



BIG AD BUDGETS AIMED AT ONLINE ADVERTISING

Compiled by [Sandy Cahill](#)

If you think the internet is already overloaded with commercial messages, stick around. The corporate marketing herd is heading online with bigger budgets as they finally realize what most online marketers have known for quite a while - that there are mass audiences to be found at a fraction of the cost of TV.

Ford, for example, owned up two months ago that an online ad "roadblock" it purchased late last year on major online portals such as Yahoo!, MSN and AOL delivered 40 per cent of all American men aged 25 to 54 in one day. (A roadblock is a

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TV advertising tactic where a company buys out all the airtime across TV networks simultaneously to maximize public awareness.)

But, as important as the mass audience numbers were for Ford, the clincher was the car maker's declaration that its online blitz was 10 times more cost-effective than network TV to reach the same numbers.

According to one of the world's leading authorities on media effectiveness, Ford's experience is just the start. Rex Briggs, the founder of US media research group Marketing Evolution, says the online advertising market is about to burst. "Ford really broke the model when they bought this broad-reaching campaign," Briggs said. "There's a big opportunity for savvy marketers to get ahead of this curve."

Briggs is advising some of the biggest international marketers - Kraft, Ford, Procter & Gamble and Nestle among them - to allocate up to 15 per cent of their advertising budgets to the online sector. "The [advertising budget] percentage for promoting a movie online should be as high as 20 per cent," he says. "Financial services can be 20 per cent and in some cases higher."

He says his firm has conducted dozens of studies showing the internet works both as a mass and niche advertising medium influencing retail sales and for "building brands".

"The change in share is going to be different from one country to another. In the UK, for example, advertising share is going to come somewhat from TV but more from

outdoor. In the US it's going to come from trade promotions and broadcast TV as opposed to cable TV. Cable should get a much larger share."

If the corporate world finally accepts the mountain of data regarding internet advertising, TV networks will continue to feel the squeeze that cable TV, TIVO and other competing media have been imposing for quite a while now. For those who rely on the internet to make a living – don't expect your hard working pop-up blocker to save you from experiencing this 'new' phenomenon.