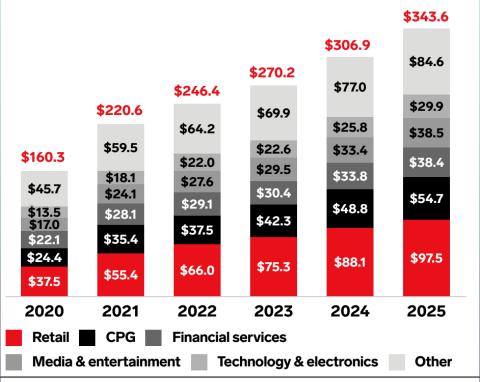
Display Advertising

Retail and CPG Continue to Be the Largest Buyers of Digital Ads

billions in US digital ad spending, 2020-2025



Note: includes advertising that appears on desktop and laptop computers, as well as mobile phones, tablets, and other internet-connected devices on all formats mentioned; numbers may not add up to total due to rounding Source: Insider Intelligence | eMarketer Forecast, Dec 2023

What is display ad?

When you search on Google, you see ads which are known as "search ads."

When you browse online (e.g., browsing YouTube, Wall Street Journal, Gmail etc.), you see adds known as "display ads."



Historical Note: Banners

Banners seem to be the oldest standard format in use.

The first "banner ad" was launched by AT&T on Oct 27, 1994 on Hotwired, the web version of Wired.



Part of the AT&T "you will" ad campaign

The AT&T You Will Campaign

Each ad presented a futuristic scenario beginning with "Have you ever..." and ending with "...you will. And the company that will bring it to you: AT&T."

At that time, there were about 30 million people on the Internet.

The ad predicted a number of innovations including GPS navigation, Wi-Fi, tablet computing, smartwatches, distance learning etc.

Display Advertising

Struggling Rural Colleges, Towns Find Fates Intertwined

As America's rural colleges struggle with falling enrollments and local flight, they are realizing how their own futures are intertwined with the broader community.



 There's an Antidote to America's Long Economic Malaise: College Towns (Dec. 12)

Bring Back Jobs From China? In Shenzhen, They Aren't That Worried

Donald Trump's threat to compel Apple and others to manufacture more at home should strike fear into Shenzhen, where the



world's tech gadgets are made. Yet executives here aren't worried by Mr. Trump.

Stock Futures Edge Up as Dow Nears 20000

Futures pointed to a small opening gain for the Dow



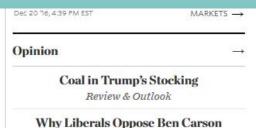


Myanmar's Right-Hand Cars Feel Wronged by State Ban



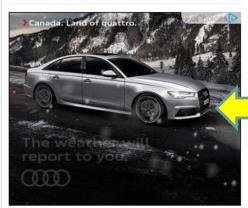
Trump's Israel Envoy Pick Helped Fund Settlers



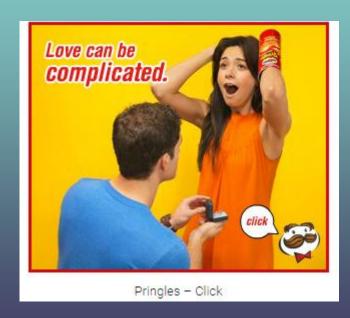


By Jason L. Riley | Upward Mobility

The Case for a Rules-Based Fed By John B. Taylor | Commentary



Examples of interactive banners







Telegram app cracks down on IS propaganda channels

0 2 hours ago | Technology



The secure mobile messaging app Telegram has started cracking down on propaganda from so-called Islamic State group (IS), nearly eight weeks after the terror group set up its own public broadcast channels there.

app in late September, which allows users to broadcast their messages to an unlimited number of members via their own Telegram "channel"

In an announcement on Wartnesday evening, the Redin, based Telegram said it had shut down 78 IS channels and promised to make it easier for users to flag "objectionable public content" shared via the app.

