on their business cards — if you can imagine that."

Further, even marketers interested in email technology weren't exactly keen to pay for it, since it seemed easy enough to blast out a bunch of

messages for free. Berman soldiered on, and Delivra now has 29 employees and five million dollars in annual revenue.

The Indy 70

Below the line — and the radar — Indianapolis thrives in measured marketing services **by David Goetzl**

Berman has no aspirations to go public, which he feels would complicate his operations. At some larger companies in the market, however, it's a different story — notably at the booming ExactTarget, which has roots in email but now bills itself more broadly as an interactive marketing provider, and Angie's List, which collects consumer reviews of service companies.

Both continue to raise loads of money from leading venture-capital firms. ExactTarget, which pulled back on an IPO in 2009, has raised more than \$140 million since then. And Angie's List chief executive officer Bill Oesterle told Bloomberg that an IPO is possible this year, as the company secured a \$54 million investment several months ago.

Cloud-based integrated marketing software provider Aprimo — another candidate to go public — was bought by Teradata for about \$525 million late last year but will remain in Indy.

The Indy marketing community works with some of the most successful companies in the country, from Toyota to Intel to Bank of America to Groupon.

Many people may think of Indianapolis as flyover country or a cultural backwater. But it is the country's 27th-largest market per Nielsen, with about 1.1 million homes.

While it may be best known for the Indy 500 and, more recently, Peyton Manning's majesty in leading the NFL's Colts, it is also a large state capital housing pharmaceutical firm Eli Lilly, Brightpoint in the wireless industry, mall operator Simon Property Group and the NCAA's operations.

What drives its growth as a marketing services hub? Most boil it down to three factors: a strong talent pool, both homegrown and imported; a relentless focus on customer service, maybe driven

by Midwestern values; and a tech community looking to seed growth and build an ecosystem.

Nearby universities such as Ball State, Butler, DePauw, Purdue, Indiana University and IUPUI in downtown Indy (with 30,000 students) offer programs that prepare students for technology and business careers.

"I think that's a critical differentiator between Indy and other metropolitan areas," Delivra's Berman says.

Mike Bloxham, who recently left his post as director of insight and research at Ball State's Center for Media Design and who now works at Trendline Interactive, states: "As the sector has grown, so has the commitment of the universities in the area to emerging media in all its forms."

ExactTarget has about 1,000 employees globally and 600 in Indy. A hiring binge continued even during the depths of the recession. Chief marketing officer Tim Kopp says government officials helped in that area and with overall growth: "Through economic development credits and grants, local and state governments have helped to fuel our growth and allowed us to more aggressively invest in innovation and growing our team at a record-setting pace."

Hoosiers, as Indiana residents are called, like it at home. The majority of Berman's staff at Delivra are born and bred in the state. Many graduates of local universities want to stay as long as they have a good job.

Others head to Chicago, Silicon Valley or Seattle, but then look "for an opportunity to come back...to be near family," says Jim Jay, who heads TechPoint, an organization designed to facilitate growth in Indiana's tech sector.



That brings new perspectives and insights that can fuel business in Indy and feed into community passion.

Beyond hiring natives, Indy is also finding success in attracting experienced executives from Silicon Valley and New York, many of whom had never envisioned themselves living among cornfields and endless farmland.

But in central Indiana, traffic can be less of a problem and commuting a breeze, while the cost of living is a major enticement. "It's a tremendous quality of life," says Chris Baggott, who co-founded ExactTarget but left in 2006 to found Compendium, which helps businesses publish on blogs, Facebook, Twitter and more. He says ExactTarget's best recruiting tool was "people who are sick of living in the Valley and sick of not seeing their kids' baseball games."

Though not a native Hoosier, Baggott is an active booster of the Indy marketing scene. After more than a decade working for R.R. Donnelly in database marketing in Chicago and New York, he came to Indy, partly because his wife was from the state. But he was also tired of commuting back and forth to the Big Apple from his Connecticut home.

"I just didn't want to be 50 still riding that train," he says. Housing, another perk of living in Indy, can cost a fraction of what it does in the Valley or other flashier communities. "Everyone wants

WHAT DRIVES ITS GROWTH AS A MARKETING SERVICES HUB? MOST BOIL IT DOWN TO A STRONG TALENT POOL, A RELENTLESS FOCUS ON CUSTOMER SERVICE AND A TECH COMMUNITY LOOKING TO SEED GROWTH AND BUILD AN ECOSYSTEM.

the California climate, not everyone wants the California prices," says Lisa Arthur, chief marketing officer at Aprimo, who came to Indy two years ago from Northern California.

In business operations, executives say Indianapolis has a more customer-focused approach than what is found elsewhere, which can be a differentiation point — as long as the technology is on par.

"Technology is a ticket to play, you've got to have that," says Delivra's Berman. "But without the personal component, you're not going to be successful long-term."

At TechPoint, Jay speaks about the increased focus on ROI with a "measured marketing" approach — and ROI gets more prominent as marketing budgets get tighter.

"As you think about the Midwest being a little more conservative, people are very interested in knowing a dollar gets me what," Jay says.

Indy is trying to create a culture of start-ups, where people at larger companies are willing to jump in and start their own ventures. At TechPoint, Jay's Halo Capital Group has invested more than \$17 million in seed money in the last three years. He says that ExactTarget and Aprimo have also spawned start-ups. Baggott says there is an effort afoot to turn an old warehouse in Indy into a start-up incubator similar to one in San Francisco, perhaps as soon as this summer.

If Indy's "measured marketing" community is flying under the radar, executives and boosters want to increase its visibility. A TechPoint initiative has used PR firms to publicize the market's opportunities and benefits.

Aprimo's Arthur says: "I'm not sure we in Indy have been telling the story broadly or frequently enough to help people understand that business isn't just done on the coasts." ■

PHOTO: EXACTTARGET



ExactTarget employees engage in community activities with such groups as Habitat for Humanity, Mutt Strut and Feed the Children.



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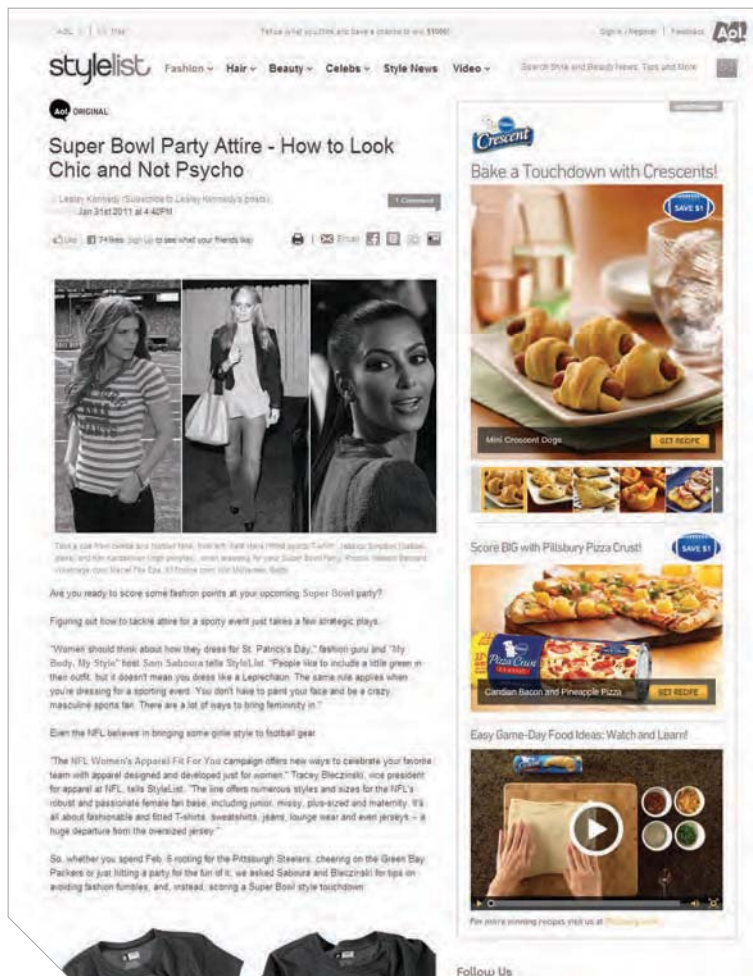
Satanic Versus



Project Devil may not be what you think it is (and AOL is hell-bent on proving that to you)

by Joe Mandese





THEY SAY THE DEVIL IS IN THE DETAILS, and in the following interview AOL CEO and chairman Tim Armstrong provides them about Project Devil, the code name for an ambitious project to redesign the way people experience the Internet, including not only display ads but also content and navigation features.

What is Project Devil, and why is it important to the future of AOL, and the future of the online display-advertising experience?

The Internet that was designed 20 years ago wasn't designed with display advertising in mind. It was designed as an

informational medium. It's been very successful at that, but if today were your first day on planet Earth, the most important trend now would probably be the connection of people to information over digital networks, and

you would probably expect brands to be a huge piece of that, but the way the Internet was designed hasn't allowed for consumers to have great interactions with brands, and for brands to have great interactions with consumers. Project Devil is really meant to fix the connectivity between consumers and brands.

So it's a retrofit?

I think the Web is moving from algorithms to design. And at a broad trend level, I think that's an important part of what the Internet is going to be about. The technology has gotten better. The infrastructure has gotten better. The algorithms have gotten better. But the one piece that has not gotten better is design. And design is a huge part of what's going to happen on the Internet in the next 10 years.

So Project Devil is about design, interface and usability?

Yes. We actually started Project Devil by taking a ruler and measuring our own pages to see how much of the page was content, how much was navigation, and how much was advertising. In essence, 20 to 30 percent of our pages were ads, but on average, there were 14 ads on a page. So the average consumer was seeing 14 ads. And the average advertiser was next to 13 other ads. From a brand mathematics standpoint, that design is not going to work.

A lot of people have misunderstood what we have been trying to do with Project Devil. We didn't give up ad real

estate on our pages. We actually have the same amount of ad real estate. It's just one advertiser using it, instead of 14. The press look at it as, "Oh, they're putting bigger ads on the page." But there's a mathematical formula behind it, which is: one consumer and 14 ads versus one consumer and one ad. And that is a big mathematical benefit for the consumer, for the advertiser, and for the metrics that sit between them.

Where did the name Project Devil come from?

When we realized that what we had was a design problem, we decided to go talk to some of the best design and brand people in the world. One of the people we went to see was Anna Wintour at *Vogue*. We met with her numerous times, and after one of the meetings, we started thinking, "How would Anna Wintour think about the Web and how to design Web pages?" So we took the name from *The Devil Wears Prada*. Although Anna is a friend of mine, I don't think she knows that. It came from really thinking about our pages from a design standpoint. How could we make them more beautiful, but also really allow brands to tell stories? And it was the meetings we had with people like Anna Wintour that inspired us.

So you spoke with a lot of aesthetic design people, not just technical design people?

Our viewpoint is everything from industrial design through aesthetic design. I would expect us to keep innovating on the types of designs we are doing around advertising and page design. They are integrated. Project Devil may be perceived as an ad project, [and] it was, but in essence, it's redesigning the whole page.

How has it impacted users' experience? Have you seen any trends?

Yes, we have huge amounts

"WE STARTED THINKING, 'HOW WOULD ANNA WINTOUR THINK ABOUT THE WEB AND HOW TO DESIGN WEB PAGES?' SO WE TOOK THE NAME FROM THE DEVIL WEARS PRADA."



of data. One point is that, on average, people spend about 47 seconds with a [Project Devil] ad, which is almost three times the time people spend with other ads. Engagement metrics are through the roof. On average, there has been more than a 300 percent increase in engagement rates for our ads. People are interacting with the ads more. They're looking at the video more. They're looking at the store locators. It's almost a full funnel marketing effect. People are dwelling on the pages more. Almost twice as long.

Obviously, you've been able to boost the effectiveness of the ads, but you've also been able to increase the CPM commensurate with them. How sustainable is that? Are you achieving the same yield by reducing the number of ads?

We actually are making more money as a company by taking ads off and putting one ad on a page than we were before. The rates have gone up by a commensurate rate to the engagement levels, and I think that's what advertisers are paying for. As an advertiser, what you're really paying for is the ability to talk one-on-one and create better levels of engagement.

That was reflected in your first-quarter earnings report, which was the first in many quarters to show an increase in advertising revenues. How sustainable is that?

I think there's a lot of upside. I think the challenge, as Project Devil gets up to scale, is getting all the creative agencies to scale. I think we have a lot of work to do in this industry, and we plan to share the success and metrics to help people keep innovating on what they can do creatively. But I think we've seen a big receptiveness from ad agencies, especially creative agencies.

