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Contextual Advertising Is Here to Stay

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In the past five years, we've seen the radical transformation and growth of the Internet. With this growth, however, came pain points felt by consumers and advertisers, namely their mutual inability to find one another online.

Without the appropriate tools and technology, the best online ads become irrelevant if they don't find their way onto Web sites browsed by an interested consumer. And even the most motivated consumer won't click on an ad and make a purchase if he thinks his time is wasted by ads for products or services with little relevance.

Today, we are witness to the Internet's next transformation, its evolution from a common marketplace to a sophisticated venue for the most targeted marketing and selling imaginable.

The transformation is twofold. First, the Web is rapidly evolving into an interactive market for building social communities of people with common interests. This has radical implications for marketers, who now can engage in behavioral analysis of these groups to better target them with messages that reflect their common interests. Second, new technologies, combined with data and analytics, are enabling a level of customizable targeting unprecedented in the industry.

It is against this backdrop that contextual advertising is evolving into one of the most vital technologies in Internet marketing.

Contextual advertising has become an indispensable tool to attract consumers online. Its precision targeting is essential in an era of audience fragmentation and shorter attention spans. Today's busy, tech-savvy consumers demand a customized approach containing information about products and services they care about. Contextual advertising fulfills this need and solves the marketer's problem of doing more with less.

But what exactly is contextual advertising, and how does it help marketers meet customer acquisition goals?

Contextual advertising and the Internet are a perfect match because both are centered on content and information. Contextual advertising is a compelling offering for marketers because as the content of a Web page changes, so do the ads. Superior contextual advertising is real time, dynamic and never static — just like the Internet. As individuals browse the Web and move from page to page, they are presented with ads that are deeply relevant to what they are reading. Best of breed contextual advertising knows the difference between heiress Paris Hilton; Paris, France; and Paris, Texas, and it will never deliver an ad about "The Simple Life" when an individual wants to learn about the savoir-vivre of the French.

This advertising approach differs drastically from those of the past and gives online marketers a truly efficient, metric-driven, ROI-based capability to combat the diffusion and fragmentation of their audiences. The result for the advertiser is the potential for a higher click-through rate that boosts sales and profitability.

Looking ahead, we can expect continued audience fragmentation. As more communication forms turn digital, it is the belief of some that they will fuse into one. People read news online instead of in print, listen to radio Webcasts rather than the ancient "boom box" and can tune into and catch up on their favorite TV shows online. As media continue to meld online, the battle for the consumer's attention will rage on, and businesses will need to be increasingly creative.

In the online world, contextual advertising will stay a part of the marketing landscape. Its technology has just begun to prove itself, and we can expect more sophisticated forms to emerge. Advertisers and marketers are just starting to reap the rewards, but are quickly catching on to the inherent value.

Contextual advertising defies something many people have thought impossible: finding and successfully targeting the elusive consumer online. In essence, it's turned the idea of "finding a needle in a haystack" into a reality.

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