"We were disturbed to learn that Telegram's public channels were being used by ISIS [alternative name for IS] to spread their propaganda," said a statement from Telegram, which was set up in 2013 by two Russian brothers, Pavel and Nikolai

The action followed claims by IS for the 13 November Paris attacks and the downing of a Russian passenger jet over Egypt's Sinai Peninsula on 31 October. Shortly before the key IS propaganda channel on Telegram was shut down on 18

November, it had been used to publish IS's English-language magazine Dabiq which halled the Paris attacks and featured an image of the bomb IS claims to have used to bring down the plane.

IS had shifted its propaganda distribution to Telegram from Twitter on 26 September just four days after Telegram trumpeted the launch of its new "Channels" tool.

An official IS channel dubbed Nashir, which translates as "Distributor" in English, quickly became the platform where IS propaganda started appearing first, ofter several minutes before being posted to Twitter - IS's other favoured outlet.



The channel had amassed over 16 000 subscribers before it was shut down along with a raft of other IS channels used to distribute the group's propaganda in a wide range of languages, including English, French, Russian, Turkish and Urdu.

But many other irhadist Telegram channels continue to be active, including official

Top Stories

Paris 'ringleader' killed in raid The man believed to have planned the attacks in Paris, Abdelhamid basoud, was among those killed in a French police raid, prosecutors

© 48 minutes ann

US House votes to restrict refugees © 37 minutes ago

World on cusp of 'post-antibiotic

○ 5 hours ago

5 best practices.

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From Around the Web





U.S.S. Harry S. Truma deploys from Norfolk Washington Post Vi







Hillary Clinton Prese Her Plan to Battle ISIS This is an example of the BBC website. How many ads do you find on this webpage?





The one big thing there's never been a





RRC World News Channe Finder

The news you trust, 24/7. On your TV.

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by hackers or government agencies.

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US attorney calls for access to Google and Apple phones

Paris attacks: 'Ringleader' Abdelhamid Abasoud killed in raid

☑ f У in

More on this story Update: Encryption row intensifier 18 November 2015

18 November 2015

48 minutes ann

Technology:

felegram is so confident of its security that it twice offered a reward of hundreds of thousands of dollars to the first person who could crack its encryption

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BBC News

'Toenail Hoard' of 500 coin clippings found in Forest of Dean



BBC Future

Why does the US Navy need pilots who can fly like this?



BBC News

Blind pupil asked to stop using white cane in school



BBC Culture

Roland Barthes at 100: The six quotes you need to know

Raqqa activists criticise ineffective air strikes on IS



UNIVERSITY OF ROCHESTER, SIMON BUSINESS SCHOOL

Webinar Topics



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From Around the Web

Promoted content by Outbrain



Trump on the Islamic State: 'I would just bomb those suckers' Washington Post Vi...

U.S.S. Harry S. Truman

Native Ads

Native advertising is a type of advertising that matches the form and function of the platform upon which it appears.

It is hard for consumers to distinguish between content and native ads.

More Videos from the BBC



Divorcees are 'not criminals'



Brazil dam burst: 28 still missing after dam burst



other laugh in six seconds



Omar Ismail Mostefai?





Saudi Arabia



The Indian maid who had her arm chopped off in





attacks to children?

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Woman arrested after 'no Muslims' beauty salon Facebook post



BBC Future

Why do we still not know what's inside the pyramids?



Blind pupil asked to stop using white cane in school



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Andreas Gursky: The bigger the better?



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Russia tourist suffers acid attack in India's Varanasi



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Why does the US Navy need pilots who



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Admissions Tips



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That Prove Victorian Times Weren't That... Say hello to the



Check Out This Insane Navy Drone in Action



A Rare Interview With A The Blog of Author Tim ...



RANKED: The 15 Dumbest Presidents. Ranked by IQ

Navy SEAL



can fly like this?

Native Ads

Advertisers face a trade-off between ad clicks and brand recognition.

Publishers need to strike a balance between ad clicks and the platform's trustworthiness.

