
Starting an Ad Campaign

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Advertising the Startup E-Business Online advertising has progressed over the years. Some believe the internet came premature and advertisers did not know how to react at first. Methods went from blind and deceptive links, to targeted pay-per-click search engine advertising. Along the way, very few people developed effective advertising campaigns. Some now believe a good conversion ratio requires numerous visitors, while others believe concise and targeted ad delivery is effective. When it comes to the startup E-business, I favor targeting strategies and affordability, from start to finish.

Start with an Advertising Guideline

If you think online advertising is easy, most people find it s not. Few companies develop a successful model. Recent research from the GartnerGroup showed, 75% of all E-business start-ups fail . Becoming one of the 25% requires a planned, targeted, and efficient advertising campaign. Starting a campaign with a strict guideline can help increase the chances of a successful campaign.

An easy way to create a guideline is by addressing a simple question. What do I want to accomplish? Put a lot of depth into the answer. Who will be your customers? How much money should be spent overall, or each month? What are the key values or conveniences that are going to be promoted? In combination, make this the advertising guideline. Place considerable thought towards it with every aspect of the campaigns development.

Focusing your Advertising Efforts

It s no secret, people shop online. A recent poll conducted by the National Consumer League showed 55 percent of consumers with Internet access, either at home or work, shopped online. This shows a 10 percent increase, from surveys conducted five years prior. 56 percent reported, They shop online for the convenience .

This information provides some key factors that are important to starting an ad campaign. First, the internet maintains a large market share of shoppers. Also, it tells why most people like shopping online. With this in mind, considerable effort should be directed to online advertising. On the other hand, don t rule out conventional advertising. There is still a portion of the market share shopping elsewhere. Also, advertisements that are online should focus on the convenience of the Website, products, or services being promoted.

Advertise in the Right Places

To find places to advertise, it may be best to consider navigation of the internet. In a research report published by Michael Day and Traugott Koch of UKOLN Metadata Group, they found the internet works best using Classification mapping, for finding and retrieving information. Their research concluded, Classification schemes vary in scope and methodology, but can be divided into universal, national, general, subject specific, and home-grown schemes .

Based on their findings your website, product, or service, may fall somewhere within one or more Classification Schemes. On a grand scale, classification may start with directories such as the ODP or Yahoo! Directory. Consumers browse these directories, and some believe search engines use them to classify the relevancy of Web pages. On a smaller scale, Websites you are placing an advertisement may have their own, Home-grown, scheme. Try to identify the classification at work before advertising. For example, advertising Home Decor on the Automotive section of a website, may not be as effective to advertising in a Home Improvement section.

Targeted Advertising to Stay Competitive

Targeting is the art of minimizing your advertisements to the people who are most likely to become a customer. If done effectively, it will produce results with minimal advertising expense. These savings will enable you to offer products or services at a competitive rate while maintain a profit margin.

Identifying a target audience may be the key factor between profit and loss. In a report published by Jose Luis Moraga-Gonzalez (Assistant professor at Erasmus University Rotterdam, and research fellow of the Tindergen Institue), focusing on Internet advertising, he found, "firms that were unable to target their ads to different consumer segments found a Zero-profit equilibrium exists". On the other hand, his research revealed, If firms employ targeted advertising, they can obtain positive profits .

Some general targeting segments are: Age Groups, Homeowners, Renters, Single Men or Women, Couples, Couples with Children, Regions, Type of Employment, and Income Grouping. Depending on the offering, it may be a good idea to

initially target one of these groups, until your business becomes established.

Starting your ad campaign

After placing some thought into the factors mentioned above, you should be ready to launch an effective and affordable advertising campaign. If finances are tight, start small. Look for affordable solutions such as link exchanges, free search engine submission, directories, and online classifieds. Once a campaign is active, monitor the results of advertisements carefully. This will help ensure awareness of good places to advertise your products or services in the future. By using thought, planning, and consistency ad campaigns will become more effective over time.

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