INTRODUCTION

- Digital – history of digital advertising

- The global picture

- Key debates about digital advertising

- Digital advertising agencies

- Changes in digital advertising

- Learning 1: Demonstrate an understanding of debates and key issues in relation to commercial applications of social media

DIGITAL ADVERTISING: HISTORY

- History of digital advertising
  - 1991World Wide Web: interconnected documents published on internet
- The webHTML
  - (Hypertext Markup Language)
  - The web is social
  - Initially hostile to advertisers and marketers
- Information superhighway
  - 1990s-2001 dotcom boom era (1.17 mins)
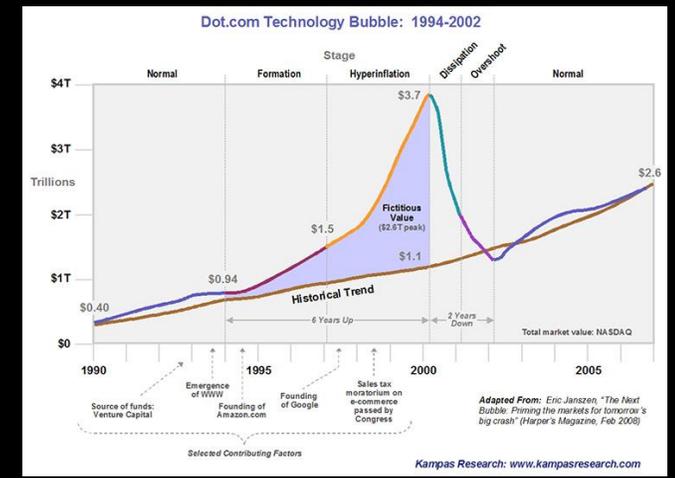 - Massive excess, big losers/winners

DIGITAL ADVERTISING

- Initial advertising
  - Difficult (banners, pop ups etc.)
  - AT&T and advertising on pages of HOTwired
  - 1996 the effectiveness of such advertising was audited
- Dot-com crash
  - Widespread adoption of social media 2005 onwards
  - 2003, 3% of advertising spend was online
  - 2005, 7.8% of advertising spend was online
- Mobile
  - Smartphones (2.52 minutes)/mobiles
  - 2020, 50% of advertising spend predicted to be online

THE GLOBAL PICTURE OF DIGITAL ADVERTISING

- World's largest markets: US, Japan, Germany, UK, Brazil, France, Australia, South Korea,

- World's largest advertisers: Proctor and Gamble, Unilever, L'Oreal, Toyota Motor Corp, General Motors

- Digital agencies

  - Online markets are growing

  - Multi-pathway communication online

  - Similar to traditional agencies

  - offer services such as brand development, consumer insight, tracking of engagement, data mining etc.

- 360i New York (2.47 mins) OgilvyOne London, Proximity Toronto, Fred and Farid Paris etc.
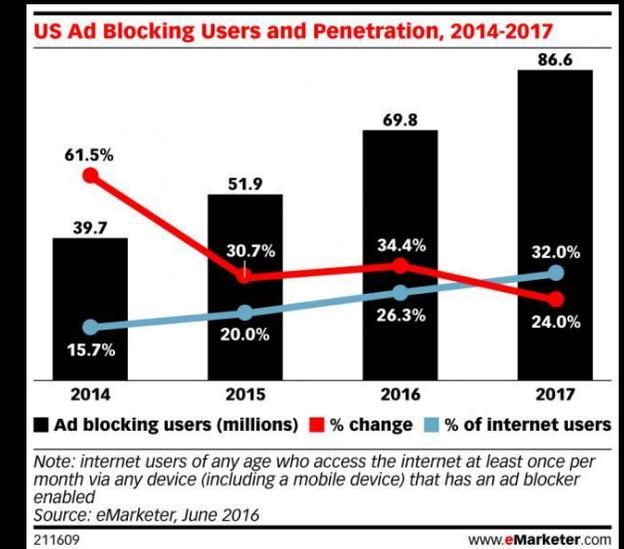
LEADING DIGITAL MEDIA

- Search=55%; display = 30%; classifies=14%; other=1%

- Google – largest search engine
  - AdWords – places ads next to search results
  - AdSense – displays advertisers' advertising to people with relevant interests/profiles (Behavioural Advertising) (1.59 mins)

- Display advertising
  - Ads on top and sides of webpages
  - Dominated by consumer goods industry e.g. retail, entertainment, technology etc.

- Classified advertising
 - People post their own ads

KEY DEBATES IN ADLAND

- Split between analysis and creativity
  - Big data generated
- [Adblocking](#) (3.23. mins)– use of software to remove ads
- Privacy – advertisers track sites we visit (but also regulated)
- Promotional culture – advertising is 1 element in marketing mix
  - We self promote on social media (even if unaware of this)
- Diversity – of the targets of advertising
- Attention - have to earn this e.g. by generating conversation
- Skills - Different from traditional media
  - Content often shared, discussed, comments need responding to

US Ad Blocking Users and Penetration, 2014-2017

	2014	2015	2016	2017
Ad blocking users (millions)	39.7	51.9	69.8	86.6
% change	61.5%	30.7%	34.4%	24.0%
% of internet users	15.7%	20.0%	26.3%	32.0%

Note: internet users of any age who access the internet at least once per month via any device (including a mobile device) that has an ad blocker enabled
Source: eMarketer, June 2016
211609
www.eMarketer.com

ADVERTISING CHANGES

- Advertising agencies/communication agencies
  - More expansive in what they do
- Being social
  - Media culture is generated by us
  - And is participatory
  - User-generated culture
- Digital backlash
  - Digital ads may not reach their target audience
  - Or may be ignored
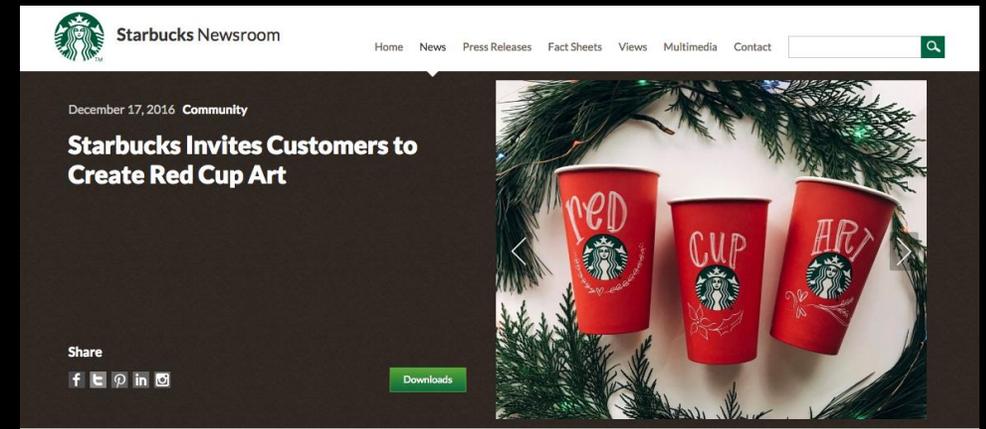
SUMMARY

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REFERENCES

- Brassington, F. and Pettitt, S. (2013) *Essentials of Marketing.* Harlow: Pearson

- Kim, C. (2016) *Social Media Campaigns.* London: Routledge.

- McStay, A. (2016) *Digital Advertising.* London: Palgrave.