



ContextWeb Adds Image Ads

By Kevin Newcomb
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ContextWeb today introduced contextually targeted image ads with CPM pricing to its text advertising network, which is sold on a cost-per-click basis.

The company hopes image ads will open its network to a market beyond the more traditional, direct marketing-focused advertisers that use text ads, said Andy Jacobson, SVP of business development and sales.

The image ad service, in beta since the beginning of the year, allows advertisers to choose content categories within ContextWeb network to target image ads against. Text ads have run on the network since it launched in September 2004.

All rich media formats and third party ad management platforms are accepted, executives said. Several of ContextWeb 1,000 advertisers have already run image ads, including Delta Airlines, Tickle and Vonage.

Publishers in the network can opt to display image ads, text ads, or both. Image ads have run on a few of the 400 network sites, including AccuWeather, Associated Press, and Parenthood.com. Others, like magazine publisher Meredith, will continue to run ContextWeb text ads while selling image ads through an internal sales force.

"The image ads give us a real value proposition to help advertisers get the right ad in front of the right person. We give them deep targeting while opening up reach," Jacobson commented.

CPM-based pricing is attractive to brand-focused advertisers, he added. They can be uncomfortable competing with other advertisers for the same ad space. "What's important to them is the concept of guaranteed inclusion. They want to know they're buying a guaranteed audience."

Not all advertisers are using the image ads for branding. Social networking and entertainment site Tickle runs direct response ads with good results, according to Sean Ketley, marketing manager. The company tries to reach Internet users who are distracted, such as visitors to entertainment, news and weather sites. The aim is to bring them to Tickle site to take an IQ or personality test.

"This is one of my better-performing buys," Ketley said. "They're very aggressive with the targeting."

Like Google's AdSense and Yahoo's ContentMatch, ContextAd uses page content and keyword analysis to match a page with relevant ads. Unlike its larger competitors, ContextWeb categorizes pages in real time, using a taxonomy-based algorithm to clarify the difference between identical words used in different contexts.

Advertisers bid for placement in over 500 general categories, or pick specific keywords in addition to a category. The process is intended to enable reach and targeting opportunities. ContextAd applies a business layer to the matching process, ensuring the publisher fills available inventory not only with the most relevant ad, but the most profitable one. If a page with music content is determined a good fit for both a lower-cost ad about lyrics and a higher-cost ad about digital music, the higher-cost ad is displayed.