

The Web: The Age of Individualized Adverts

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Online marketing today is about more than inserting "Hello, Roger," in the subject line of an e-mail and hoping it somehow convinces the recipient, in this instance, a chap named "Roger," that it is truly customized, intended just for his edification, and not just another boring mass-mailed spam message.

Experts are telling United Press International's The Web column that sophisticated Madison Avenue advertisers are sending e-mail that is not only customized, but that is also "personalized and relevant" to each individual recipient.

Studies -- including a report released last month by New York City-based Jupiter Research -- indicates that this is what drives purchases from e-mail. In fact, Jupiter indicates, 60 percent of "immediate purchases" by recipients of e-mail are driven by content that is considered to be exceptionally relevant by recipients.

"A marketer's goal is to connect with consumers on a personal level, with messaging that speaks specifically to that consumer," said Sam Gerace, founder of the interactive advertising agency BeFree.

That's easier said than done, however, for it involves integrating the knowledge that an advertiser has gleaned about a consumer with the current marketing campaign. What gets even trickier is making sure the information can be sent by e-mail or short message service (SMS) over the mobile phone for on-the-go consumers.

One technique is to utilize information gathered from permission-based e-mail marketing campaigns to fabricate exclusive advertising content for specific customers. This started a few years ago with so-called opt-in e-mail campaigns, which essentially gave consumers the choice as to whether to receive, or no longer accept, e-mail from a particular company.

But now it is even more specialized. A grocer who uses the technique can send weekly promotional specials by e-mail or SMS to a customer. But if he knows a customer is vegetarian he will most definitely not send him e-coupons for pork chops or ground beef.

What's more, music marketers can use the same kind of techniques and filtering technology. They may offer a discount for purchases during a given time frame -- but send similar, but separate offers for hip hop fans and country music aficionados by e-mail. With tools like customized e-mail from ExactTarget.com, marketers can even tell when a customer has opened a specific e-mail, even if they are not on the same platform, say, AOL, as the sender.

Imagine what magazine publishers would be able to do if they knew when someone was reading their \$25,000 full page ads. Or what TV producers could do if they knew you were flipping the channel from "Queer Eye for the Straight Guy" to something less unsavory. This is nothing short of an astounding development in the field of communications.

"We're entering the age of individual marketing and big brands are racing to catch up," said Brian Degan, chief executive officer of Akron, Ohio-based Knotice, a software developer for the advertising field. "Consumers are tuning out traditional forms of marketing, and have less patience for companies who don't respect their preferences."

In addition to e-mail, marketers are also tracking consumer behavior on Web sites. The New York City-based online advertising agency Tacoda, for example, is delivering car ads to people who have been visiting automotive Web sites. Sites produced by major publishers, from Scripps, The New York Times, Accu-weather.com and Cars.com, are using the tactic.

What is more, the advertisers can then check to see how well-received each ad is with the customer. This promises to make the phrase, "50 percent of my advertising budget is wasted; I just don't know which 50 percent," a thing of the industrial age past.

Sometimes, the most unusual behaviors are indicative of purchasing preferences, experts tell The Web. Buyers of Panasonic Plasma TVs were interested in luxury travel, and viewers of romance movies were keen on renting cars, researchers have found.

This kind of targeting marketing really does work, advertisers insist. A spokeswoman for Hewlett-Packard, the Silicon Valley computer and peripherals maker, indicates that a few years ago, it developed a new marketing program, targeted at existing customers, over the Internet. The program relied upon customized e-newsletters and specialized Web sites. The idea was to "simplify the way (the company) interacted with customers," the spokeswoman told The Web.

The results have been very impressive, thus far. Average revenue per customer has increased by 320 percent; and customers who receive the custom content are three times as likely to visit an HP Web site as those who do not.

Experts tell The Web that, after being in a comatose state for a decade or more, the mass market advertising world is now legally dead, and the personalization technologies -- e-mail and Web tracking -- are inheriting

the estate.

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