For policy makers, concerns that native advertising confuses customers prompted the U.S. Federal Trade Commission to issue guidelines for disclosing native ads.

More Videos from the BBC



Divorcees are 'not criminale!



Brazil dam buret: 28 etill missing after dam burst



other laugh in six sec



Omar Ismail Mostefai?





her arm chopped off in



attacks to children?

Elsewhere on BBC









Blind pupil asked to stop using white cane in echool



RRC News

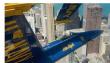
Russia tourist suffers acid attack in India's Varanasi



Why do we still not know what's inside



Andreas Gursky: The bigger the better?



Why does the US Navy need pilots who can fly like this?

1	Read	Watched	
	Paris 'ringleader' killed in raid		
10	US House votes to restrict refugees		
nds	How equal are you?		
6	World on cusp of 'post-antibiotic era'		4
	Paris attacks: Latest updates		5
is	Trump 'not opposed to Muslim database'		6
	The woman in the American flag hijab		7
	'Drink driver kills 38 sheep' in US		8
	Transgender woman dies in male prison		9
		ctivists criticise ve' air strikes on IS	10

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13 Hilarious Pictures That Prove Victorian Times Weren't That...



deadliest thing in the



Check Out This Insane Navy Drone in Action



A Rare Interview With A Navy SEAL The Blog of Author Tim ..



RANKED: The 15 Dumbest Presidents.



Are Display Ads DEAD?



Targeting based on simple rules

Geo-targeting

Target by country, state, city, IP address

OS / Browser / Devices

Segment based on technology

Day and time

Specify display times to the minute



Firms offer different consumers different prices based on their personal situations (e.g., geolocation, search history, purchase history).

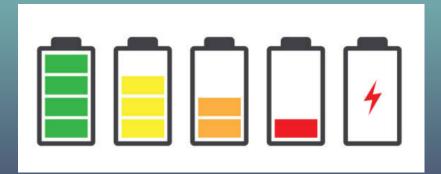
Do you use a MacBook or a PC?

Mac vs. PC

The Wall Street Journal investigated claims that Orbitz, a popular online travel agency, was showing higher prices for hotel rooms to Mac users compared to those who used a Windows PC.

Uber charges you higher prices when your battery is low, because it knows you cannot afford to wait!

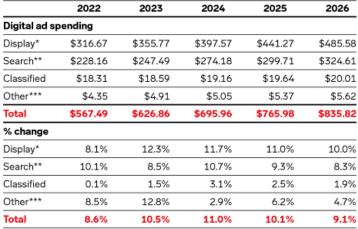




Display has the largest share >50% of digital ad spending

Digital Ad Spending Worldwide, by Format, 2022-2026

billions and % change



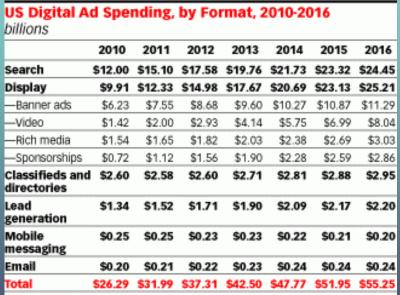
Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; "banners (static display), rich media, sponsorships, video (including advertising that appears before, during, or after digital video content in a video player); "paid listings, contextual text links, and paid inclusion; "**email, mobile messaging, and lead generation

Source: eMarketer, Oct 2022

279254

eMarketer | InsiderIntelligence.com

Display used to fall behind search



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones and tablets on all formats mentioned; data through 2011 is derived from IAB/PwC data

Source: eMarketer, Sep 2012

144427 www.eMarketer.com

Display vs. Search

	Display	Paid Search
Users/consumers	Passive	Proactive
	Near top of the funnel	Near bottom of the funnel
Contents	Image, Video, Animation	Text
Pricing mechanism	Cost per thousand impressions (CPM)	Cost per click (CPC)
	Auctions + real-time bidding (RTB) Or direct buy at fixed CPM	Auctions + offline bids
Advertising objectives	Brand awareness Re-engaging	Lead generation Direct marketing
Placement	Publishers' websites	Search engine result pages



Direct Buying: Large buyers can purchase directly from large publishers. For instance, if you plan to order 1 million impressions to US users on the New York Time's finance related pages in July, you can contact the publisher directly and negotiate a deal with it.

