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ADBUMB Profile *of the week*

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Andrew Jacobson Keeps It Real-Time At ContextWeb



As ContextWeb's Andrew Jacobson sees it, his company's ContextAd technology brings some well-needed clean-up to online campaigns. "That's what a good contextual targeting technology can do for you," Jacobson explains. "It cuts all the waste and spillage out."

It's this simplified, focused approach to using real-time determination of keyword content that lured the 25-year direct marketing/sales veteran to tackle search technology at New York based ContextWeb. After six years at Venture Direct and five years in sales at DoubleClick, it was only during a year-long consulting gig at Google that the search bug bit. "I became very interested in the contextual space," Jacobson recalls. "So I joined [ContextWeb] to help build up their media side of the business."

As Senior VP of Business Development and Sales, Jacobson helped engineer the company's first media-related product, ContextAd, which put them in pretty esteemed (and highly competitive) territory. "It was a product that allowed advertisers to purchase text links. So it competes with Google's AdSense and Overture's Content Match, on a cost-per-click basis."

ContextAd's CPC model was one that marketers, according to Jacobson, "obviously love—because they understand how much they can afford to pay to acquire a new customer." While the CPC approach hasn't exactly given his ex-employers a run for their money, ContextWeb's most recent graphical, real-time CPM upgrade is positioning them to run with the big boys.

"In addition being able to target on dynamic content," Jacobson says, "we're also willing to work with third-party ad serving units, which I know Google is not. We're willing to allow for rich media and offer up pixel tracking. So if somebody did want to do backend tracking to find out not just click-through but conversion, we can give them that opportunity as well. We are doing some things that Google isn't doing, which I think advertisers are appreciating."

In fact, Jacobson & Co. created their newly enhanced technology after talking to several agencies that wanted to target more effectively, and less randomly. "The very first thing the agencies start saying to us is, 'We have a lot of big brand customers that would be interested in using technology like yours to get their ad in front of the right audience, but don't necessarily just want to run text links. They'd be interested in showing all kinds of graphical units, potentially rich media and video.'

"We realized we can be completely agnostic in terms of the type of creative and the type of pricing models," Jacobson says. "So it turns out that for the agencies and big brands, they're very comfortable paying on a cost-per-thousand basis."

When it comes down to basics, Jacobson believes that agencies and advertisers simply want you to show their ad in the right place—a function that CPC doesn't always provide. "In a CPC model," he says, "an advertiser can get bumped out if somebody's paying a higher cost-per-click or by somebody who's getting a higher click-through." Yet in the brief couple years since ContextAd was birthed, Jacobson happily reports that his company's signed up 50 of the top 200 media metrics sites to contribute inventory to their network and they are getting tremendous response from publishers as well.

It's quite an evolution for an exec with direct mail roots—but Jacobson says he always saw the web as a more effective tool for marketing. And now, with his well-trained eye, he predicts that we will soon see "targeted advertising inside opt-in newsletters. RSS is another place where there's a big opportunity to show targeted advertising to users who have requested specific content."

So will these kinds of specific opportunities finally allow ContextWeb to step up to Google's plate? "I don't know if we're large enough yet to give Google a run for their money," Jacobson answers. "But I think what you're going to find is that there are a lot of smaller companies that are very nimble and are listening carefully to what advertisers are looking for. Ultimately, we're going to make [Google] raise their game, because we are going to offer up a lot of what advertisers are looking for."

Keepin' it real, one word at a time... Kiran Aditham, kiran@pacemg.com