7 Online Advertising Trends to Watchout For by John Duff

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With the world economy in a fairly fragile state, more and more marketers are looking for ways to get the most bangs out of their buck while creating an advertising model with predictable ROI. The internet, being a global network of more than 2 billion users, affords them the ideal platform to achieve these goals. Most online advertising predictions foresee an influx of over $15 billion into online advertising and branding over the next five years.

This article should help you gauge what to expect from the online arena in the near future (read that as 5 years).

Video Is The New T.V.!

While TV may still hold one of the largest advertising shares in the world, video, its online counterpart, is quickly catching up. With online video ad spend increasing by 52% in 2011, video ad views have grown by 128%. And, according to eMarketer â€œby 2014, video will account of 15% of total online ad spendingâ€•, although Forrester Research places their estimates much higher at almost 30%.

This flurry of increased activity in the video advertising sector points to how marketers are coming to the realization that video is an excellent way to elicit an emotional reaction than display, sponsorships or any other format of online advertising.

While spending in alternative marketing avenues retains growth, video is rapidly gaining ground fueled by a number of developments including YouTubeâ€™s addition of pre-roll video ads and analytics, increased bandwidth and the opening up of the mobile market, and the modern consumerâ€™s tendency to ignore banner ads.

Go Mobile!

According to mobithinking.com, global mobile ad spending will explode in the next 5 years, reach over $20 billion by 2015. With over 700 million mobile internet users, smart phones are set to overtake the laptops and PCs as the primary way to get online.

The ability to connect with consumers anywhere in the world at anytime is the primary reason mobile advertising is taking off right now. Additionally, the medium is a rapidly growing networking platform that is likely to dominate the market as the technological bulk of laptops and PCs continue to disappear in favor of sleeker, smarter mobile devices.

Rich Media Display Ads

While display ads are being seen as an increasingly ignored form of advertising, marketers are capitalizing on rich media and higher bandwidth to create even more engaging banners and roll-over ads. Hover ads in particular are gaining increased prominence with some websites, while overall banner ad growth is poised to remain steady for the next five years, especially with the emergence of mobile platforms as a critical future revenue source.

Instead of looking at a profusion of banners ads taking up increasing amounts of space, weâ€™re likely to experience some highly creative content with super-interactive banners leading the charge into the future of online advertising.

Brand Power

What with display advertising including video and banner ads likely to be on top of the every marketerâ€™s to-do list, thereâ€™s also likely to be shift toward increased emphasis on branding. Instead the massive influx of direct response ads that have been the hallmark of the past few years, anticipate increased spending on brand awareness campaign as well as guerilla and viral marketing strategies.

Geo-Targeting And Local Ads

With massive advances in geo-targeting technology and consumer analytics, more and more local businesses are turning to the internet in bids to drive more customers to their stores. These developments are especially crucial with the explosion in smart phone usage and the continued expansion of commercial opportunities within social platforms.

I predict that retailers and other commercial institutions will continue to engage in more sophisticated forms of targeted marketing and enhance their capacity to analyze individual consumer preferences.

Social Media

Enough has been said all over the internet and itâ€™s safe to say that the near universal appeal of social media has real significance in marketing terms and is something that marketers simply cannot ignore. Sites like Twitter, Facebook and Foursquare are and will continue to be major forces when it comes to branding and customer relations.

DSPs

Demand-side-platforms are emerging as a great way to accurately and efficiently target qualified prospects. More importantly, as the world of online marketing becomes increasingly complex, DSPs offer marketers the chance to make individual bids on highly desirable customers. I foresee a distinct need for more DSPs advertising budgets get tighter and marketers come under pressure to develop models with measurable ROI.

Thatâ€™s about it for the most important upcoming trends in the world of online advertising. I hope this article helps create a clearer picture of the challenges and opportunities that lie ahead. Cheers!

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