



## Best Practices



# Optimizing Creative for Contextual Ads

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**ContextWeb's Shanthi Sarkar discusses how tailoring contextual ads expands market reach and boosts campaign ROI.**

The growing popularity of online advertising has prompted more and more businesses to shift a significant part of their marketing budgets to the internet. These businesses are now placing ads on search engine websites, online newspapers and magazines, or other sites that provide informative content to readers. While the benefits of online advertising -- most notably the ability of the medium to attract customers based on distinctive tastes, interests and behaviors -- have become increasingly apparent to businesses seeking prospective customers, there remains a large, yet untapped opportunity for advertisers to maximize the effectiveness of their existing campaigns, tailor strategies to attract new audiences and increase the return on investment (ROI) for their advertising dollars.

One such opportunity exists in the realm of contextual advertising, a technology that displays contextually relevant advertisements next to online content. Marketers employing this technology typically customize their ads based on narrowly defined content categories that are relevant to their particular product. However, this narrow targeting approach often tends to ignore potential audiences that exist beyond their normal target industries or vertical markets. By tailoring the content of each ad -- commonly known in the industry as its "creative" -- and/or displaying the ads in other content categories and verticals, marketers can quickly and effectively expand the breadth of the audience they can reach.

An example here will be illustrative. A marketer advertising her company's allergy medicine develops a creative that appears online in the "healthcare" content category. The ad is then

displayed to potential consumers while they are browsing information about allergies and naturally attracts clicks because of its contextual relevance. However, by making some minimal changes to the ad's creative, the marketer can expand the reach of the same product to new audiences by displaying the ad outside the traditional and obvious healthcare category.

For instance, including the word "camping" in the ad's creative now makes this relevant to the popular "travel-camping" content category and can be used to target consumers who suffer from allergies on their camping trips. This clever manipulation of the creative and the resultant expansion into a new vertical market dramatically increases the likelihood that the ad will perform better and generate higher conversion rates. More importantly, it introduces the product to a new potential consumer base that would otherwise be ignored.

From here on, the possibilities are endless-- the same ad's creative can be altered for use in other content categories, including parenting and family, food and drink or any other category where allergies are of potential concern.

Despite these clear advantages of targeting new audiences with tailored ads, not all online advertising forums and outlets are equipped to handle this level of flexibility and sophistication. For instance, search engine sites generate advertisements on the results page based on a narrowly defined keyword that is typed in by the user and identified by the algorithm underlying the technology. If the search engine identifies the keyword "Florida", the same ad could be generated each and every time that keyword is typed, without regard to any specific content category. Contextual advertising tackles this challenge successfully by generating ads based on both keyword and category. For example, contextual advertising technology can deliver ads for Florida travel, wildlife, politics or weather based on the website's content and what the user is reading, thus making it more relevant and meaningful. Further, contextual's dynamic real-time delivery of ads makes this medium a more compelling offering.

Fortunately, tailoring the ad's creative of contextual ads does not entail the production costs typically associated with altering rich media ads. Marketers can easily tailor their ads for a particular content category and there is no limit to the number of categories that can display the ad. The traditional CPC (cost per click) advertising model applies here as well. To take advantage of this strategy, marketers should, however, consider working with solution providers who can help with the development of creatives that help maximize the audience reach and ad effectiveness.

In closing, the customization of online media to attract new audiences presents a win-win-win situation: advertisers increase their reach, attract new customers and boost campaign ROIs; website publishers receive more contextually relevant ads to place on their sites and increase revenue each time new ads are clicked; and the customers improve the efficiency of their time spent online by being presented with more relevant advertisements based on content they are browsing. In today's fast-paced technology-dependent world that is driven by results, the value of this contextual advertising strategy cannot be underestimated.

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