# Bells, whistles suit ads fine

# **Group hopes new Web guidelines will click**

By Kim Peterson STAFF WRITER

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Abstract: The consensus: bigger and flashier is better. People preferred skyscrapers over banners and large ads over small ones. They liked animated and interactive ads more than static ones. With that kind of research out there, marketers may be pushing constantly for more bells and whistles in online ads. But if people learned to avoid banner ads, they could certainly do the same with the new breed of ads. 6 PICS; 1. EyeTracking Inc., a San Diego company, shows how someone viewed the CNET Web site. The colors reveal where the eyes went in the first 10 seconds of viewing. 2. The banner advertisement -- a fixture for years on Web sites -- is being phased out by some companies in favor of other formats. 3. Pop-up

advertisements are among the new online advertising styles adopted recently by the Internet Advertising Bureau. 4. The skyscraper ad, which runs the length of a Web site, is being used by an increasing number of companies. 5. EyeTracking researches eye movements through small cameras attached to a headpiece. 6. EyeTracking CEO [Sandra Marshall] and vice president Tim Drapeau have built a business around studying consumers' eye movements. (C-2); Credit: 5,6. John Gastaldo / Union-Tribune

Had enough of Internet ads? Just wait.

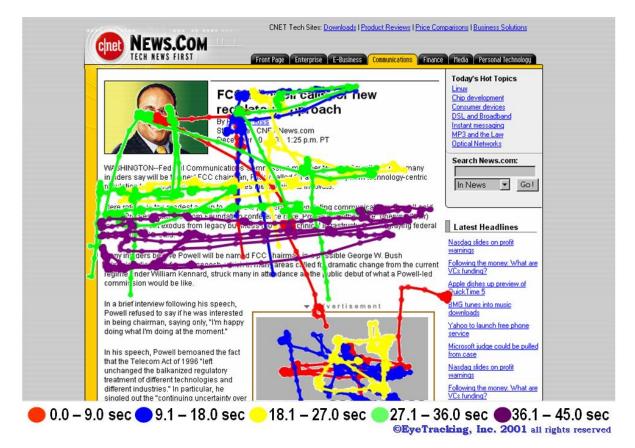
They're getting bigger, flashier and more animated. They come with their own soundtracks. They're moving to the middle of Web sites or popping out into separate screens.

Anything to get your attention.

After struggling for years to attract the eye of computer users, Internet advertisers are finally admitting they went about everything the wrong way.

They say the banner ad -- the rectangular header that has become the de facto online advertising standard -- doesn't work.

"Banners have been around for six years, and people have been complaining about banners for five years," said Jim Nail, a Forrester Research analyst who follows the online advertising industry.



Companies spend billions of dollars each year selling themselves on the Internet, even though there are no definitive studies that show online advertising is effective. People click on ads less than one-half of 1 percent of the time.

So after years of struggling to make banner ads work, Web publishers have adopted a new strategy. They're giving online advertising a complete overhaul.

The Internet Advertising Bureau, a New York-based industry trade group, recently announced seven new ad shapes and sizes it has approved for use. Included are large rectangles, pop-out squares and tall "skyscrapers" that run the length of a Web page.

The new standards are not mandatory, but are the first acknowledgement from the industry that online advertising is due for some serious changes.

CNET, a technology information site, was one of the first companies to experiment with new advertising. In February, it began running large, animated ads in the middle of its news stories.

The online magazine *Slate* is also using the new ad formats, and the Web sites of *The New York Times* and MSN plan to follow suit in coming months.

A San Diego company was instrumental in CNET's decision to launch its new ad format. CNET hired EyeTracking Inc. to test 32 users' reactions to the size, placement and type of ads on its site.

The company recorded users' eye movements as they looked at a site and noted where users looked first, how much time they spent viewing ads on the site and which ads they liked.

The consensus: bigger and flashier is better. People preferred skyscrapers over banners and large ads over small ones. They liked animated and interactive ads more than static ones.

"Part of what we're getting at is novelty," said Sandra Marshall, chief executive and president of EyeTracking. "I think that people are so used to the banner ads they've learned to avoid them."

With that kind of research out there, marketers may be pushing constantly for more bells and whistles in online ads. But if people learned to avoid banner ads, they could certainly do the same with the new breed of ads.

"There will be this constant arms race around more interesting, more intrusive advertising and more sophisticated evolution of the brain to block out the advertising," said Nail, the Forrester Research analyst.

Banner ads were given more respect in 1996, when the Internet Advertising Bureau included them in its standards adopted for the Web. By conforming to its

standards, the Bureau said, a company would not have to resize its ads to fit different Web sites.

### **Changing times**

The IAB went for five years without revising its standards -- despite grumbling from the industry that banners weren't effective. Businesses were thriving in a healthy economy and didn't seem too concerned with the quality of their advertising, experts said.

"Business was growing so fast and people were advertising all over the place and these standards fit," said Stu Ginsberg, a spokesman for the IAB. "We didn't think there was a need" to revise the standards, he said.

That all changed last year, when the economy slowed and companies began scrutinizing their spending. The focus turned to improving Web advertising, which for many companies had only produced marginal results.

"They got lazy, dumb and happy with the dot-com gusher," Nail said. "It's interesting how these hard times have been the mother of invention."

The new advertisements are getting a lot of attention now, but they could soon go the way of the banner ad, becoming "invisible wallpaper," said Zachary Britton, chief executive of Sonora-based Front Porch Inc.

"Six months from now, it'll be old hat to see an ad running up and down the size of the screen," he said.

#### **Matchmaking**

Front Porch has developed technology that will match the content of pop-up ads to the Web sites viewed by a person. If a person went to Callaway Golf's Web site, for example, an advertisement for Titleist golf balls might pop up.

The click-through rates for these ads can reach 30 percent, Britton said.

But click-throughs are not the best gauge of an advertisement on the Internet, which is unlike any other medium, said Michael Lisboa, president of the Oakland-based Xaphon Interactive advertising firm.

An advertisement can be effective without drawing a click of the mouse, Lisboa said. Sometimes results are not that immediate.

"Online advertising is a medium that shot itself in the foot by setting up metrics based on traditional advertising metrics," he said. "When was the last time you were watching a Nike commercial and decided to run out and buy shoes? It doesn't happen."

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