



ContextWeb Intros Graphical Display CPM Ads

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By Mike Shields

Contextual keyword ad seller ContextWeb, following the lead of search giant Google, is extending its contextual ad portfolio to include graphical display ads to be sold on a CPM basis.

Generally, contextual keyword ads are comprised of text links which are placed on a network of content sites based on their relevancy to each particular site's content. Typically, these ads are sold on a cost-per-click pricing model, similar to search-based keyword ads.

Recently, Google's AdSense, the leader in the category, began selling context-based display ads on a CPM basis, geared for brands that are less focused on direct response metrics.

ContextWeb, which is one of a handful of smaller networks hoping to challenge Google on this front, began beta testing graphical ad placements this spring in preparation for Monday's official launch. Thus far, several premium advertisers, including Delta Airlines and Vonage have been running ads via the new product.

According to ContextWeb, most Web publishers do not make exclusive arrangements with contextual ad vendors, instead offering up their page inventory to a variety of bidders. However, the company has struck exclusive deals to sell inventory, including arrangements with all of Meredith Publishing's sites, as well as Parenting.com and AccuWeather.

Other contextual search companies have begun making similar, exclusive deals in an attempt to subvert Google's open sales model for AdSense, which is popular for generating revenue even among the smallest of Web sites.

Besides some exclusivity, ContextWeb's claimed point of differentiation versus Google and Yahoo is that their technology delivers contextual ads in 'real time,' rather than relying on spiders and bots to regularly scanning Web pages. In addition, according to ContextWeb's senior vp of business development and sales Andy Jacobson, advertisers using ContextWeb will be able to more finely target their campaigns by cherry picking the sites on which their ads will appear, rather than buying on broader keyword or categories basis.

"We are actually going to take your site apart and sell it in a much more compelling way," said Jacobson.

Jacobson believes that the reach for contextually based display ads is potentially larger than the text ad business. "We kept hearing from agencies, 'we've got a ton of brand advertisers who would be interested in this,'" he said. "All publishers who sell ads are currently in [the display ad] business. We are saying, 'everyone's got unsold inventory, let us help you sell yours.'"