Feasible to only large publishers and advertisers. Small firms cannot afford the transaction costs. Publishers are often unable to clear their entire inventory through direct buying.

Ad Networks: There are several display ad networks that act as intermediaries between advertisers and publishers, serving display ads through their networks --- You do not contact directly with publishers.

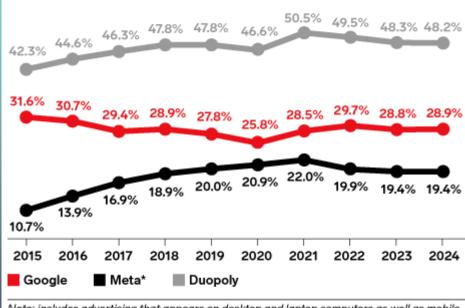
Top Ad Networks include:

Google Facebook Mediavine Apple Advertising

We take Google AdSense as an example to see how ad networks work!

Duopoly Net Digital Ad Revenue Share Worldwide, 2015-2024

% of total digital ad spending



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; Google includes YouTube advertising revenues; Meta includes Facebook and Instagram ad revenues; excludes spending by marketers that goes toward developing or maintaining a Facebook and/or Instagram presence; excludes revenues reported under Meta's Reality Labs segment; *paid advertising only Source: eMarketer, Oct 2022

At its simplest level, the Display Network works as follows:

Stage 1: Publishers with websites or apps join <u>AdSense</u> and become part of Google's Display Network. They agree to allow Google to place ads on their websites and/or apps.

Stage 2: Advertisers set up Display Network campaigns in Google Ads and tell Google where to place their ads via targeting methods such as keywords, placements, or remarketing (discussed in detail below).

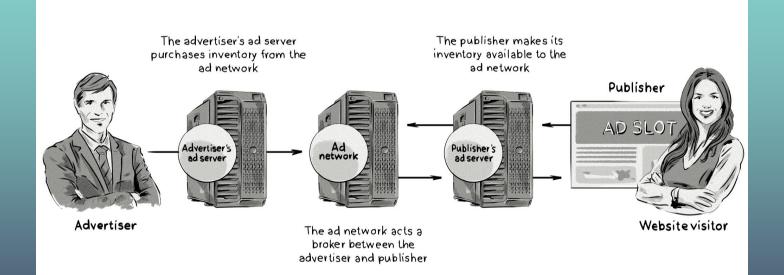
Stage 3: As users browse websites and apps, Google places ads on the websites or apps (called "placements"). Users see these ads as they browse websites, apps, YouTube, and Gmail.

Stage 4: Advertisers compete to get their ads on placements (websites and/or apps) in the Google Display Network by bidding per click and/or by impression. As mentioned earlier, Google switched from second-price auctions to first-price auctions.

Stage 5: When a user clicks on or views an ad, Google makes money off the click/impression and splits this with the publisher of the website and/or app.

Stage 6: If the user clicks on the ad, the user then leaves the website and lands on the advertiser landing page, where he either converts or does not.

It is also common for advertisers and publishers to hire agencies to help them (e.g., optimizing the bid, providing data analytics)



Select Your Location

Locations	^
Select locations for this campaign ②	
All countries and territories	
O Hong Kong	
Enter another location	
Locations (1)	8
Central, Hong Kong Island, Hong Kong neighborhood	8
Q Enter a location to include or exclude Advanced search	