A lot of it hinges on the portrait unit you've designed, which won the IAB's Innovators award. How important was the acquisition of Pictela in terms of fueling Project Devil?

We had launched Project Devil a few months before we purchased Pictela, but Pictela brought something very unique to the table. We at AOL spent a lot of time on the design of Project Devil — the look and feel of it — and what Pictela brings is actually an operating system within the ads. In essence, in the broadest context, the way we think about Project Devil is that you're not just buying 20 percent of

"YOU'RE NOT JUST BUYING 20 PERCENT OF THE PAGE. WE'RE INVESTING HUNDREDS OF MILLIONS OF DOLLARS IN GREAT CONTENT AND SERVICES, AND WHAT PICTELA ALLOWS AN ADVERTISER TO DO IS TO PROGRAM THEIR 20 PERCENT OF OUR PAGE IN REAL-TIME."

the page. We're investing hundreds of millions of dollars in great content and services, and what Pictela allows an advertiser to do is to program their 20 percent of our page in real-time. Instead of looking at it as a straight ad model, they're basically getting an operating system to program 20 percent of the page and to update the content in real-time. Pictela is really a content management system for advertisers.

So it's not just a content management system for advertisers. It's really an operating system for advertisers that can serve anything in real-time?

We think the lack of understanding comes from an old mentality of serve-a-page/serve-an-

ad versus engaging the user. When you start from there — with a content management system for ads — you can start to focus on what the users want from advertising.

But you're not really personalizing that content at this time?

We do use data to help personalize the ads for people. But one of the interesting things with the privacy debate that is beneficial about Project Devil, which we did not set out to do, is that because you are able to program ads almost the way you would content, you don't need personally identifiable information to do that. By giving people more relevant content, we make it so they can have a better experience with it. Over



PHOTO: COURTESY OF AOL

time, data will just become more and more commoditized in terms of how you talk to consumers. It actually drives commoditization, which is what's happening with the marketplace right now. Project Devil and Pictela allow you to refresh content in front of somebody and attract them in a much more engaging way.

Long term, what are the implications of turning over 20 percent of your pages to advertisers? Conceivably, if they use it right, the advertiser might get a bigger bang with that 20 percent than you're getting with the other 80 percent of your content.

I would hope that at some point advertisers do as good of a job programming as we do by focusing on our great content. They already have the assets to work with. The average Fortune 500 company spends about \$200 million a year creating their own content for themselves, including white papers, videos and all that stuff. Let me give you an example. [At this point Armstrong gets up and begins surfing a major technology marketer's site. He walks me through a ton of brand content, including video programming.] We were having the same conversation... They have tons of stuff, but the thing that is amazing is that they actually have their technical product managers taking you through every product in detail. It's amazing. Nobody knows what they have. I was actually taking them through their own site and showing them what they have.

AOL doesn't exist in a vacuum. You're operating in an extremely cluttered online content- and display-advertising marketplace that seems to be getting more fragmented and cluttered each day. What kind of effect do you think you can have on the rest of the marketplace?

You've seen [Terence Kawaja's] famous chart about the online display ecosystem. What we're doing is basically trying to create an experience that sits on top of that. It is based on a very simple premise, which is: what's the user experience with the ad itself, and what's the advertiser's experience with the user? What all these companies are trying to do, in essence, is optimize the experience of a user with data — one pixel to one user and optimize around that. All these companies come in and pitch us as well, but it's really hard to differentiate among them. I mean, "What's the difference between your data and the last person that was in here 10 minutes ago?" But when you sit on top of that, you can understand in a very simplistic way: 20 percent of the page targeted at one user. What that means for us is 118 million people domestically and 250 million people globally. You will be able to talk directly to them with 20 percent of our page. Now, let's talk about what you put in that space to make it really relevant to them. Yes, using data can help, but the average user doesn't get up in the morning and look at data. They get up in the morning and want to look at contextualized content. That's what they're attracted to.

Is it your job to influence the rest of the ecosystem, or can AOL pull this off just by changing behavior within its own pages?

I don't think it's our job to affect the rest of the ecosystem. I think our job is to basically have a differentiated scaled experience for our products and services. I mean, you could make the argument that as the rest of the Web is going in a more cluttered direction, we will stand out even more. Our overarching strategy has been to go in the opposite direction of Silicon Valley. We've done that with our content business, and we're doing it with our ad business. We're still very technical and Internet savvy, but we're taking a giant step back and saying, "If the Internet were created today, how would you design things for people?" Not the fact that we've been living in it for 20 years. It's a tough thing to do. When I look at our own sites where we haven't fixed things yet, you can see a big difference. I feel like, as a consumer, it's just not a good experience. And most of the sites on the Web look like this. [Armstrong loads a page for AOL's Moviephone.] This is not a great design. We should be able to do this better. It's one of our older pages, but if I measured all of this, probably 60 percent of the page is not content.

So you've started with your AOL home page, and your other top pages, and you're gradually working your redesign through everything published by AOL?

Everything. The first day we integrated Huffington Post, it had Project Devil on it.

Who else do you think is doing it right?

Hearst is doing an interesting job of looking at the brand-ad space. Some of the Conde Nast stuff is very good. Look at the new Vogue; they've done a good job. I'm not a huge fan of pushdown ads.

It's admirable that you're giving the user more control.

Users are smart. We start with the premise that if you put something up that is actually reasonable and well designed, users will understand it. We shouldn't be tricking users into being exposed to ads or engaging with stuff. One of the things we've just started working on is Project Devil for video.

Same 20-percent concept?

Yes. [He plays a sample showing a Project Devil video prototype.] The idea is to have a fifth of someone's time. We're measuring it to find out what works best, but it's the same idea with video.

So in that case, it's duration, not just spatial?

No, it's also spatial. It's time and space. We're also connecting Devil locally on Patch. For example, local display ads haven't been designed for car companies. Car companies have their

"SOME PEOPLE SAY CONTENT ON THE WEB ISN'T GOING TO WORK, BUT IT'S NOT THE CONTENT THAT'S THE PROBLEM; IT'S THE ADS THAT ARE THE PROBLEM. AND THAT'S WHAT WE'VE BEEN TRYING TO SOLVE."

advertising broken up by national, super-regional and local. Project Devil enables them to put all three components on the page, based on the way they break it up nationally and locally. It allows them to show the design of the car, show what the pricing is for that region, and show what dealer you can go to. And they can connect it all in the same unit. [Armstrong opens a Google search bar to begin looking for samples of Project Devil campaigns.]

So you still use Google to search for things within AOL? Is the user focus of Project Devil a backlash against the algorithmic experience you had at Google?

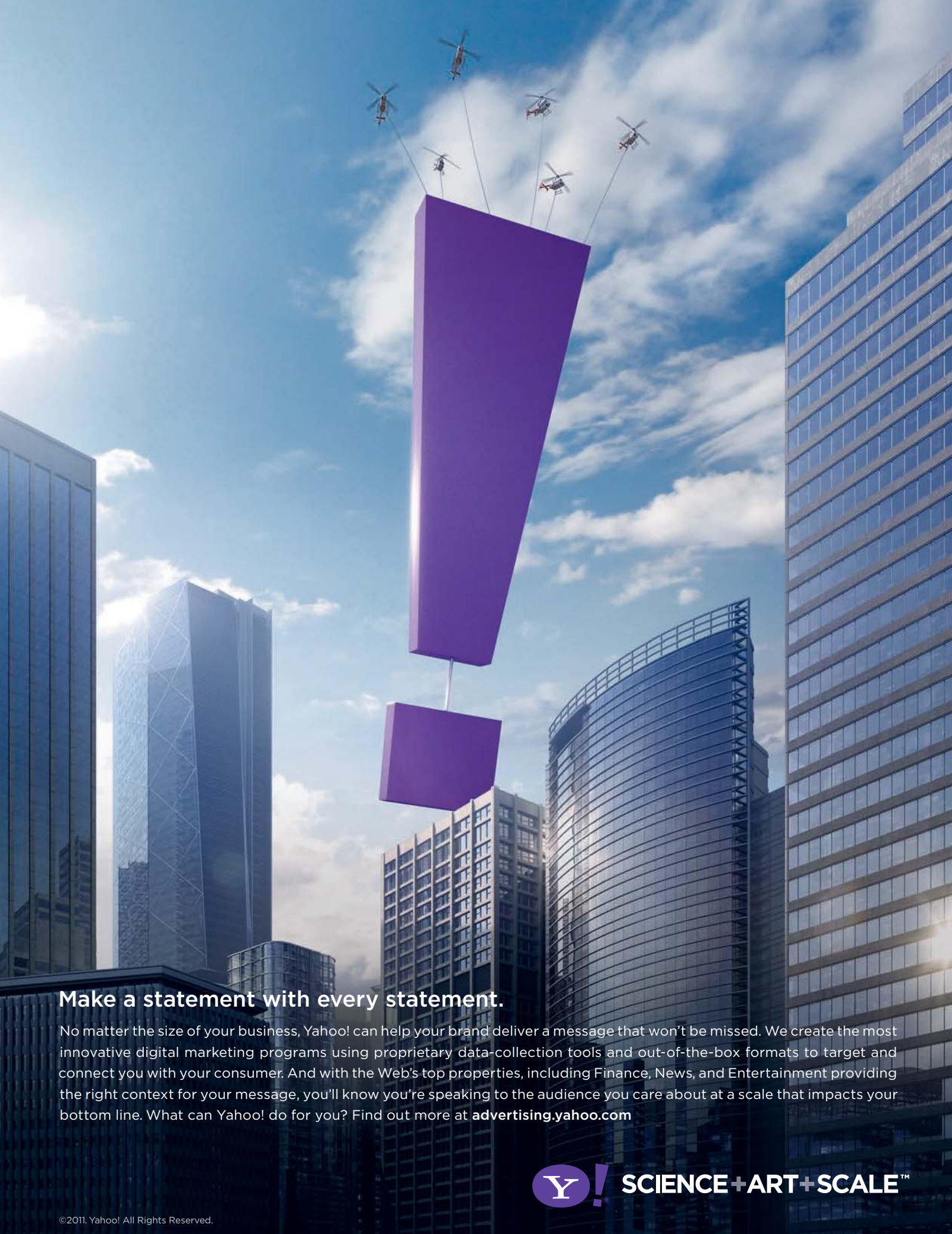
Well, it's not a backlash. Search works very well for what it was designed to do. AdSense launched out of my group at Google so that we could bring relevant ads to you all over the Web. But it was all designed around that lower [marketing] funnel, and it always seemed like the top of the funnel was the largest opportunity for where the Web is going in the future.

And Project Devil is a good test case, because you've managed to improve your CPM by improving that experience.

Some people say content on the Web isn't going to work. But it's not the content that's the problem; it's the ads that are the problem. And that's what we've been trying to solve. [He pulls up an example of a Sprint ad for the "first eco-friendly phone," which is capable of being recharged with solar energy.] Let's just say Sprint came to us, and we put up a tiny banner to show this. What it would say is, "Buy this for \$19.95. It's the first eco-friendly phone," and the user might think they are going to be tricked into something, versus what this is: the ability to actually demonstrate what the phone is, how it works, and why it is different. And then tap into our other assets, like MapQuest, to find a store locator, and find a Sprint store near you.

Is there any other technology you need to enable what you're trying to do?

I think we're pretty good on technology right now. We'll probably keep adding technologists and more engineers, and we'll make more acquisitions if it makes sense, but for now, we feel like we've done a pretty good job of getting the right talent at the company.



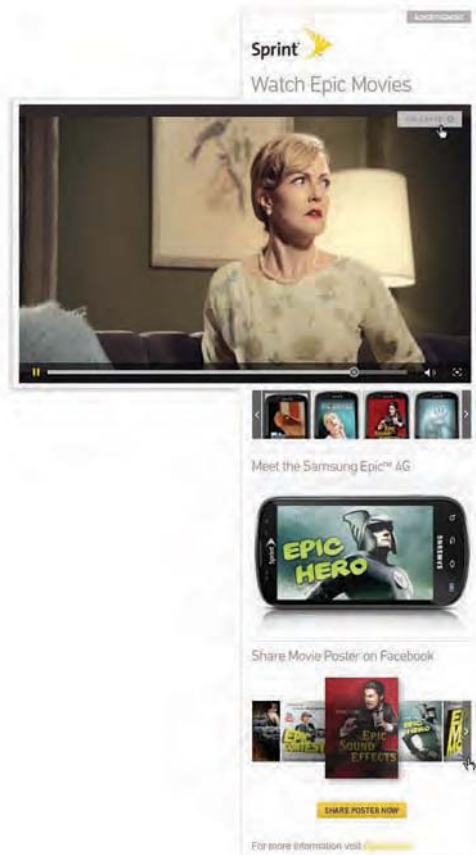
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Sprint Project Devil
expandable video



While you've been building out your redesign and technology overhaul, you've simultaneously been making content plays. How has this influenced the display advertising story you're trying to tell?

