

All You Wanted to Know About Contextual Ad Program

Contextual advertising refers to a category of advertisements that is in context with its environment. Such ads relate directly to the content of the web page on which they are displayed. For instance, a search on a search engine for air compressors will show a page with sponsored links to websites that either offer information related to air compressors or sell air compressors themselves. These ads are in the context of your research and they are called contextual ad programs.

Types of Contextual Ad Programs

Contextual advertising can be software-based or software-free.

Software-based contextual advertising has been very controversial and publishers dislike it, because it leads to a third-party earning money off their content, while they make nothing. Pop-up ads are an example of this kind of advertising. In this case, the service provider instead of inserting links, works to deliver pop-up ads related to the page the user is viewing. For instance, if the program sees you viewing a page about childbirth, it might deliver a third-party ad about baby formula. The owner of the page you are viewing receives nothing for this.

The most popular form of contextual advertising is software-free mode. In this case, the companies work directly with publishers to insert contextual ads, rather than relying on software to insert such ads. They place bits of code on a web page, which figures out what the page is all about and then serves the users with appropriate advertisements from their base of advertisers.

Players in the Contextual Advertising Space

There are a variety of players operating in contextual advertising space. The most popular one is Google. Google's strength is that it already possesses in-depth understanding of all important web pages. According to industry sources the company has indexed over 2 billion pages. The 3 billion claimed on the home page includes some pages it has never visited, but knows about only via link analysis. This means it can easily deliver targeted ads to any page participating in its program. Google's efficiency has turned it into a giant in the contextual ad market.

Another major ad distribution site is Blogger.com. Google owns this site through its recent acquisition of Pyra Labs. Hence, Bloggers who use the free service now have Google ads on their site. Little has changed for those using the Blogger system. Those not paying for Blogger still have to carry ads, which are now powered by Google's contextual ads program. Bloggers who don't want ads can pay a fee to remove them, as they used to do in the past.

Concerns of Advertisers over Contextual Ads

A lot of consumers come across contextual ads in a search mode and are not keen on looking at the paid listings with the objective of getting answers to a particular topic. There are others who check out a paid listing more out of curiosity rather than to fulfill a particular desire. Hence, there is always a concern whether searchers and browsers will convert.

Source: <http://www.articlecircle.com>

About the Author

David Gass is President of Business Credit Services, Inc. His company publishes a free weekly e-newsletter on Small Business Consulting at their web site <http://www.smallbusinessconsulting.com>