

Help yourself

Once the preserve of corporates with access to big budgets and even bigger ad-buying agencies, advertising is now open to all - thanks to a range of self-service internet ad services. Though digital advertising is currently under-exploited as part of the music marketing mix, all that is set to change. We examine some of the best solutions.

Google AdWords »



Google owns 40% of the US online advertising market, according to the Interactive Advertising Bureau's 2007 figures. The search engine giant makes 98% of its revenue from advertising, the vast majority of which derives from its search-based advertising, notably AdWords.

Anyone can sign up with a Google account - the same that provides access to Google Calendar, Google Mail and the like - in order to place a text ad. The principle is simple: advertisers bid against each other for the right to have their advert appear when users search on particular keywords. Keyword clicks likely to result in high profits for the advertiser - such as those connected with insurance and loan consolidation - tend to be in greater demand, and thus more expensive, than niche keywords. Subjects related to music do not tend to be outrageously expensive, though it is not uncommon for ticket sellers, tabloid newspapers and music stores to place Google Ads around band names like Oasis.

Advertisers can pay per click or by groups of 1,000 views ("cost per mille" or CPM). They can choose to advertise around Google's search engine and email service, or extend their adverts to the Google Content Network, which includes hundreds of thousands of websites and blogs, including MySpace and the New York Times. Geographical targeting is possible down to the city level; Google does offer

analytics enabling advertisers to understand which keywords have been most effective, though the demographic analysis is limited to those users who have signed up to Google accounts.

A significant problem for the music industry remains in connecting the dots between users who click through from Google adverts in order to purchase a music track, as relatively few digital music retailers (especially not iTunes) are prepared to "tag" their destination pages in order to confirm whether an interested customer did indeed purchase the advertised track.

Facebook Ads »

Unlike MySpace, Facebook allows any users to set up an advertisement on the spot using its Facebook Ads interface. A vast improvement on the Facebook Flyers solution that operated in 2007, Facebook ads can either point to an external website or to a Facebook Page (which is the equivalent of a profile but designed for companies, bands and clubs rather than for individuals.) The advantage of directing advertising clicks to a Facebook Page is that each page contains built-in analytics enabling an advertiser to identify the effectiveness of their advertising and the demographics of those who click on the ad.

Facebook has not missed a trick in terms of connecting its enormous network of friends and fanatics into the advertising mechanism. Ads can be distributed across the whole of Facebook worldwide, or focused down to individual cities. Demographics can be targeted by gender, whether the customer is single or in a relationship, whether they are a student or have graduated from college.

Best of all the ads can be targeted by company - so you can deliver messages direct to employees of

Sony BMG, for example - and by interest (40 Sony BMG London employees list "music" as one of their interests.) Facebook's "Social Ads" scheme builds upon this concept, allowing users to receive messages when their friends have engaged with your product or page.

As with Google, advertisers can choose to pay either for each click their ad receives, or for groups of 1,000 views, while setting a maximum daily budget (minimum budget is USD \$5.00 per day.) Facebook advertising tends to be somewhat expensive and the system has yet to reach the same level of maturity as Google, so clickthrough rates can be comparatively disappointing. As a model for the future, however, Facebook Ads seem extremely promising.

Video ads / Jivox »

Study after study has demonstrated that video ads are more effective at gaining the attention of



internet customers than most standard text or banner ads. Though Google and other platforms do deliver

video advertising, Jivox is aimed at widening the market to those who might not already have access to video assets or professional audio-visual production facilities.

The Jivox AdSlate tool allows advertisers to arrange photographs, screen grabs, packshots, text and music (as well as video footage if available) into a 30 second video ad. Because of the bespoke nature of the ad-designing software, users can create variations on each ad for targeting to different demographics or in order to assess whether one advertising format is more successful than the next.

continued...



Youtube video ads

Creating a Jivox ad is free; the cost is in the delivery of ads and is based around a CPM (cost per thousand) model, with costs typically falling between USD \$10 and USD \$40 for every thousand views. Video ads are currently distributed via 400 TV and radio station websites, 80 newspaper sites in North America including the NY Daily News, plus various destination sites such as Accuweather.com.

Jivox claims to be significantly easier to use than Google, without the expense of auction bidding but with the ability to offer innovative value-ads to potential customers such as discounts on concert tickets and CDs or two-for-one deals that can be accessed directly from the ad itself.

Google does, however, have an ace up its sleeve – YouTube’s video ads, which were launched earlier this year and are slowly making themselves evident among YouTube’s video inventory. The ads are embedded within YouTube clips but are relatively unobtrusive as they allow a viewer to interact with or close the ad at the user’s own choosing. The ads can be targeted to subject matter, with videos on hair products being matched to a trailer for the movie “Hairspray”.

Other self-service ad networks:

adbrite.com »

blogads.com »

federatedmedia.net »

The explosion of blog culture has provided a significant opportunity to companies that aggregate niche sites into audiences that can be advertised to. Federated Media and BlogAds in particular focus upon bloggers, or “authors” as Federated Media call them.

Federated’s network includes sites like the legendarily silly news site Fark, ultra hip blog Boing Boing, marketing guru site 43Folders, technology and arts blog Ars Technica and giant collaborative weblog Metafilter. Ad types include the standard array of banner ads as well as simple text ads; authors – ie blog publishers – have the right to reject adverts that they do not approve of. Fees are on a CPM basis and analytics tools are provided in order to assess the ads’ effectiveness.

BlogAds enables advertisers to pick particular blogs a-la-carte or to choose groups of them around subject areas known as “hives”. Sites in the 1500-strong network include liberal politics blog DailyKos, a variety of lesser-known music blogs including Prefixmag.com, and celebrity blogs including PerezHilton.com. Costs vary significantly dependent upon the ad image size and the number of impressions each site can deliver: PerezHilton charges up to USD \$18,000 for nearly 60 million impressions.

THE BOTTOM LINE

Since online advertising can be experimented with by anyone from home, now is the time for labels and managers to dip their toes in the water. The social ads such as those offered by Facebook show particular promise for the music industry thanks to their ability to tie into the tastes and habits of music fans and their friends.