I think it is important for us to have really good content brands. It's analogous to American Express sponsoring the U.S. Open. Marketers want to be in areas where their brands are going to get an uplift from the environment. One of the things we have to do to create better brand advertising experiences is make sure our content experiences are great. And right now, we are probably one of the largest investors in high quality

content on the Web. And I think we will probably continue to do that. It is tied very closely to this project.

So basically, you've been zigging while other people are zagging online?

A lot of people still don't understand what we're trying to do. They think it's "bigger ads, bigger ads," but it's about creating a better user experience. This is powerful. It's still a very, very small percentage of our total inventory, but it is growing. But eventually it will become the majority of our inventory. We need to spend time with the creative agencies to get there. And you have to sit

down with advertisers to say, "You have to treat this like content." And that is going to take more work, but the results are going to be better.

Aren't they moving in that direction anyway? All we hear about these days is the mix of "paid, earned and owned."

It is. Most of the time when we sit down with marketing people at a company their content people are in the meeting. And the content person might spend \$50 million a year creating things like white papers and videos that they're not actually deploying as part of their brand content. So there is a productivity issue that we are trying to solve, too. ☐



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ads reach
adulthood,
are mixed
metrics,
new
platforms
and angry
consumers
keeping
them
from fully
maturing?

BY JOHN CAPONE

IN THE BEGINNING, ONLINE ADVERTISING WAS SOMEWHAT SIMPLER THAN IT IS TODAY. Even without going back to the Paleolithic Era of the Internet (remember rotating GIFs and flashing "Click Here!" text?) the job of policing online display ads — making sure embarrassing snafus and horrifying ad adjacencies didn't happen — was once the domain of actual humans. These humans were called ad traffickers, a holdover from a pre-Internet time when the role's toughest task was simply to make sure that the Chrysler ad didn't run right after the Lincoln spot during one of "Dynasty's" commercial breaks.

But display advertising quickly outgrew these traffickers. Placing online ads now has little to do with living, breathing humans. Instead, the industry has long been immersed in an automated process involving networks, exchanges, optimizers, servers, DSPs and so much more – as epitomized in the ad tech ecosystem chart from Luma Partners' Terence Kawaja.

And those horrifying ad adjacency problems have yet to be eradicated. But, while media reporters have had a lot of fun playing gotcha games of "Deeply Unfortunate Ad Adjacencies," we generally read each story and move on, chalking the errors up to growing pains. Display advertising is going through puberty, we think, and sure, these growth spurts can be awkward and painful – but wait until it's all grown up. And one sure sign that our little guy is getting there is that he's moved on from his paper route and is about to start bringing in some serious coin.

According to eMarketer, U.S. online display-ad spending will reach \$21.99 billion by 2015 (up from \$9.91 billion last year) and surpass the spending on search (projected to be \$21.53 billion) for the first time. This growth is mainly driven by banners and, especially, video ads: From 2010 to 2011, spending on video ads in the U.S. jumped more than 52 percent to \$2.16 billion.

But, like a rambunctious teenager whose brain hasn't quite caught up to his body, video ads and new types of expandable banners can sometimes get themselves in trouble. They just don't quite fit into the ecosystem yet, and occasionally they get a case of raging hormones, leaving the consumer to wrestle with an ad that refuses to close, or two video ads doing battle on the same page.

Then throw in mobile, that toddler going through its terrible twos, and you arrive at real chaos in the display advertising family.

Family Values

The goals of display advertisers are, of course, varied. Mention click-through-rates (CTR) to any researcher or marketer and you are likely to get an eye-roll of epic proportions; most would like to leave this metric to the direct-response campaigns from which it arose.

Rather than focus on CTR, which has held steady at .10 percent, marketers point to such engagement metrics as time-spent to support their argument that display works for much more than direct response.

And, as media goes social, mobile, local and real-time, display has the opportunity to move further down the purchase funnel – melding its art (the catchy and attractive ad) ever more inextricably with the science of data and the morass of all those ad-technology companies vying for slivers of the pie.

"With video becoming a big part of the ads we deliver, whether in-banner or in-stream, our time-spent benchmarks have grown year-over-year," says Cat Spurway-Helper, senior vice president of strategy at PointRoll. "On average, people are spending 14 seconds on ads served by PointRoll – that is a long time. And we've dug into those numbers, thinking about why these have gone from maybe nine seconds in 2005, to 10 to 11 to 12, and now we're at 14 for 2010. A lot of it has to do with watching video content – and users now knowing 'I can roll over this ad.'" (DoubleClick, meanwhile, reported average interaction time dropping from 10.5 seconds in 2008 to nine seconds in 2009.)

"Display media is at a critical inflection point," Kawaja declared at Google Zeitgeist in late 2010. That was before Google swallowed one of the biggest fish in the pond, AdMeld, for a rumored \$400 million.

"There is this movement toward thinking about display advertising in much more of a branding context," says Andrew Lipsman, senior director of industry analysis at comScore.

Many credit ad-verification technologies, primarily used as auditing tools at present, with helping to make brands feel safe online.

"While auditing is now considered table stakes for a verification provider, the real power of these technologies is still being realized," wrote Forrester senior analyst Joanna O'Connell in a report. Forrester expects pre-impression decision-making (currently being tested by DoubleVerify, AdXpose and AdSafe) to become standard, with audience verification of the sort promised by Datran Media and Click Forensics (most well-

known for its click-fraud solutions) to be a bit further off, but not by much.

"It's always been a challenge for brands to justify spending money online because of the unclarity about the metrics," says Eldad Persky, vice president of product planning at Media-Mind. "It sounds counterintuitive, because digital is widely assumed to be the most measurable medium. Online you have a lot of data, but not specifically on the actual impact."

"Some very large advertisers that don't really sell products online, consumer packaged goods for example — say Kraft or P&G," notes Lipsman, "now have more incentive to bring more of their dollars online, because they real-

DISPLAY ADVERTISING IS GOING THROUGH PUBERTY, WE THINK, AND SURE, THESE GROWTH SPURTS CAN BE AWKWARD AND PAINFUL — BUT WAIT UNTIL IT'S ALL GROWN UP.

ize there's this branding value."

There's really only one metric that counts. "The bottom line," Lipsman says, "is that there's a reason why display advertising exists: it does work. It may not work in every case, but certainly there's the opportunity for it to work." Especially with larger campaigns, Lipsman points out, there's the potential for much greater measurement of the deeper effects.

"Ultimately you have to map back to a campaign objective," says Lipsman. And display catching up to search in marketing dollars makes perfect sense. "Essentially you're reaching consumers through targeting lower down the funnel. Kind of hitting that point between a traditional large-scale display campaign and lower down the marketing funnel toward search."

That efficacy is a result of the relationship between the various ad-technology players. "It's a partnership between the ad technology companies and the publisher," says Spurway-Helper.



But it all comes back to the brand's goal. "What am I trying to accomplish? It's that marriage: making sure you have the right ad for the right audience at the right time." And in the perfect marriage, the couple is good-looking and has perfect timing.

"Automotive really gets it," says Spurway-Helper, offering that vertical as an example of technology and creative coming together to serve both branding and direct response ads at the right time and in the right way. For the branding goal, he says, the marketer's aim is "Let's show the car, let's show images of the car, let's show pictures of the interior, let's get someone excited about the look and feel of the vehicle." Then, the direct response goal becomes getting potential buyers into the dealership: "Let's give them that localized offer and make it less about the time spent with the ad and more interactive to get them into the store." So it's more about functionality than format.

The industry on the whole is getting a lot smarter about ads, says Lipsman: "In the early days, what you had was the 'Spray and Pray' approach, where basically these display ads were treated as commodity impressions and you just put them anywhere and hoped they worked. And also people were typically measuring them by click-throughs." Now, he says, with more eyeballs online, a rapidly multiplying inventory with which to reach them, and much better methods for doing so, brands are doubling down and appreciating the lift they see from campaigns beyond just clicks.

"Inventory is exploding," says Persky. "If a few years ago, people were exposed to 100 ads, today they are exposed to 1,000. So, advertisers clearly need to work on the effectiveness of the ads, and [on] providing really tailored messages."

Yet Spurway-Helper worries that "we've become a little algorithm-obsessed lately, and we're sacrificing creative in doing that." She's concerned that "Spray and Pray" has been replaced, to some extent, by "Program and Pray."

Lipsman is confident the market will correct for any bad actors in this drama. Kawaja would likely agree with him (and come up with a simpler chart once Atlas is done shrugging).

All Families Are Dysfunctional

"Online there are so many channels — between earned and owned — it's become extremely challenging to have some kind of a sensible conversation with the consumer," says Ariel Geifman, principal research analyst at MediaMind, "to ensure that your message makes sense, that it's consistent with the previous exposure. And that goes back to the management of data." Geifman says that a lot of companies are trying to "aggregate the data in one place, reduplicate it [and] normalize it so it can be used to drive marketing activity and optimization and activity across the multiple channels." In the end, for consumers, it means "a consistent conversation that makes

CONSUMERS CAN REACT WITH DISINTEREST AT ADS, BUT DISCUSSION OF DISPLAY ADVERTISING'S CURRENT GOLDEN GOOSE — RETARGETING — CAN MAKE THEM CONFUSED AND ANGRY.

sense and creates a continuous conversation with the brand."

And therein lies one of the principal challenges for display advertising: tracking how consumers behave across multiplying and fragmenting channels and devices.

"While today online advertising is pretty dominant, we are seeing the mobile platform becoming more and more significant," says Persky. "Advertisers need to figure out how to combine multiple screens and how to track and understand consumer behavior across different devices."

Geifman adds that getting a comprehensive view of ROI in different channels, including so-

cial, and of how they interrelate, will be increasingly important in the coming years. "Most people don't even try to see the connection between the display campaign and the search campaign and the social activity that corresponds to it and to plan those activities in a concerted way," he says. "Those are things that are yet to develop."

"As the user hops between screens, each one would have its own trait, characteristic or opportunities for engagement," explains Gefen Lamdan, senior manager for product planning at MediaMind. "Eventually it should be the same messages that cross — and create some consistency between the advertiser and the consumer."

Landman points to the e-wallet as being a potential game changer in data collection, and one that could ultimately result in being able to measure display campaigns in much more solid ways. "Mobile activity will make it easier to connect between online activity and offline conversion," he explains, and the e-wallet "will affect the way we look at online/offline data." For example, such marketing activity as couponing can be done through display advertising and connected to actual in-store real-time buying.

Then there are tablets. While the new gadgets may have publishers fired up, they're a bit of a conundrum for display advertisers. Neither mobile nor PC, they offer a new set of challenges and opportunities. Tablets are leisure-time devices (which may play to dayparts, as opposed to the worktime use of PCs). They are portable, but not always-on like smartphones.

Spurway-Helper notes that touchscreen devices require a different kind of metric analysis: "You have to tap to expand, and from a metrics standpoint, these [are] more akin to 'click to expand' ads on a laptop or PC than they are [to] rollover." And perhaps an even more important tablet metric from a branding perspective may be elevated view-times.

The Creative, Angry Child

One online ad area that has largely resisted automation into the convoluted ecosystem is the creative. And most parties agree that online creative has been improving greatly.

As Spurway-Helper says, "PointRoll was built with the idea in mind that no one goes online to look at ads. So it has to be about the user experience. By protecting that user experience, the advertiser and publisher can create stronger favorability and ultimately stronger performance for the ads by thinking about the user."

Consumers can react with disinterest at ads, but discussion of display advertising's current golden goose — retargeting — can make them confused and angry. As one commenter on a recent marketing story extolling retargeting's virtues wrote, "As a consumer, all i see retargeting (legalised spam) as, is more crap thrown at you which just turns you off, when i get 'retargeted,' a 10% discount for returning is rubbish, if i didnt buy fist time i will not return."

"If you ask consumers, in a lot of cases they'll say they don't like advertising," says Lipsman. "But then when you frame it and you say, 'Would you rather have advertising or pay for content?,' the vast majority of them say they'll take advertising."

Then there is always the consumer who says, 'Screw you guys,' picks his ball up from the field, and takes it home. This is where Ad Block Plus comes in. Ad Block Plus is not a pop-up blocker, mind you, but a browser extension that prevents any display ads whatsoever from showing up. It's been around for a few years now, in one form or another, but seems to be gaining momentum as of late.

And it's picking up steam at the same time that some industry players, like Adkeeper, Moat and Spongecell, are banking on exactly the opposite user reaction — that consumers will be so psyched by improved creative they'll increasingly want to share and even save online ads.

