

Eservices – Exercise 5

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Advertising on the internet

1. Banner Standards

Banners are with us for quite a long time. They are used heavily in internet advertising. One of the first companies which started to use them on the internet was Prodigy, in the late 80's.

Banners main function is just like text ads in printed media: informing the future customers about some kind of goods, services, products.

Paying for the banners can happen in many way but the most usual ones are the cost-per-click (CPC) and the “impression”, meaning when the banner has been downloaded into a webpage.

During the years, many kinds of advertisement forms appeared on the internet. The forms, the shapes, the sizes can vary greatly but sometimes the lack of standards made the work with banners quite cumbersome. The Interactive Advertising Bureau (IAB) took a big role to rule this field of advertisement creating standards for the industry.¹

“These voluntary guidelines provide a framework for advertising inventory and web page design. The goal is to reduce and simplify the amount of work for agencies that may be faced with having to create several assets of a similar size for different publishers, e.g. 300x95, 300x100, 300x105 pixels.”²

¹ Web banner, [online] URL: http://en.wikipedia.org/wiki/Web_banner. Accessed on 24 November 2009.

² Ad Unit Guidelines, [online] URL: http://www.iab.net/iab_products_and_industry_services/508676/508767/Ad_Unit. Accessed on 24 November 2009

Rectangles and Pop-Ups

Names and dimensions according to IAB. All dimensions are in pixels.

	Recommended Maximum Initial Download Fileweight	Recommended Animation Length (Seconds)
300 x 250 IMU - (Medium Rectangle)	40k	:15
250 x 250 IMU - (Square Pop-Up)	40k	:15
240 x 400 IMU - (Vertical Rectangle)	40k	:15
336 x 280 IMU - (Large Rectangle)	40k	:15
180 x 150 IMU - (Rectangle)	40k	:15
NEW 300x100 IMU - (3:1 Rectangle)	40k	:15
NEW 720x300 IMU - (Pop-Under)	40k	:15

Banners and Buttons

	Recommended Maximum Initial Download Fileweight	Recommended Animation Length (Seconds)
468 x 60 IMU - (Full Banner)	40k	:15
234 x 60 IMU - (Half Banner)	30k	:15
88 x 31 IMU - (Micro Bar)	10k	:15
120 x 90 IMU - (Button 1)	20k	:15
120 x 60 IMU - (Button 2)	20k	:15
120 x 240 IMU - (Vertical Banner)	30k	:15
125 x 125 IMU - (Square Button)	30k	:15
728 x 90 IMU - (Leaderboard)	40k	:15

Skyscrapers

	Recommended Maximum Initial Download Fileweight	Recommended Animation Length (Seconds)
160 x 600 IMU - (Wide Skyscraper)	40k	:15
120 x 600 IMU - (Skyscraper)	40k	:15
300 x 600 IMU - (Half Page Ad)	40k	:15

As for techniques used:

Banners can use lot of techniques. It can be a simple text ad, like most of Google's advertisements on their search pages. But banners can also apply pictures, animations, like JPEG pictures, animated GIFs or Flash based animations. Some of them come with the sounds. That can be really obtrusive. Also animation can be created with some JavaScript.

In Hungary sometimes, usually during campaigns, instead of the main page of the site an advertisement appears. You have to read first the advertisement, or there is some link, that says: "Further to the main page". This kind of advertisement is really irritating.

According to Wikipedia the most accepted standard (or most worked out) is the Interactive Advertising Bureau's. I took the standards above from them. They claim that they work together with the biggest companies in the industry. Source:

http://www.iab.net/iab_products_and_industry_services/508676/508767/Ad_Unit

2. Competitors

- BBC is a well-established brand name in the field of media. They have many visitors per day but I could not get information about their prices concerning banners. But they have 4-5 banners on their site, Flash based ones and simple pictures.
<http://www.bbcmusicmagazine.com/>
- The Rolling Stone magazine is a well established name in the American music industry. They have been around for a long time, mainly in the printed media.
<http://www.rollingstone.com>
- The culture site of Helsingin Sanomat is the biggest site in Finland which deals with culture. They provide information about different cultural events in Finland, providing interviews, reports and critics. In general, Sanoma sites hosts very few banners because the resistance of the Finnish readers.
<http://www.hs.fi/kulttuuri/>

