



Advertisers take new look at what Web offers

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By Michele Gershberg

NEW YORK, July 9 (Reuters) - When Visa wanted to build up its image with credit-card-wielding young adults, the answer came quicker than a swipe of plastic.

"It took two seconds to say that online was the way to do it," said Nancy Friedman, vice president of advertising at the credit-card network. "If you want to find young people in a place where they're really paying attention, the Internet makes sense."

Companies seeking more diverse and subtle ways to grab audiences through interactive media or ads targeted at individual users have brought on a nascent recovery in online advertising.

The challenge, industry experts say, is to find formats that take print or television ads several steps further, without over-complicating the job.

This is especially true for blue-chip brands such as automakers, financial services and consumer goods that are leading the renewed investment online.

"Advertisers don't want to learn an entirely new way of doing business -- they just want to have new opportunities," said Allie Savarino, senior vice president of global marketing at Unicast. The company offers full-screen, 15-second Internet ads that run much like television spots while users move between pages.

Gayle Troberman, director of custom solutions at Microsoft Corp.'s (NasdaqNM:[MSFT](#) - [News](#)) MSN, said part of the push for online ads comes from the rise of broadband Internet hookups, allowing campaigns to integrate sound, video and eye-grabbing animation more easily.

"It makes this medium much more user-friendly...and it's also created a wealth of creative opportunities for the marketer that really weren't there just a few years ago," Troberman said.

Jeff Marshall, senior vice president at the Internet arm of media group Starcom MediaVest, said some advertisers plan to nearly double allocations for online ads to as much as 10 percent of overall budgets in the next 12 to 16 months.

INTERACTIVE TOOLS TO BUILD BRANDS

One favored method of advertising online is to use interactive tools to build brand awareness, creating a broader experience for users on the Web.

For a youth audience, Visa chose the path of longer-term brand-building, working with MSN to sponsor an online competition soliciting a wide range of project ideas from twentysomething users under the site name "Ideas Happen."

Finalists in the Visa contest included proposals for launching an eco-tourism program in the Costa Rican rain forest, filming the return of a refugee to Bosnia, and manufacturing peanut butter slices to help feed orphans in Mexico.

Vodka maker Absolut invites users to help build a segment of the brand's latest advertising campaign,

or to check out the script of an evening gathering of urban singles peppered with drink-mix recipes.

"We have increased the (online) part of our budget to 9 percent of our spending" from 7.5 percent last year, said Michael Persson, Absolut's director of market communications. "It is a way of (building) intelligent communication -- we can measure how many people are interacting with us."

On the technology side, an array of companies are attempting to make other forms of online advertising more manageable with improved methods of targeting users and tracking their responses.

In recent weeks, Internet auctioneer eBay Inc. (NasdaqNM: [EBAY](#) - [News](#)) signed on DoubleClick Inc. (NasdaqNM: [DCLK](#) - [News](#)) to provide ad serving and management technology for its keyword advertising service. The Wall Street Journal Online launched targeted advertising geared to its subscribers based on technology by Revenue Science Inc.

"The Web offers an accountability that is not found in radio, television or magazines," said David Moore, chief executive of 24/7 Real Media (NasdaqSC: [TFSM](#) - [News](#)), which is preparing a more integrated version of its product to target users as they move between Web pages.

Online, he said, "you can actually see not just how many people have seen an advertisement...but how many people have clicked on it, and how many have bought a product."