Ad Block Plus ironically received a Member's Choice award this year from Online Publishers Association member and New York Times-owned about.com, a site that relies on display ads for its existence. The extension is coded and updated by a group of volunteer programmers with no discernable upside or profit motive. They are seemingly driven by nothing more than a desire to disrupt the display advertising marketplace.

Perhaps Terence Kawaja should add them to his chart. ■



**IT'S AN UNCOMFORTABLE
MOMENT IN ANY
JOURNALIST-TYPE
PERSON'S DAY** when the interviewee turns the tables and starts asking questions. It's even more disconcerting when that journalist lacks even the barest hint of a clue as to the answers.

Such was the situation in which I found myself during the first interview for this story, which I'd elegantly pitched as "Why does online display advertising suck eggs?" The person on the other end of the line was Daniel Ruby, research director for online insights at Chitika, an online ad network/data analytics consultancy. After I prodded him with numerous leading and largely theoretical questions about display ads — "Where did we

go wrong?" "Who is to blame?" "And be so courteous as to name names, please," etc. — he hit me right back with a query that, unlike mine, was neither dramatic nor overly labored. What he asked me was this:

"What is the best or most memorable piece of online display advertising that you've ever seen?"

I spent the next 40 seconds in a state of tongue-tied frenzy, rifling through my mental attic for something, anything, that had left an impression. All I

**DIS-
PLAY
ADS**

*Can't
cite any
memorable
banners?
Creative
and
targeting
come to
the rescue*

BY LARRY DOBROW

DISMAY ADVERTISING AND ME

could summon were “punch the monkey” teases, blinky graphics promising mortgage reduction, shoot-the-ball-in-the-hoop time-wasters, and bits about how to receive “one tip for a tiny belly.” I recalled thinking that the latter was the most ubiquitous ad in the history of online advertising; I remembered refusing to click on it, just on general principle.

But I could not come up with a single non-schlocky display ad that had left its fingerprint on my imagination. Ruby just laughed. I sensed that he knew the answer to his question before he asked it.

So where are we, exactly, in the evolution of display advertising? It largely depends on whom you ask. SEO-inclined execs paint the picture of a good idea fumbled and rendered irrelevant by the ad technologies that followed. Display zealots acknowledge its flaws but suggest that a comeback is in the offing. Media and marketing pundits mostly shrug, citing the inherent challenges faced by any Internet advertiser — namely, that it is nigh on impossible to capture users’ attention in an environment where they can just as easily check email, tweet or do a quick drop-in on a favorite Web destination as engage with a piece of force-fed ad content.

The reality, obviously, lies somewhere in between. One thing they all agree on, though, is that they wish display advertising could take a mulligan and start from scratch. Knowing what we know now, they say, display advertising could



be reinvented as the catchy, clever marketing tool/venue hybrid it was once expected to be. It could even — gasp! — help sell stuff.

“[Display advertising] started from the perspective of ‘We know TV and newspaper and magazine advertising. We’ll use the same metrics and same thought processes,’” Ruby explains. “That put us in a deep hole that we are still climbing out of.” Doug DiFrancesco, president and founder of SEO/SEM firm Future Beta, agrees: “Everybody treated [display advertising] like traditional marketing, but it’s very different. As a result, it became just another place where people threw money.”



Even as they more or less agree that display advertising is in a far better place than it was a few years ago, pundits don’t lack for ideas about how they’d revamp it. Among their primary bones of contention is the creative content itself, which they alternately describe as irrelevant, off-brand and half-assed.

“Online advertisers tend to myopically focus on data, and the creative shows it. Ads turn out looking pretty lifeless when you’ve turned the whole creative process into a math problem and have ignored classic advertising elements like emotion and storytelling — the hard-to-measure elements that typically drive long-term brand



Pictela ads for H&M, Merona and Macy's allow users to engage without leaving the Web page.

business while working in corporate marketing. There, as part of a deal for print ad space, the sales guy calling on him offered to throw in banner ads for free. "What he said was, 'Nobody clicks on them and they don't really work, so I'm not even going to try the hard sell,'" Younger recalls. "There was nothing in the ads that mattered. They might as well have been blank."

It doesn't help that display ads never truly registered on Madison Avenue's radar. Enamored of the bigger budgets and broader artistic canvas afforded by television and print advertising, many firms barely bothered with display. "Let's face it: The medium

But before Kurnit, Younger and their similarly inclined peers can fill the creative void, they need somebody to rezone the 468-by-60 pixel space generally allotted to display.

Until the tech guys/gals learned how to embed Flash and other tchotchkes within a banner ad, there was only so much that could be done with the space. If marketers went the info-heavy route, users found the ad cluttered. If they attempted to keep the space free and airy, users found it to be uninformative.

Any number of entities are working on this problem. Spongecell and Pictela get raves for their superfunctional, super-sized ad units, which let users engage without leaving the Web page. Pundits roundly praise a recent Pictela ad unit for JetBlue,

EVEN AS THEY MORE OR LESS AGREE THAT DISPLAY ADVERTISING IS IN A FAR BETTER PLACE THAN IT WAS A FEW YEARS AGO, PUNDITS DON'T LACK FOR IDEAS ABOUT HOW THEY'D REVAMP IT. AMONG THEIR PRIMARY BONES OF CONTENTION: THE CREATIVE CONTENT ITSELF.

strength," says one exec.

That exec, Miles Younger, clearly has a horse in this race. He's the cofounder and chief of marketing and business development for Canned Banners, whose flagship product helps small- and medium-sized businesses create their own Flash-enabled display ads. He happened upon the concept for his

doesn't allow for the same creative expression as TV," shrugs Scott Kurnit, founder and chief executive officer of AdKeeper, a firm that allows users to mark ad content with a "keep" tag and store it. "[Agency creatives] would rather do TV commercials and put them on their reel — 'I'm busy over here shooting a \$150,000 commercial.'"

which boasted eight video sub-units (for a total of 20 minutes of content total). The Internet Advertising Bureau is on the case, throwing its weight behind a handful of "brand friendly" (their words, not mine) "Rising Stars Ad Units." AOL is in the mix with its spookily named "Project Devil" (larger ad units, fewer on the page). "There's no reason

Web pages should look the same as they did 15 years ago," AOL's home page proclaims.

The area where critics of display advertising would most like to hit the reset button, however, is in setting up metrics to gauge effectiveness. While marketers have moved beyond counting clicks — a good thing, given that non-accidental click rates had descended into hundredths-of-a-percentage-point territory — they're still not sure how to accurately measure user engagement.

"Once advertisers — not just ad agencies — started be-

elbowed in on the creative process — most critics of display ads believe that they're poised for a renaissance. That's the word they use over and over. They make a powerful case for a potential rebirth.

First and foremost, they caution that the Internet remains in its infancy, relatively speaking. "Web advertising is 15 years old. You can't expect everyone to get everything right in only 15 years," Kurnit cautions.

In that context, display-ad boosters and cynics alike express great optimism about forthcoming tools, toys and

Levin also notes a shift in display-ad creative, especially in its service of the brand. "You hear so much about how advertising work in this medium is unique, but it still needs to be on-brand," he continues. "Finally we're starting to see those brands properly represented in their display advertising, not just in terms of look and feel but also in terms of messaging. [Advertisers] are owning their brands."

Thus on a fine, summery June morning, I set out to answer the most important question of all: how effectively are the good/bad/tired/improving/post-SEO/

SURELY AND SLOWLY, THE CONTENT DELIVERED TO MY SCREEN HAS STARTED TO COINCIDE WITH MY INTERESTS. BY MY ROUGH CALCULATIONS, THE TARGETING HAS IMPROVED 7,250 PERCENT IN RECENT MONTHS.

ing able to get their hands on very granular numbers about the effect of their online campaigns, they did what any smart businessperson would do: they started to pay attention to the ROI and the click-through rates and the quality of the traffic," Ruby explains. "They weren't seeing what they needed to see and the spend shifted away. That's part of the problem for display advertising."

Yet amid all the talk about creative and measurement issues — not to mention the occasional snide remark about how media-first agencies have

tweaks to the system. David Levin, president of the creative and technology group at interactive agency 360i, points to an expansion in the amount of space and consideration afforded to online advertisers. "We're seeing a larger area for the kind of messaging and interactivity clients want, and we're seeing better and more integrated placements within the content page," he says. "Brand marketers need the ability to bring data easily into those spaces — retail locations, Twitter feeds, whatever. All those pieces have to come together."

pre-renaissance/new-'n'-shiny/old-'n'-clunky versions of online display ads targeting and captivating their most essential audience? That is to say: me.

The short answer: pretty well. I remain thoroughly nonplussed by the big honkin' marketing brick that Yahoo has seen fit to plop down in the middle of my home page, which rarely serves up anything more diverting than pitches for new Groupon-esque entities. But surely and slowly, the content delivered to my screen has started to coincide with my interests.

By my rough calculations, the targeting has improved

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7,250 percent in recent months. I go browsing for running shoes at Holabird Sports, and days later comparable models

are still popping up atop and alongside my Web content. I price guitar strings at four or five different sellers, and I'm served with special display offers from Musician's Friend and juststrings.com. None of this feels remotely invasive — and that comes from a guy with profound Web/privacy paranoia issues, which manifest themselves in the form of thrice-daily cache clearings. I'm doing everything within my power to trip up the trackers, yet they're still finding a way to serve me? Bravo, cyborg algorithm terminatrixes, bravo.

Furthermore, the display-ad servers can't be gamed, at least not by someone with my minimal intelligence and expertise. I've been doing extensive research for a series of stories on pharmaceutical marketing, which has involved typing drug names into my Chrome browser bar and hoping my clumsy phonetic misspellings correlate with actual products. Happily, display servers have recognized this as what it is — a severe deviation from my regular browsing practice — and refrained from assaulting me with pitches for Zaroxolyn or Levatol.

As for the creative within the display ads I'm being served, I'm torn. On one hand, the video within the aforementioned JetBlue ad is a true marvel, well-tailored from a content perspective and properly dimensionalized from an intrusion/engagement perspective.

On the other hand, umpteen years of invasive, dopey and just plain irrelevant display ads have conditioned me to ignore everything within their borders. The JetBlue ad crossed my path multiple times before I engaged with it. That could be the ultimate barrier to the display resurrection: the whole fool-me-once/fool-me-twice thing. The second wave of display ads has been done no favors by its predecessors.

Right after he chuckled at my inability to identify a single compelling display advertisement, Chitika's Ruby stressed that point: an Internet-wide case of ad-amnesia would be the best thing to happen to marketers hoping to resuscitate their display-ad campaigns. Of course, he's already been well served. Hoping to atone for my inability to answer the question about memorable display ads, I threw it right back at him, à la, "So, uh, what's your best/coolest display-ad experience?" I might have punctuated this with a few fist-pumps and a boo-yah! or three.

Ruby doesn't miss a beat. "Oh, there's one I've seen over and over for the past two months, for an online role-playing game called Rift," he responded cheerily. "What they don't know is that I'm already playing it. At this point with me, it's kind of a branding exercise — 'Oh, I should play some Rift later.' They're not going to get any more money out of me." He then laughs the laugh of a guy who's beaten the system. ▣

AOL's Project Devil ad units are larger, and fewer.



THE 100 MOST



FACEBOOK

What can we say that nearly 600 million users haven't already written on your walls: "We like you, we really like you." Actually, there's a new status update on that. While Facebook remains the undisputed champion of the online publishing universe, it actually experienced the first significant churn in its user base this year, and the digintelligentsia are already betting that it's on the wane. Tell that to the marketers and agencies that are expected to invest upwards of \$3 billion in display ads on the social network, which will make it the top display-advertising dog in the next year, according to projections from eMarketer. That, plus being a continuous engine for social change (did you hear about the Arab Spring?), plus the fact that it has emerged as a digital-media ecosystem unto itself, supporting and spawning new markets of developers of a magnitude we haven't seen since Microsoft, Apple and Google, is why Facebook moves to the top position on OMMA's 100. Tweet that.

IMPORTANT ONLINE PUBLISHERS



#2 THE NEW YORK TIMES

The Old Grey Lady ain't what she used to be. Actually, she's better than ever before, remaining the universal gold standard for premium content in a world of infinite information clutter. The problem is that she hasn't been getting any premiums for it. The shift from analogue advertising dollars to digital dimes has

taken its toll on the economics of the greatest news organization the world has ever seen, making the quality and reach of its content all that more remarkable. While it got bumped out of the number-one position on OMMA's 100 by a super-ascendant Facebook, the Times gets extra points this year for once again tackling the "pay" model. Let's hope it works this time, so that we still have some content worth paying for — even if we don't actually pay for it.

