

MobileManiacs.com

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We are responsible for all online advertising for a small company called MobileManiacs.com. Our company is a reseller of mobile electronics like PalmPilot's, Visors, Compaq iPaq handheld computers, and other mobile technology. MSNBC has approached us with a comprehensive advertising proposal that will feature Mobile Maniacs on both the MSNBC website, and on the handheld computers that utilize the Microsoft Windows CE operating system. Approximately 30% of the Mobile Maniac sales are for Palm OS devices, 50% for Compaq and other CE computing devices, and the remainder is for other mobile technology devices such as headphones, speakers, batteries, and so forth.

Advertising on the Internet can come in many forms. Internet marketing has used text mailings, which later were paired with images are used as direct mail pieces, which cause consumers to buy. Software sponsorships have also been used as marketing, such as Gator, and Bonzai Buddy helping to promote a free service such as Audiogalaxy. The most successful of Internet marketing is the banner ad, or one of the many flavors that it comes in. The banner ad can be what is called a column ad, which runs vertically on the side of a web page. The banner ad can also be transition ads, which act as portals to the retailer's page; these can be misleading, or altogether annoying. The banner ad can also be a flash interactive banner ad, which is animated, has the ability for click through, and is generally more effective because it requires user interaction. Whichever form you look at, the banner ad is the undisputed king of Internet marketing, for awareness, and for click through to purchase.

It seems that the Internet "banner ad" is the most powerful of Internet marketing methods, when compared to pure text emailing, sponsorships, and a combination of many other forms of Internet media channels. Recently the banner ad's effectiveness was tested to see if the

banner ads' success was linked to click through. The study conducted by Internet Advertising Bureau (IAB) collected some useful information.

In a study conducted by the IAB, nearly all of the measured impact was generated without a 'click-through' to the advertiser's site, demonstrating that exposure causes awareness, and that click through is not an accurate measure of awareness. This information leads us to believe that we do not need to monitor where people access our site from, or if they come from an affiliate, because our main objective is to raise awareness of our company through advertising. This information also leads us to believe that awareness will occur purely from frequency and reach of the ad.

“Eleven out of the twelve shown marked improvement in advertisement awareness. An additional exposure to the advertisement boosted advertisement awareness by 30% on average.”
(IAB)

From the IAB study of 12 banners, eight showed an increase of awareness, most especially for brands with zero awareness. This finding will be used to help Mobile Maniacs create awareness and position itself as, “the low price, convenient, and trustworthy source of mobile electronics”. As well, this information will help Mobile maniacs achieve two main objectives, including raising awareness in our target market to 60% and to position ourselves in that market as stated above. With the positioning as a low cost leader in mobile electronics, and through high frequency of banner ads, mobile maniacs will receive an increase in traffic to the Website by 200,000 unique visitors in a six-month period as well as boosting our sales by two million dollars.

Mobile Maniacs will use the information found by the IAB to help us strategically allocate our advertising budget. Mobile maniacs will put a high portion in banner ads, in the

categories of skyscraper, full size, half size, and micro size. As well we will experiment with flash interactive banner ads which are both highly interactive, and memorable.

Now that Mobile Maniacs has decided which type of advertising method we want to use, we want to make sure that it is effective, because of this we will employ ad managing software that will tell us if we are on target to reach our goals. Measurement and the ability to track viewers to purchase of product, is creating a problem for clients of E-Marketing and their respective ad agencies. Luckily, the problem of accountability of banner effectiveness has created an abundance of software and service companies looking to solve the problem and become the Nelson, Arbitron, ABC, or BPA for the Web.

On one front, the software companies like NetGravity, Accipiter, and AdKnowledge are creating systems to track, manage, and report on the performance of Websites. This knowledge is so popular it is being incorporated into next generation web browsers. The other hand, there are online traffic auditor such as i/Pro, which provides sites with a golden seal of approval. Basically i/Pro says its ok for people to advertise on its client list. Either way you look at it, advertising clients want to know the CPM numbers, the click through and want to see some ROI.

In place of transition ads, Mobile Maniacs would like to substitute flash ads, which are more effective at creating brand awareness. Flash advertising is an interactive animated version of advertising and requires the viewer to interaction with the ad. This type of advertising would be more effective in the early stages of the awareness campaign and would have relatively lower cost. MSNBC is proposing net cost per million as \$40 compared to the relatively lower cost of \$20 for more prevalent and effective media elements.

Alternative Elements that MSNBC should include as a package with this deal is advertising in Sports, Stocks, and Technology. Mobile Maniacs target market is young,

professional, and active. Because of the targets lifestyle, they will be focused on stocks that are in their portfolio, when the target is checking their portfolio or purchasing online mobile maniacs will be there. The Target is active in sports, and wants to stay informed on the latest games, when they check this information on MSNBC mobile maniacs will be there. The target Market is technology savvy, and embraces change, when the target looks for the latest news in technology information, mobile maniacs will be there.

Our counter-proposal and final recommendation, after looking through MSNBC's advertising proposal, we have identified some key weaknesses. We would like to diversify our advertising efforts to reach a larger spectrum of our possible clients in our target market. Research and surveys have shown that MSNBC is not a frequently visited travel site. Because of this, we have decided to spread our advertising dollars and advertise with various travel sites that are shown to be frequented by our target market. As compared to travel sites, Travelocity is frequented much more often for travel needs; as well, it is one of the fastest growing Internet travel sites. Our target market travels, and they travel cheap. If Mobile Maniacs wants to effectively market to them, we must put our name where they can see it on the low priced Internet retail travel centers.

Mobile Maniacs target market is also computer literate and quick to embrace change, understanding this we have also decided to diversify our advertising dollars further by advertising on pcmag.com. This site is frequented by Internet users that make up our target market, and by advertising here, we are able to create awareness in the market that matters most to us. As well, we will co-brand our company by offering coupons and rebates for people who purchase compact electronics and need to get a good deal on mobile telephone service, when they buy a palm pilot from Mobile Maniacs. By offering them one good when they buy another,

the customer will receive the complete package for all their needs at a reduced price, creating in their mind that Mobile Maniacs is the low priced leader for mobile electronics

Finally, Mobile Maniacs would like to advertise with a source that is heavily trafficked by users of our products. This would include the ability to access news that is up to date and the ability to choose what advertisements come their way. Mobile Maniacs would like to specify which kind of users get our ads, we will be able to accomplish this by making sure that mobile users are getting our sponsorships, and product ads when they frequent news sites. Mobile Maniacs would like to use sponsorships with NyTimes.com, LaTimes.com, and USAToday.com. By sponsoring on these websites, Mobile Maniacs will receive an extra five million impressions per week.

With Mobile Maniacs sponsorships, co-branding, and diversification of advertising mediums, we will be able to position ourselves as the low-priced leader in mobile technology sales on the Internet.

Works Cited

IAB <http://www.mbinteractive.com/site/iab/exec.html>