Networking: Syndicated online content

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The cost of online content continues to climb, but Internet retailers are not paying the full price for producing it, sources are telling United Press International's Networking column.

Rather, they are getting it wholesale, acquiring "syndicated" Web content, produced by product manufacturers, like Estee Lauder, Sony, Palm and others, and customizing and integrating it on to their own sites, with just one line of HTML code. The content includes not only product descriptions -- as in a catalog -- but also interactive demos, buying guides and educational content.

For many retailers -- Best Buy, Circuit City, CompUSA, Sears, Macy's, Nordstrom and the like -- there are hundreds of thousands of products that they carry, each with its own stock keeping unit, and each requiring its own advertising.

Manufacturers, however, have already produced this content, in one format or another, and want to give retailers the best copy and images they can for their products.

"This saves retailers significant time and money because they do not have to develop or maintain the content on their own," a spokesman for WebCollage.com, a provider of content integration services, told Networking.

The need for such content is clear, according to market-research surveys. A recent report by Forrester Research indicates that about 70 percent of

in-store shoppers conduct product research on retail Web sites -- before they go to the store. "The influence and importance of a retailer's Web site extends far beyond pure online sales numbers," said the spokesman for WebCollage.com. For every $1 spent online by consumers, they spend $4 offline, according to Forrester, based in Framingham, Mass. Another market researcher -- New York City-based Jupiter Research -- said the ratio may be even higher, at 1 to 6.

Manufacturers, however, continue to produce content for their own sites, which they hope will drive offline, and online, sales. A few weeks ago Philips Norelco launched a new product, The Bodygroom, on its Web site, www.shaveeverywhere.com. The product was first introduced in Europe, and then America. "Philips made the strategic decision to enter the U.S. marketplace by launching a creative Web site, specifically designed to engage their target audience of men 25-44 and help them see the brand a little differently," a spokeswoman for Philips told Networking. "Cooler, more cutting-edge, not your dad's electric shaver, etc."

The site went live on May 2 and drew 350,000 unique visitors during the first week online, and, within a month, drew 1 million unique visitors. That pushed product sales -- making it the No. 1 "personal care" item on Amazon.com in a short time, the spokeswoman said. "The company hoped that the contents of the site would create a rapid, word of mouth campaign," said the spokeswoman.

That being said, not every major brand is a guaranteed success on the Web. According to Chris Winfield, chief executive officer of the New York-based marketing firm, 10e20, Google's shopping search engine, Froogle, "was put to bed last week and replaced by their CraigsList/eBay play -- Google base." That drops Google to the "not" category from the "hot" category, said Winfield.

The goal for online marketers is, of course, to cause prospects to associate the valuable information they find online about brands. The reason that many marketers are interested in the "syndication" concept, experts tell Networking, is that they want to make sure the message they are sending is consistent, all across the Web, and doesn't differ dramatically from site to site. In addition to images and words, i.e., sales copy, manufacturers are also providing hyperlinks, ad tiles and other "information architecture" to move the products, the spokesman for WebCollage said.

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