#3 HUFFINGTON POST

Arianna Huffington was the poster-child successful, native Web publisher before her \$315 million deal to sell The Huffington Post to AOL. Since then, she has emerged as one of the

most powerful publishers on the Web, putting HuffPo at the center of one of the Web's biggest news, content and lifestyle portals and becoming its editor-in-chief. Huffington says she'll do for the giant content portal what she did for HuffPo: make it the center of the online universe.

#4 NETFLIX

Netflix has managed to do what no broadband publisher has managed to do before it: prove that the Internet is as capable as cable, satellite and terrestrial television platforms of distributing long-form film and TV content. But Netflix is more than just a packager and distributor of other people's programming. Its user-ratings and

recommendation engines have emerged as a crucial platform for navigating filmed entertainment, making us wonder why they don't simply spin that business off. Netflix's next big act will be as an original content publisher, entering into a production deal with David Fincher and actor Kevin Spacey to develop "House of Cards," an hour-long political drama that will be distributed exclusively by the "Watch Instantly" online subscription service.



#5 PATCH

Founded by former Google sales chief Tim Armstrong before he was CEO of AOL, local online news reporting hub Patch has since been acquired by AOL and is now the core of the company's hyper-local media strategy. With a network of more than 500 community news reporting sites, Patch now rivals much, maybe most, of local newspaper and TV coverage. It's also becoming a big factor in AOL's attempts to convince Madison Avenue to act local, even as it thinks global.

#6 AOL

Tim Armstrong has his detractors, so it's not surprising that

since he took the helm of an already beleaguered AOL, many of them have come out of the woodwork. He threw fuel on their fire when he immediately started subverting expectations, paying handsomely to acquire influential content publishers like TechCrunch and The Huffington Post, and then committing the ultimate act of online publishing heresy: reducing the amount of display-advertising inventory AOL sold. The short-term result has been a hit on AOL's quarterly earnings, but the most recent figures have begun to show a pay-off, with display-ad revenues rebounding. What the critics failed to understand was that Armstrong was actually redesigning the AOL user's experience and the impact for advertisers hoping to engage them (see related story, page 31).

#7 GOOGLE

From its flagship search site to YouTube, Gmail, Blogger, Google Maps, Google Docs and so much more, Google continues to capture eyeballs across the web.

#8 THE WALL STREET JOURNAL

#9 FOX NEWS

#10 CNN.COM

#11 WIKIMEDIA

Wikimedia has been courting Madison Avenue to develop sponsored wikis for brands and content that can benefit from

wiki-based communities. Flagship Wikipedia is published in 281 languages and is the largest and most popular general reference work on the Internet, ranking seventh among all sites on the Web. How do we know that? We looked it up on, Wikipedia, of course.

#12 BLOOMBERG.COM

#13 ESPN

#14 AL JAZEERA

The Mideast-based news service may not be able to get U.S. cable affiliates, but viewers this year flocked to its Web site for the latest developments in a volatile region.



#15 WAEL GHONIM

It may not have actually begun with Wael Ghonim, but the former Google Egypt exec has more or less become the poster child for the role social media – and the Web in general – played in galvanizing the Middle-Eastern democratic revolt that has been labeled the "Arab Spring." In 2010, Ghonim created a Facebook page enti-

tled "We Are All Khaled Said," named for the young Egyptian who was tortured to death by police in Alexandria. The page became a lightning rod for dissidents and helped them organize the anti-government protests leading up to the Jan. 25th revolution.

#16 TWITTER

Reaching an all-time u.s. high of 27 million visitors in May, according to comScore, twitter.com was up 13 percent over a year earlier. And, comScore notes, 85-90 percent of Twitter users visit the site each month.

#17 CHARLIE SHEEN

4.3 million Twitter followers. 'Nuff said.

#18 ASHTON KUTCHER

He not only has seven million Twitter followers, but #17 Sheen's replacement on *Two and a Half Men* is also co-founder of Web production company Katalyst.

#19 YAHOO

#20 THE WEATHER CHANNEL

When a winter storm hit most of the country on Jan. 31, the site had a record 126.7 million page views.

#21 FUNNY OR DIE

The brainchild of funny man Will Ferrell publishes original video content and allows users to upload their own funny videos.

#22 WIRED

Could tech geeks get any cooler? Wired has been doling out

the latest tech news since 1993 in their print magazine and now in multiple daily updates to their site.

#23 CONDE NAST DIGITAL

The print magazine publisher's digital network includes everything from fashion to technology.

#24 WEBMD

#25 REUTERS

Unlike rival Associated Press, which directs consumers to its clients' sites to read stories, Reuters has made its Web site into an ad-supported world-news destination of its own.

#26 ASSOCIATED PRESS

#27 MARKETWATCH

Dow Jones' site for financial news and information.

#28 CNET

CBS-owned, consumer-friendly site for reviews of and news about computer-related hardware and software.

#29 CBS SPORTS

#30 NBA.COM

Of all the major sports leagues, the NBA was the earliest and savviest about engaging its fans through social networking. Its website continues to fire on all cylinders with new features, including an All-Access Member Center and 24/7 NBA TV.

#31 MLB.COM

A baseball fan's always-evolving

paradise, now featuring free online streaming of selected games, up-to-the-second stats and scores, and an exciting "Beat the Streak" fantasy competition with an amazing \$5.6MM grand prize.



#32 NPR.ORG

Okay, so NPR is steeped in the old media world of radio, but it's probably the savviest broadcaster at leveraging its content via digital media, whether the audience is old fogeys like us, who simply download podcasts instead of turning the dial, or members of the "Twitter generation," who have come to depend on its tweets. According to a study by Mashable, the average NPR follower on Twitter follows between two and five NPR accounts. That makes sense, because the diverse content streamed by NPR includes some of the best news and public affairs reporting – shows like "All Things Considered," "Weekend Edition," "On Point," "Fresh Air" and, our personal favorite, "On The Media" – offered by any publisher online or anywhere else.

#33 PBS.ORG

#34 TED

The network of global conferences seeks to get out “ideas worth spreading.” World leaders, thought leaders and even community leaders are given a platform to inspire the masses.

#35 ALL THINGS D

Dow Jones’ site for news and opinions on technology, media and the Internet.



#36 MASHABLE

Mashable is the only “trade” publisher on OMMA’s 100 list, which is kind of interesting when you consider that it more or less competes with us. But Mashable is more than just a publisher of industry news and information about online, tech and especially social media. It’s a hub and meeting ground for social-media developers and evangelists, and it’s a symbol of the medium’s ascendancy to the top of the digital media ecosystem.

#37 CNBC

Boasting three to eight hours of Web-exclusive live video daily, CNBC.com aims to be a financial destination both com-

panionable with and distinct from its sister cable network.

#38 ABC NEWS



#39 GAWKER

Since its inception in 2003, Gawker has been a must-read for the media intelligentsia, wonks and propeller heads, owing to its insider industry gossip and news. But founder Nick Denton has kept it fresh by challenging online publishing business models, from the pay-for-scoops approach to breaking news, to embedding advertiser content and narratives. The bottom line, he says, is whether people keep reading. And we most certainly do.

#40 IVILLE

This women-centric site caters to all aspects of a woman’s personal life – from family to health to style – with articles, recipes, quizzes and standard advice.

#41 MSN

MSN.com offers visitors news, sports, MSN Money, games, videos, celebrity gossip, weather, shopping and other content, plus access to other Microsoft services like Hotmail, Messenger and Bing.

#42 WIKILEAKS

At press time, the most recent story on WikiLeaks’ home page was two months old. That would be anathema to other news sites, but Julian Assange’s new breed of

hacker-inspired journalism has proven highly influential. The buzz continues to sizzle long after previously secret government documents regarding Guantanamo Bay, the Iraq and Afghan Wars and other issues were revealed.

#43 THE DRUDGE REPORT

The Drudge Report exploded onto the scene in 1996 when founder Matt Drudge was the first to report on the Clinton-Lewinsky scandal. Since then, it has been an important news aggregator for readers who like their news fresh and juicy.

#44 MSNBC

With big partners like The New York Times and The Washington Post, msnbc.com hands out reliable news stories alongside content from NBC’s on-air news programs.

#45 THE DAILY BEAST

Tina Brown's three-year-old IAC-owned news site merged with Newsweek during the past year.

#46 SOUTH PARK STUDIOS

Every episode of the Comedy Central series for free, plus anything else you can think of related to the show.

**#47
CURRENT**

Okay, so Current isn't exactly MTV, but under former MTV chief Mark Rosenthal, it's begun to find a unique voice in the transmedia marketplace. So what if that voice is a re-tread of MSNBC's? We're pretty confident that Keith Olbermann will prove to be the kind of franchise programmer who will finally bring Current up-to-speed with Madison Avenue.

#48 MARTHA STEWART**#49 YOUTUBE****#50 HULU**

Netflix (see #4) may have the subscription buzz, but Hulu's free network shows have viewers streaming in.

#51 THE ECONOMIST**#52 GUARDIAN.CO.UK**

The venerable left-of-center British daily and its Sunday sister, The Observer, have greatly increased their international visibility thanks to their free Web site, which runs practically all content from the print papers, plus such Web-only fare as dozens of topic-specific blogs.

#53 THE WASHINGTON POST

Forever relegated to the status of little brother to The New York Times, The Washington Post's Web site stands out for its ease of navigation and outstanding reporting. And it's free.

#54 USA TODAY**#55 THE CHRISTIAN SCIENCE
MONITOR****#56 ZDNET**

Not many Web sites can tout a 20th anniversary banner, as ZDnet is doing this year. Begun as a service by PC Magazine and other Ziff Davis publications on the CompuServe subscription network, the site is now owned by CBS and focuses on business technology news.

#57 TMZ

In 2011, TMZ kept readers abreast of ex-California governor Arnold Schwarzenegger's demise, with multiple updates and exclusive details each day as the saga unfolded.

#58 FORBES.COM

Original reporting and blogs highlight Forbes.com's mix of

news, politics, economics, business and finance.

#59 CONSUMER REPORTS

ConsumerReports.org, emulating its print sister publication by accepting no advertising, claims the most paid subscribers of any Web publication – more than three million last fall, according to a source.

**#60
4CHAN**

If Google is the Internet's ego, and Facebook is its superego, then 4chan is its id. Chances are most OMMA readers have never heard of 4chan, and that may be a good thing, because its content can range from simply repugnant to outright sociopathic. But that's kind of the point. Founder Christopher Poole conceived the site as a place where people could be free to say anything with utter anonymity. If you don't get it, don't use it. But plenty of people use 4chan. So many, in fact, that Poole has been courted by mainstream Silicon Valley types to back a commercialized version of the free and open social-expression network.

#61 STUMBLEUPON

Since being bought back by its original founders in 2009, the recommendation engine has grown from six million to 15 million registered users, The Next Web recently reported.

#62 THESTREET.COM

More than the prognostications of co-founder Jim Cramer.

#63 TVGUIDE.COM

#64 METACRITIC

Aggregator of critics' music, game, TV and movie reviews.

#65 IMDB

#66 NATIONAL GEOGRAPHIC

In addition to tie-ins with its magazine and cable channel, NationalGeographic.com features "Daily News," blogs and email newsletters.

#67 IGN

All about video games and gaming, from Xbox and Wii to the iPhone.

#68 BREAK MEDIA

Break aims at 18- to 34-year-old males with its flagship humor-video site Break.com and a variety of other locations, covering such subjects as movies and TV (ScreenJunkies), women (Chickipedia), games (GameFront) and auto racing (AllLeftTurns).

#69 COMEDY CENTRAL

Comedy Central's Web site is packed with full episodes, blogs and behind-the-scenes clips from its broadcasts.

There's even a jokes section that features comedians' funniest moments.

#70 MTV.COM

#71 GLAM MEDIA

Not just flagship glam.com, but some 1500 other Web sites and blogs focused on women's fashion and lifestyle.

#72 EPICURIUS

The 15-year-old Web-only Conde Nast publication offers original content, plus recipes from sister publications *Bon Appetit* and the now-defunct *Gourmet*.

#73 POLITICO

Politico.com strives to cover politics without bias.

#74 LA TIMES

#75 US NEWS & WORLD REPORT

The most popular aspects of the defunct print publication remain – including the rankings of "America's Best Colleges" and "America's Best Hospitals."

#76 THEWRAP

Sharon Waxman has built TheWrap.com into a formidable news source for movie and TV insiders.

#77 TIME

#78 TECHCRUNCH

TechCrunch started as a small blog in 2005 and has since established itself as an industry leader in profiling start-ups and breaking tech news.

#79 PANDORA

#80 BBC

#81 ZYNGA

With Farmville in the lead, Zynga's games have some 250 million active monthly users on Facebook.

#82 SLATE.COM

The 15-year-old online news pioneer recently won a National Magazine Award for general excellence.