Set Your Bids

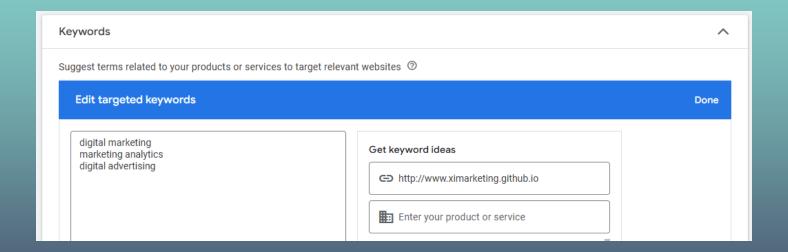
Bidding	^
What do you want to focus on? ✓ Viewable impressions ✓ Conversions is recommended for your campaign goal	
Enter your viewable CPM bid for this ad group ② HK\$ 1.00	

CPM = Cost per thousand impression (mille)

Add targeting	
Demographics	Suggest people based on age, gender, parental status, or household income ③
Keywords	Suggest terms related to your products or services to target relevant websites ②
Topics	Suggest webpages, apps, and videos about a certain topic ②
Placements	Suggest websites, videos, or apps where you'd like to show your ads ②

Next

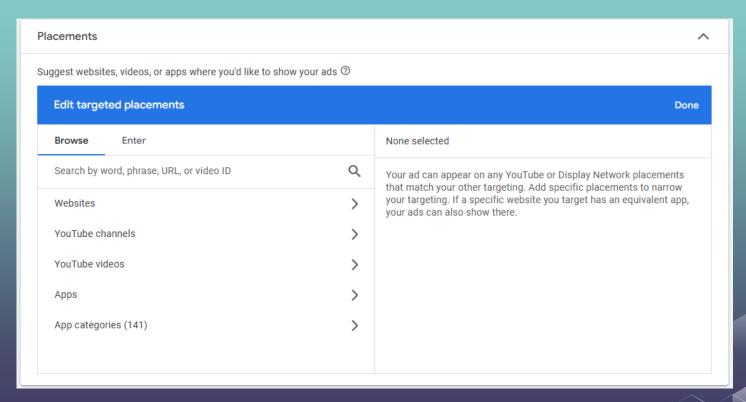
Demographics				^
Suggest people based on age, gender,	parental status, or household income	0		
Edit targeted demographics				Done
Gender	Age	Parental status	Household income	
✓ Female	18 - 24	✓ Not a parent	✓ Top 10%	
Male	25 - 34	Parent	✓ 11 - 20%	
Unknown ③	35 - 44	Unknown ③	2 1 - 30%	
	45 - 54		✓ 31 - 40%	
	55 - 64		✓ 41 - 50%	
	65+		Lower 50%	
	Unknown ②		☐ Unknown ⑦	



Your ad only appears on pages which match these keywords

Topics				
Suggest webpages, apps, and videos about a certain topic 🗇				
Edit targeted topics		Done		
Search by word, phrase, or URL	Q	None selected		
Business & Industrial	^	Your ad will show to all topics that match your other targeting. Add specific topics to narrow your targeting.		
Advertising & Marketing	~	topios to notion your targeting.		
Aerospace & Defense	~			
Agriculture & Forestry	~			
Automotive Industry				
Business Finance	~			
Business Operations	~			
Business Services	~			

Your ad only appears on pages which match these topics



If you know the placements you want to run on and you are sure that they are in the Google Display Network, then you can add them as URLs (domains). For example, both CNN.com and Entrepreneur.com run Google ads, so you can click Enter multiple placements at the bottom and then add them.







How to Combat Click Fraud?



Course Project

Choose a company/brand and analyze its DM strategy, including:

Its website (from an SEO perspective)

Online sentiment (How users talk about the brand online? E.g., user reviews on platforms such as TripAdvisor/Amazon; online discussions on platforms such as Twitter/FB).

Is the company's official social media accounts (e.g., Twitter/IG/FB/YouTube) well managed?

Competitor Analysis and Consumer Analysis



Get your presentation ready by Nov 24 [Monday]. You will present on either Nov 24 [Monday] or Nov 27 [Thursday].

The order of presentation will be drawn randomly.

Submit your project report by Nov 28 [Friday].



Course Project

Any questions?

