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Leveraging Behavioral Targeting In A Bad Economy

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As the economy continues to pummel the magazine advertising market, triggering a double-digit decline in ad pages for nearly all publications, it stands to reason that publishers and media planners are trying to pull out everything in their arsenal to conquer this deficit. One weapon some have been wielding is *behavioral targeting*, a technique that uses information about an individual's Web-browsing history--the sites visited and searches made--to display specific ads. Some advertisers and publishers swear by BT; others blast it for violating a user's privacy and adding that it is a disingenuous practice that ultimately means nothing.

Recently, I spoke to three luminaries on both the advertising and publishing sides to get their views on BT. How is it being used to shape and drive magazine ad campaigns in light of the economic downturn?

"The first step is making sure that any of the publications being looked for in a media plan have capabilities through such behavioral targeting platforms as TACODA or Avenue A," explains José Villa, the ceo of Sensis, an interactive ad agency that develops online campaigns for top brands. "Many of the larger magazines already implement the technology they offer clients, but a lot of the smaller magazines don't. In our opinion, it's being looked at more seriously with the economy. A lot of companies are focusing on more core audiences, and behavioral targeting is a natural extension of that."

Andrew Pancer, coo of Media6degrees (a "social graph advertising platform"), echoes Villa's sentiments about how beneficial BT is to marketing campaigns and to return on investment, a factor made more potent by the industry's current ad slump. The past *New York Times* vp/digital development and ABOUT.COM coo says that "publishers are realizing that a strong brand, content adjacency, and good demos are not enough to compete with the technology out there. They need to dig deeper into the data and utilize BT for the promise of reaching the right person at the right time with the right ad if they expect to be able to charge the CPMs they are charging".

Leading the charge for BT is "retargeting," a practice that targets users who have visited a client's site. According to both Pancer and Villa, retargeting has been a tremendous success because it has outperformed traditional buys and has been cost-effective.

Disagreeing is Robert Passikoff, founder/president of Brand Keys Inc., a marketing research firm that measures customer loyalty and engagement for clients. He dismisses BT as a predictive tool of consumer behavior.

"I think BT is being handled badly," he says. "The reason for that is most of the behavioral targeting data is based on what people did the last time. Who cares what they did last time? We care about what they did next time. What you want to do is to be predictive of what people are going to do with categories and brands. I'm always fond of reminding people that the 12 million Americans who now have iPhones didn't just come into the marketplace--they were someone else's satisfied customer--and had you looked at the data, you would have seen people were not looking at touchscreen application or downloads."

Conversely, Villa feels BT is a highly effective tool. But it needs to be used in its proper contextual context. "You can't just use it for the sake of it. It's like a search. You never want to do just a search campaign. You want to make sure it's part of a holistic campaign."

Counters Passikoff: "This is the first of many missteps if you base your [marketing campaign] on what is a faulty premise to begin with. You can't expect it to pay out. I think it sucks."

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