#83 BING

Since its unveiling by Microsoft two years ago, Bing use has risen steadily – to 30 percent of the search market in March, according to Hitwise.



#84 THE ONION

The site's biting satire of current events can be so spot-on that it even fooled *The New York Times* this past April when it ran an article featuring Barack Obama's face on the cover of what it claimed was a

2007 issue of teen magazine *Tiger Beat*. The Onion article attributed Obama's surge in popularity among teenagers to the *Tiger Beat* story.

#85 FAST COMPANY

News and features about business innovations drive FastCompany.com, with a specific focus on the areas of technology, design, leadership and ethnomics (corporate social responsibility).

#86 CRAIGSLIST

Craigslist.com is still 1995 design-wise. The only nod to monetization since then has been the introduction of a \$25 charge for posting help-wanted ads. But Craig Newmark's site continues to be the Internet's classified-ad king. In May, it had 51 million unique visitors, according to comScore.

#87 HEARST

Not just home to the Web sites of Hearst print magazines like *Cosmopolitan*, *Esquire*, *Good Housekeeping* and *Popular Mechanics*, but also to digital-only sites like Delish.com and RealBeauty.com.

#88 SALON

#89 FOOD NETWORK

#90 Groupon

In business just three years, Groupon has not only expanded from one market to more than 175; it's also launched a whole new "deal of the day" Web publishing category –

from LivingSocial to Google Offers, Facebook Deals and Amazon Local to daily newspaper sites across the country.

#91 HGTV

#92 FLIXSTER

#93 NEW YORK MAGAZINE

Still the best place to learn about all things New York.

#94 RODALE

Online home to the publisher of top health mags like *Runner's World* and *Men's Health*.

#95 YELP

#96 GILT GROUPE

The "flash sales" company that offers luxury goods for a steal was founded in 2007, paving the way for other online sites that offer similar, limited-time deals.



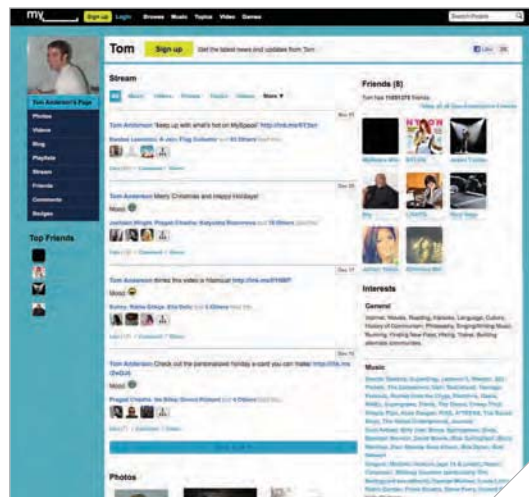
#97 BLEACHER REPORT

Emerging as the dark horse of sports journalism, Bleacher Report consistently holds steady in readership and ranks among ESPN and ABC Sports. Over the first four months of this year, Bleacher Report came in the number-four position for sports Web sites, according to comScore.

#98 ABOUT.COM

#99 DEMAND MEDIA

Derided as a content mill and scorned by Google, but recently cheered on by analysts six months after its IPO, Demand relies on a network of some 13,000 freelancers to churn an apparently endless supply of consumer-friendly content.



#100 MYSPACE

Just when it looked like MySpace was getting its story together again – shifting from simply being a social network to becoming a platform for "social entertainment" (which it probably always was, anyway) – the narrative shifted once again, leading us to drop it down a few pegs on *OMMA's* 100. We didn't want to knock it off altogether, mainly because we're curious what the new owners – the improbable team of online-ad network Specific Media and Social Network actor Justin Timberlake – have in store.

CASE STUDY

YAHOO!

The Old Reliable

Despite gains by Facebook and Google, Yahoo remains an advertiser essential

BY GAVIN O'MALLEY

IN AN UNCERTAIN ONLINE WORLD, YAHOO IS OFTEN PORTRAYED AS HAVING THE LEAST CERTAIN OF FUTURES.

Really, if you believed every investor gripe and media rant, you'd think the company was a worthless Web relic just waiting to be swallowed whole by Facebook, Microsoft or Google.

The numbers, however, tell a different story. Still the fourth-largest site online, Yahoo boasts about 680 million users — more than 250 million of whom rely on

the brand for key services like email and news.

Better still, Yahoo's display ad business — which CEO Carol Bartz has fingered as key to the company's "turnaround" — is showing signs of life. For the first quarter of the year, Yahoo reported display advertising was up 10 percent, to \$471 million, compared with the same quarter a year ago.

Without discounting Facebook's rapid growth and Google's might, analysts insist the numbers don't lie.

"Yahoo is a major player in display advertising. Period," asserts Joanna O'Connell,

senior analyst at Forrester Research. "Facebook may have a quarter of the display impressions, but it simply doesn't compare to Yahoo when it comes to providing advertisers with high-quality display advertising options."

Yahoo has "got scale, sophisticated targeting and the kind of safe environment that brand-conscious advertisers require," O'Connell adds. "My guess is that for the majority of display advertisers it's considered a go-to partner. Yahoo's recent display numbers back this up — the financials support this story."

David Hallerman, principal analyst at eMarketer, doesn't subscribe to some analysts' zero-sum outlook on the display ad marketplace.

"They're both lucky," Hallerman says of Yahoo and Facebook, as each is well positioned to take advantage of what he calls a "rapidly expanding marketplace."

Hallerman's view is more than a mere hunch; he added that he was in the process of finalizing a new eMarketer report, which sees overall display advertising up 20 percent year-over-year.

"Yahoo will likely be growing in the low teens," Hallerman says of the new findings. "There's a lot of

new dollars flowing [into the marketplace], and Yahoo is getting a lot of the business that Facebook is not. Brand marketers are on Facebook, but they have [profile] pages, not ads."

At least in terms of display advertising, Yahoo itself doesn't think Facebook represents a serious threat.

"Facebook is a definite force, and is working to figure out the display advertising space, but it delivers a far different experience than Yahoo," says Mark Ellis, vice president of North American field sales at Yahoo. "One of the main activities on social networks is sharing content, and Yahoo's content is the most shared. We want to continue that leadership position, and we want our advertisers to come along for the ride. We also have the ability to connect brands with well-lit, quality content."

That's not to say, Ellis admitted, that Yahoo won't have to fight for advertisers' affections.

"Yahoo [like all digital publishers] must continue to innovate and deliver compelling ad experiences in the face of 'banner blindness,'" Ellis says. "Mediocrity is a threat. Consumers are savvy and need creative and targeted advertising to engage them."

What's more, "Another threat is the commoditization of premium inventory by ad exchanges and data providers," adds Ellis.

"We work hard to deliver best-in-class content and experiences, and we need to protect our inventory and consumer data from being arbitrated."

Bigger picture, Yahoo has still more hurdles to overcome.

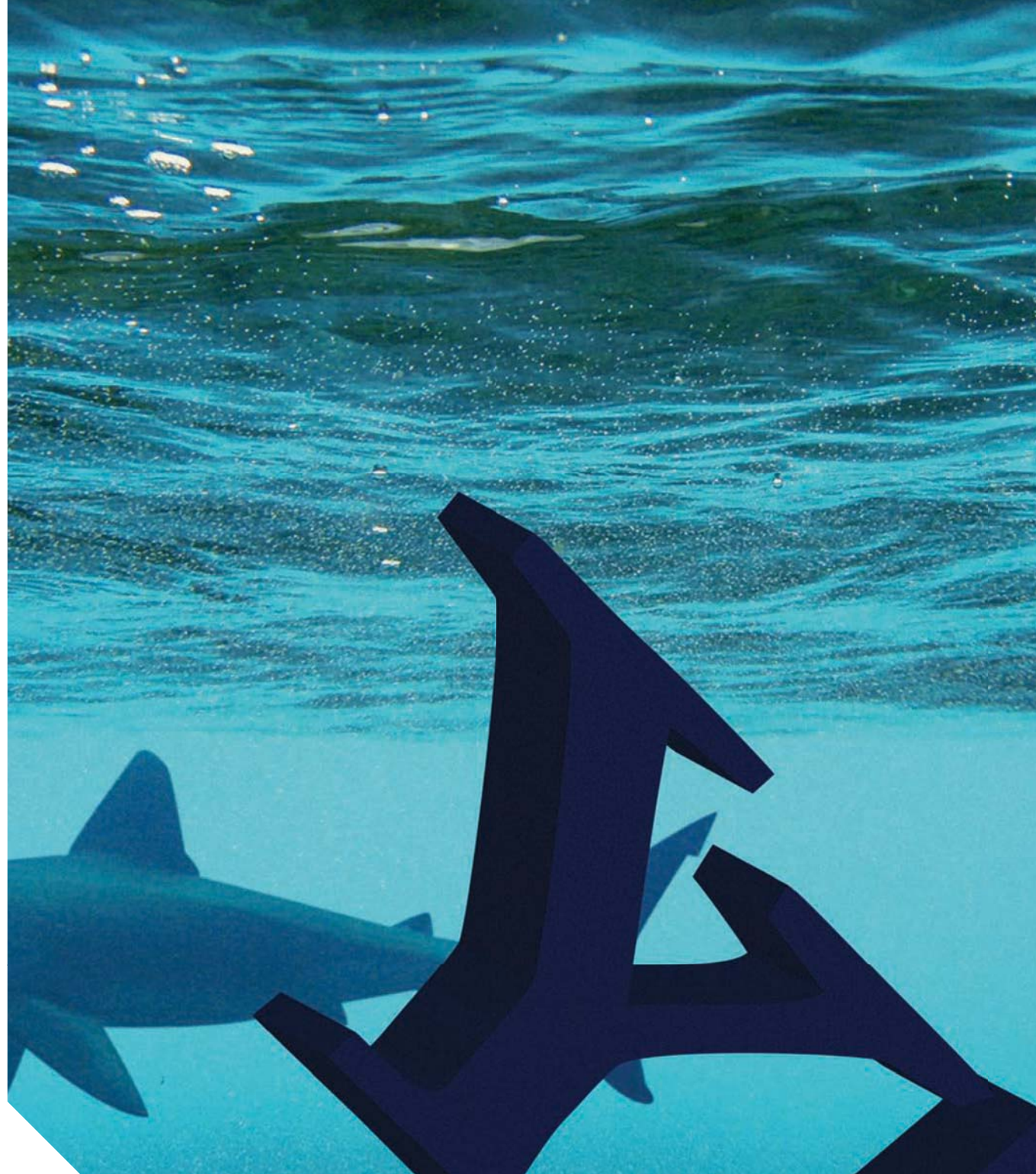
For the first quarter of the year, search revenue fell 19 percent, to \$357 million — after payments to Microsoft, which now effectively operates Yahoo's search business.

On a conference call in April, Bartz admitted that the Microsoft partnership, which was formed about two years ago, was not delivering the expected results.

Yahoo's net income for

YAHOO'S
DISPLAY AD
BUSINESS
IS SHOWING
SIGNS OF
THE LIFE.
FOR THE
FIRST
QUARTER
OF THE
YEAR, IT
WAS UP 10
PERCENT,
TO \$471
MILLION





the first quarter fell 28 percent, to \$223 million, or 17 cents a share, compared with \$312 million, or 22 cents a share, year-over-year. (The comparison, as Yahoo was quick to point out, would be misleading without factoring in its sale of email platform Zimbra, which had elevated Yahoo's profit for the first quarter of 2010.)

Meanwhile, Yahoo said revenue in the first quarter fell 24 percent, to \$1.21 billion, from \$1.6 billion. It attributed this figure to the sale and discontinuation of some products, as well as to outsourcing its search business to Microsoft. (Excluding commissions paid to ad partners, Yahoo's revenue was \$1.06 billion,

which was actually in line with analyst expectations.)

Google, by contrast, reported a 27 percent increase in revenue for the first quarter of the year.

Worse still, an IDC research report released in late May knocked Yahoo out of the number one spot for U.S. display ads. In the first quarter, Google's



**FACTCHECK:
YAHOO
HANGS IN**

A May 2011 comScore report showed Yahoo is still the number-two search engine behind Google.

share of the u.s. display ad market rose to 14.7 percent, compared with 13.3 percent in the fourth quarter of last year, according to IDC. Yahoo's share fell to 12.3 percent from 13.6 percent. (Overall, online ad spending grew 14.3 percent worldwide to \$18.2 billion in the first quarter, according to IDC,

while u.s. spending grew 14.2 percent to \$8.1 billion.)

"Overall, we see online display growth solid for the industry, but Yahoo is facing challenges in mobile, from Facebook, and from Google, which is accelerating its display efforts," says Benjamin Schachter, Internet analyst for Macquarie Securities.