I have not found too much information about the prices of others but I found the price list of Sanoma which is the biggest conglomerate in the media industry in Finland. Looking through the list the average price of a banner on some site is around 5€ per month per thousand visitors (CPM). As they are the biggest advertiser sellers I presume that somewhere around this price could be also the price what my site could offer.

http://www.verkkomediamyynti.fi/pdf/hinnasto/hinnat_paketit_2009.pdf

3. Restrictions

- The download size of the ads: it should not weight too much in the download of the page. It should not get in the way when people try to check the page. If the advertisement loads before the whole page, it may not give a very good impression to the reader.
- The pixel size of the advertisement. It should not come to be much bigger then the main content of the page. It should be in balance with the content.
- It should not be very obtrusive. If it chases away the visitor immediately than the it does not do good for the site.
- Some kind of advertisement might not be appropriate on the site: e.g. sexual, guns, drugs.

4. Target Audience

The most active internet users who likes to collect information online are traditionally young people: from the age of 15 till 35. This category includes a very well-to-do part of the society, they have money to spend on culture and willing to spend it. They like going to concerts, buying CDs, DVDs, going to cinema, etc. They listen each others opinion, likely that occasionally visit some online forums to gather information about some events.

In general, once they found a good site they are rather faithful to it but they can change their preference very fast. So, the editors of the sites has to be careful.

5. Best clients

1. Music shops selling CDs, DVDs. They might have a good site where the customers can immediately buy products. This may mean fast feedback from the owner of the banner: how successful was their banner, how many click-through customers they had.
2. Concert organizer companies.
3. Music instruments shops
4. Bookshops
5. Newspapers

This order also represents the likely probability how much visitors would click on their as.

"Do it yourself e-commerce" Part 1

1) What benefits do the e-tailers get from selecting Shopster.com platform, including their product inventory? How come Shopster.com does not sell directly to the consumers, what's their business idea?

The e-tailers do not have to keep an inventory, they can connect to other retailers and sell their things via their own online shop. This way they can cut their cost greatly. Shopster connects these retailers and they get their share from their transactions. They provide the platform on what the whole system can work.

2) What is the main difference between Miva Merchant platform and Digital River platform? What are the advantages of both platforms?

Digital River gives a full end-to-end solutions for larger retailers while Miva Merchant focuses mostly on smaller businesses.

3) How do you see Google's possibilities in this business? What are their possible strengths and weaknesses?

Those who would like to use Google's software for their e-commerce can have various other tools that they can use at the same time. Google is deeply in the internet business, they know a lot how it works and they have many great tools that retailers can use at the same time. This is definitely can be advantage.

There possibilities are big because everyone knows Google.

Their weakness might be that they cannot offer as distinguished solutions as other specialised companies.

"Do it yourself e-commerce" Part 2

1) The article says that "e-commerce provides living proof that 'everything old is new again". What does the writer mean by that?

The internet made it possible for small and medium sized businesses again to create their own retails. Just like in good old days, some loner can start up a business from vitrually know, or from very little money. These guys have to walk the same route as the new pioneers.

2) How come paid searches can be seen as a win-win-win situation for search engines, consumers and e-tailers?

When a visitor makes a search using a search engine then s/he uses some words in the search and that can also point to some services or products. Therefore, then the visitor more likely will click on the advertisement if it is somehow related to something what s/he searches.

3) What are the areas where e-tailers need help when they're setting up their webstore? What kind of tools the hosting provider can offer them?

- store maintenance
- layout and design
- managing sales tax liabilities
- tracking inventory
- accounting for transaction fees and other expenses associated with online credit card sales
- search engine optimization