Yahoo has also managed to keep operational expenses steady — they fell 8 percent, to \$647 million, in the first quarter of the year — but only by eliminating hundreds of jobs, some once-promising products, and even a presence in certain regions.

Yahoo has reportedly engaged in talks to leave its Japanese joint venture with Softbank Corp. Sources told Reuters in March that a deal to transfer Yahoo's 35 percent stake in Yahoo Japan to Softbank — which already controls 42 percent — was in the works.

Of course, some of Yahoo's woes reside only in the minds of the media. "The way the media looks at Web companies after a time — it says, let's discard them," says eMarketer's Hallerman. Yet, "whatever unfashionable [stigma] Yahoo may have, it still has a lot of appeal for brand marketers."

Despite the continued criticism and scrutiny, Yahoo is trying to keep a brave face.

On the conference call in April, Bartz assured analysts that Yahoo was making "tangible progress," adding that, "overall, [Yahoo's] turnaround is proceeding on schedule."

"The nature of sales is that you always want more, and Yahoo is focused, hungry, and here to win more business," says Ellis.

Echoing the company's new mantra, Ellis adds: "We believe that content is the next big phase of the Internet, and we're creating the premium content that brand advertisers crave, and great content and great advertising that will drive share shift."

To that end, Yahoo just named Jai Singh — most recently managing editor of the Huffington Post Media Group — as editor-in-chief of its media network. In the newly created role, Singh is expected to "help transform the company as it increases its original content creation, build the unique voice and programming of Yahoo's leading properties, and help drive best-in-class tools and practices," Yahoo said in an official statement.

Also last month, Yahoo boasted that its royal wedding coverage generated 400 million page views — a higher traffic level than that produced by the Japanese earthquake.

For the second quarter of the year, Yahoo recently said it expected revenue — excluding payments to ad partners — to reach between \$1.075 billion to \$1.125 billion. Setting certain items aside, Yahoo said it expected income to be \$160 million to \$190 million.

Adds Ellis: "There's no reason not to feel excited about our future." ■

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ADVERTISING HAS NEVER BEEN PART OF FACEBOOK'S DNA

— a point underscored in *The Social Network*, last year's hit movie about the company's origins. In the film, cofounder Eduardo Saverin constantly urges fellow founder Mark Zuckerberg to focus on monetizing the fledgling site using ads. He doesn't succeed.

In more recent years, Facebook has been ridiculed on one hand for relying heavily on cheesy banner ads selling things like hair transplants and weight-loss products, and on the other hand for more ambitious efforts like Beacon — which was scrapped after triggering a privacy backlash for broadcasting users' online purchases.

Nevertheless, Facebook has emerged as a display-ad heavyweight in its own right.

In February, eMarketer raised eyebrows by predicting that this

Facebook Mutates Into Advertising Advocate

Social network giant promotes Sponsored Stories, Facebook Studio and GRP-like ratings in push for even more brand dollars **BY MARK WALSH**



CASE STUDY FACEBOOK

year Facebook would end Yahoo's reign as the Web's display-ad king by taking in a projected \$2.2 billion from graphical ads in the U.S. and \$4 billion in overall revenue.

Facebook has already taken the lead in display impressions. In the first quarter, it accounted for nearly one-third of the 1.1 trillion total U.S. impressions, followed by Yahoo at 10 percent.

Still, the social networking juggernaut isn't satisfied with simply racking up impressions from its more than 600 million users worldwide. Facebook now aims to grab a bigger slice of brand-advertising budgets by developing an array of innovative ad options — and by blunting criticism that the site's small ad boxes afford little room for creative executions. It also wants to maintain its core principle of making advertising conform to Facebook's fluid social dynamic rather than the other way around — a conundrum in trying to attract more brand dollars.

Facebook's self-serve ad system has been its ad revenue engine so far. Targeted ads that appear on the right side of pages through the system (typically home or profile pages) account for an estimated 60 percent of Facebook ad sales, according to eMarketer. Geared to marketers with monthly budgets under \$30,000, the self-serve platform tends to draw a high proportion of placements from small- and medium-sized business — and lots of direct response ads.

These Facebook ads often incorporate a social element, letting users see what actions their friends have taken in connection with an advertiser or ad, such as "liking" a brand page or responding to an event-related ad.

Earlier this year, Facebook took that word-of-mouth concept a step further with the rollout of Sponsored Stories, a new premium format that essentially turns status updates themselves into ads. Actions such as "liking" a brand, "checking in" at a venue, or sharing an app that appears in the user's news feed are converted into ads for the companies or products mentioned. And there's no way for people to opt out of seeing or being featured in the ads.

Coca-Cola, Starbucks and Levi's are among

initial advertisers using Sponsored Stories.

Speaking at an industry event in May, Carolyn Everson, vice president of global sales at Facebook, said the ads have a 68 percent recall, with people twice as likely to remember a brand and four times as likely to take action. She also suggested the new ad type is just scratching the surface, saying Facebook's advertising is only "one percent where we need it to be."

To build stronger ties with brands and agencies, Facebook has increasingly brought on experienced hands like Everson, who was head of global advertising at Microsoft before joining the company in February. Last year, Facebook lured Jennifer Kattula from Microsoft's Online Services Division to lead agency marketing. More recently, it tapped Mark D'Arcy, former head of Time Warner's Global Media Group, as director of global creative solutions.

At the time of his hiring in late March, D'Arcy told *The Wall Street Journal*: "There is a great need for the creative community... to learn how to leverage the incredible power of Facebook to improve the way brands tell stories."

Translation? Facebook wants to persuade marketers to embrace its goal of blending advertising and content seamlessly to boost engagement, rather than relying on tactics like screen takeovers and expandable ads to grab users' attention.

That points to a broader split within the industry about how to lure more brand dollars from TV to the Web. Trade groups like the Interactive Advertising Bureau and the Online Publishers Association have pushed the adoption of oversized new ad formats to provide a bigger canvas for ad creative than traditional banners can furnish. It means delivering something closer to magazine ads or TV commercials, albeit interactive versions.

Yet that's not what social networking services like Facebook or Twitter have in mind. "Engagement not



intrusion" has long been Facebook's mantra when it comes to advertising, as it eschews traditional notions of interruptive messaging. Instead, Facebook wants to mine the myriad interactions across the social graph to turbocharge word-of-mouth, the Holy Grail of marketing.

Advertisers are all for generating as many "likes" as possible on Facebook. But they also want new ways to inject creativity into brand messages beyond a box with text and a thumbnail image. "Right now, it's not a very fun place for creatives to push work because the canvas is very small, but I think that's why they need Mark [D'Arcy]," said Matt O'Rourke, chief creative officer at MDC Partners' Crispin Porter, in an interview in April.

Partly to deflect such criticism, in March Facebook launched Facebook Studio, a site showcasing top creative campaigns that have run on the social network. Many of the examples, involving companies from Nike to Procter & Gamble to Sony Ericsson,

FACEBOOK NOW AIMS TO GRAB A BIGGER SLICE OF BRAND-ADVERTISING BUDGETS BY DEVELOPING AN ARRAY OF INNOVATIVE AD OPTIONS - AND BY BLUNTING CRITICISM THAT THE SITE'S SMALL AD BOXES AFFORD LITTLE ROOM FOR CREATIVE EXECUTIONS.

feature campaigns that revolve around Facebook brand pages and specially created applications.

To foster closer relations with Madison Avenue, Facebook also ran a contest challenging agencies themselves to design a new ad unit. In April, the company announced Publicis agency Leo Burnett Chicago as the winner. The winning entry will let users answer questions posed by marketers, with a user's responses then showing up in his or her news feed. This functionality is very much in line with existing ads that allow people to answer poll questions, watch a video or use an application.

In connection with Facebook Studio, the company has also launched a series of live events to complement the site. The second Facebook Studio Live meeting, held in May, drew more than 200 agency creatives, account directors and other executives to hear Facebook presentations and participate in a marketing "hackathon."

"Facebook is really redoubling its efforts to go after those big contracts from major brands," says Debra Aho Williamson, who follows the company as an eMarketer analyst. "That makes sense. These are companies that spend millions of dollars a year online, not to mention billions in total ad spending, and Facebook wants more of it."

Beyond touting ad creative potential, Facebook is also trying to bolster its offerings on the analytics side. Brands overall may collect 50 million "likes" a day on the social network, but what do all those affirmations add up to? To that end, two years ago Facebook



Facebook Studio showcases ad campaigns.

struck a partnership with Nielsen to help make the connection between engagement metrics on Facebook and traditional brand measures like awareness, recall and purchase intent.

Besides providing brand metrics to help Facebook prove the effectiveness of Sponsored Stories and other ad units, Nielsen is also planning to roll out a "GRP-like" rating for Facebook campaigns to help boost brand



FACTCHECK: Financial Juggernaut

Facebook's first financing was \$500,000 in summer 2004; less than a year later, it received \$12.7 million. Its total funding to date is \$2.36 billion. The company's valuation is \$50 billion, according to *The New York Times*, and an IPO is rumored to come next spring.

spending on the platform. The media-measurement firm first discussed testing the Internet equivalent of Gross Ratings Points — the TV formula tracking the reach and frequency of an ad — last September.

At the Studio Live event, Facebook executives said they're already seeing promising results with a few brands from the online GRP and talked about introducing it more widely soon, according to Matthew Chesler, a Deutsche Bank analyst who follows Nielsen. "It is clear that Nielsen is already a key strategic partner to Facebook and is now building out a metric that may become the primary measurement currency for Facebook ad purchasing," he wrote in a May research note.

The concept of an online GRP, however, has been kicked around for years, so it's best to view a breakthrough in that regard with a healthy dose of skepticism. Whether Facebook's wider push to woo the ad community will pay off with more and bigger brand budgets remains to be seen as well.

Shiv Singh, head of digital for PepsiCo Beverages, says the company appreciates Facebook because "it's an incredibly powerful engagement platform for us." The social network has played a key role in the Pepsi Refresh Project, the company's crowd-sourced community donations program. He also welcomes Facebook's more pronounced outreach to marketers and its efforts to expand creative options.

But that won't, in itself, necessarily translate into Pepsi spending more with Facebook. "We don't play favorites," says Singh. "If [Facebook] makes a compelling case and [has] an ad format that works and gives us measurable results, yes, we'll do more things." ■



CASE STUDY
FACEBOOK

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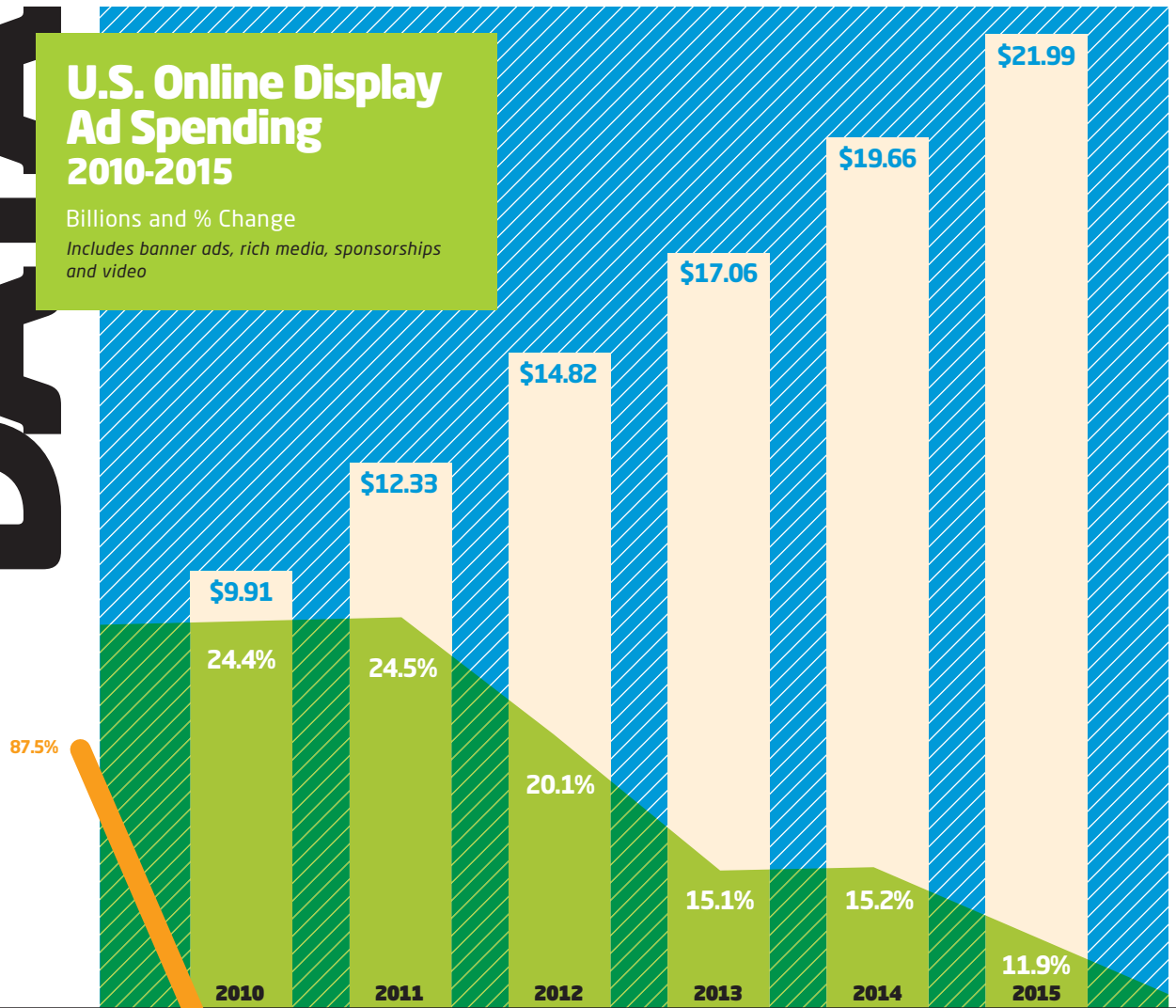
U.S. ONLINE DISPLAY

DATA

U.S. Online Display Ad Spending 2010-2015

Billions and % Change

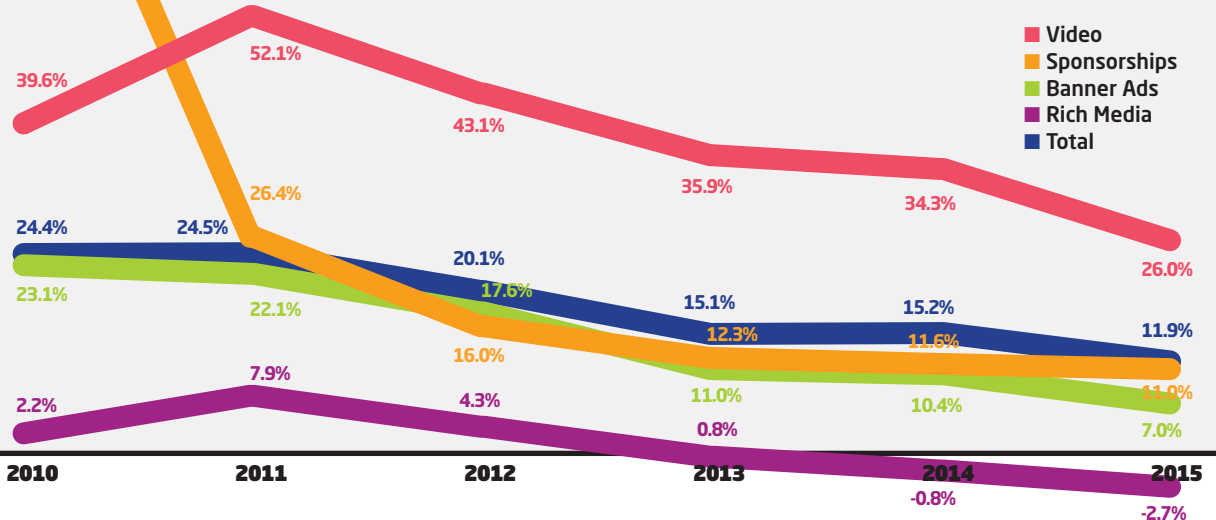
Includes banner ads, rich media, sponsorships and video



SOURCE: EPMARKETER, JUNE 2011

U.S. Online Display Ad Spending Growth by Format 2010-2015

% Change



SOURCE: EPMARKETER, JUNE 2011

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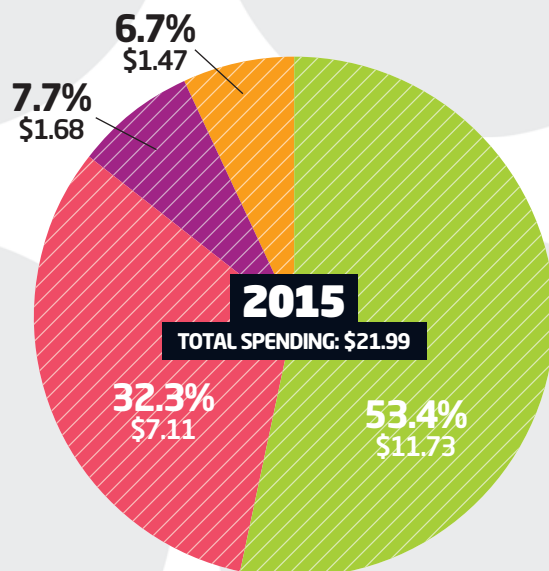
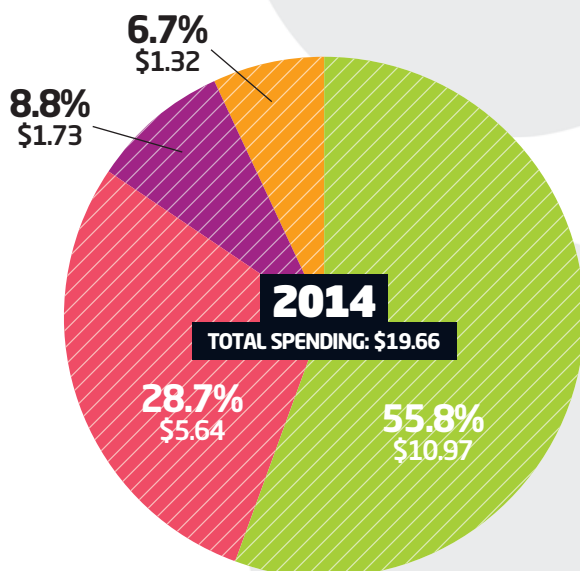
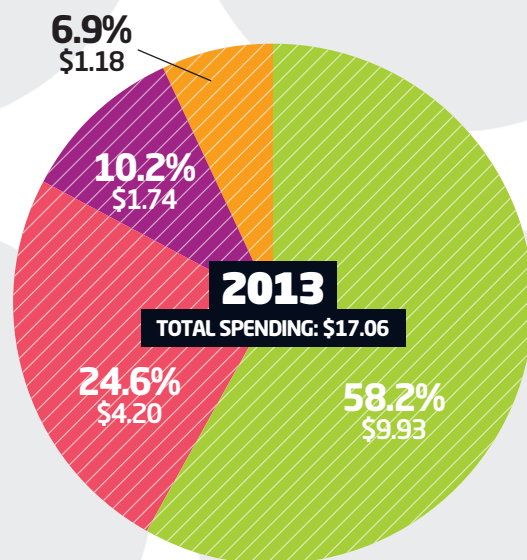
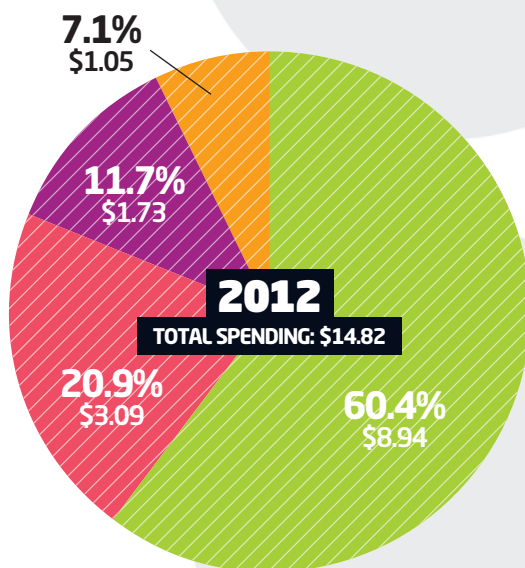
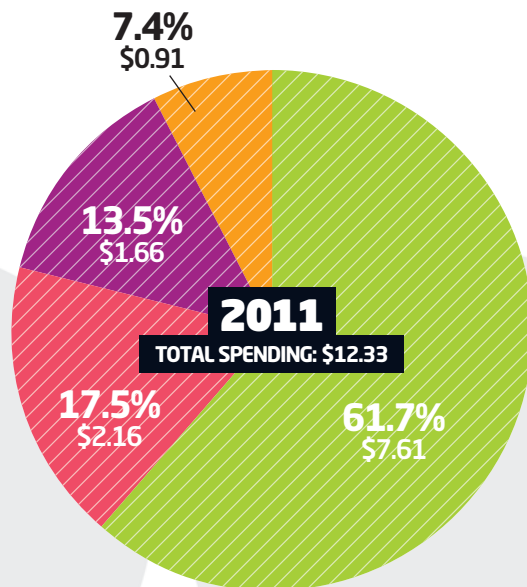
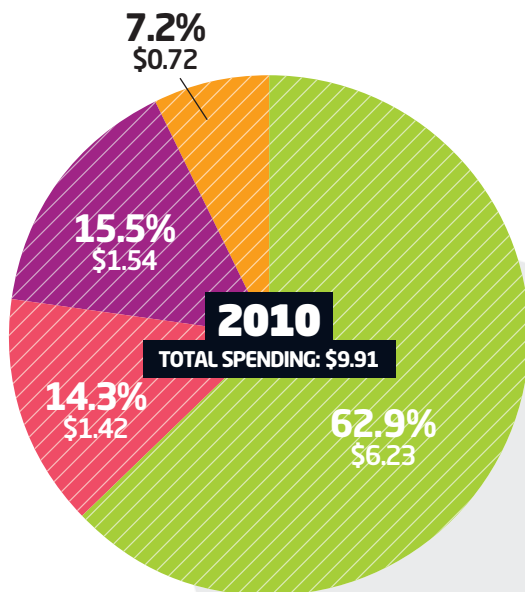
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Critiquing the Sites of Agencies That Design Them

THE BROWSER

R/GA

CLICKING OVER TO THE R/GA WEB SITE, visitors are greeted with a 964-point banner in tasteful Helvetica bold heralding the firm as the “Digital Agency of the Decade.” Below it, in smaller but no less futuro-elegant text, it identifies work done on behalf of Nike Plus as the “Digital Campaign of the Decade.” And I’m thinking: which decade are we talking about here?

If R/GA is referring to the aughts, mazel tov – though it’s somewhat of a misrepresentation to be trumpeting an honor accorded 18 months ago. If it’s the ‘10s (a decade desperately in need of

a catchphrase-y identity), that’s either serious foresight or cockiness. Heck, I could form an agency tomorrow and, with some luck and remorseless talent-poaching, whip it into agency-of-the-decade form by early 2015.

The “Digital Agency of the Decade” proclamation links to an *Adweek* story anointing R/GA for the decade that just passed. Still, it highlights the peril faced with creating an agency Web site: you have to be overtly, self-celebratory in a way you’d never be on a client’s behalf.

On the site, we get not only the expected clip reels but also self-branding extravaganzas. The worst/funniest of the bunch alternates between clips of employees having Very Serious Conversations™ and obtusely angled shots of paintings, posters and sculptures around the office. The message? You can’t hurry art, or creativity, or something.

The site’s “About Us” section pushes the we-are-so-unique-and-iconoclastic-that-we-make-Christopher-Nolan-look-like-Flavor-Flav-by-comparison thing even further. We’re treated to a six-minute clip in which employees tell the stories behind their tattoos and 80 seconds of professional whimsy from the 2010 R/GA holiday party.

And don’t miss the tour through R/GA University. How do you gain admittance? “Curiosity. A willingness to embrace change. An eagerness to learn, no matter how many years of experience you have. At least three epidermal acres of body art.” Okay, I made that last part up.

Here’s the sad or funny part, again: of all the agency sites I trolled for this column, R/GA’s is one of the best. While ripe for mockery, it offers a superior user experience.

The site exists on a single page, requiring minimal navigation. Its content is updated on a daily basis – as opposed to competitors, which haven’t circulated news of their bountiful haul at Cannes 2009. It doesn’t mention the words “thought leaders” as often as it might. And, mercifully, it shuns an animated

introductory sequence. You know what I’m talking about – an idea bubble morphs into a pigeon which morphs into a cloud which morphs into the Eiffel Tower which morphs into the agency logo.

So yeah, I’d hire R/GA to create a Web site, for last decade or the next one. They’re precious, I’m precious – it’s a match made in self-aggrandizement heaven. **LARRY DOBROW**

OF ALL THE AGENCY SITES I TROLLED FOR THIS COLUMN, R/GA’S IS ONE OF THE BEST. WHILE RIPE FOR MOCKERY, IT OFFERS A SUPERIOR USER EXPERIENCE.



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