



Marketing Messages

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Digital and traditional media adopting branded video search links to extend marketing reach

Video is more powerful than words on the page. That's what Yahoo is counting on with its recent launch of embedding purchased images and video space within search results. The new offering is called Rich Ads in Search.

Brands and agencies including Pepsi, Home Depot, Victoria's Secret and Pedigree have tested new rich media search ads on Yahoo in the US; a UK roll-out is now in the works. There's no word on Canada, but expect an expansion in the future. This is definitely an approach to watch.

Traditional search advertising typically shows only text advertising and links. Along with sponsored results, the Yahoo offering enables brands to put promotional videos in top searches. Victoria's Secret and Pedigree dog food have added video to their campaigns so far. When you search phrases for either of these companies, they come out top of the list with a video link icon that's pretty hard to resist for the Youtube generation. The approach is based on 'opt in' rather than an obtrusive pop up ad or easy to ignore static banner, so audiences are much more apt to be receptive to the message. Plus as the recession has deepened, many advertisers have shifted money to search, which gives them direct, measurable results. Return on investment (ROI) has increasingly become the top prize.

In the US, participating advertisers' click-through rates rose by as much as 25% during trials, while brand exposure also increased. The program will now expand beyond the initial pilot done in February, and will be rolled out internationally.

Yahoo will be charging a monthly fee for its Rich Ads in Search, though the company has said it might revert to the auction-based pricing model in the future.

Rival Google has also been trialing video search listings in the US. Although Yahoo has introduced this search feature, it might be the Google version that causes it to take off. Google sites led the market in December with 63 percent of the searches conducted. Yahoo gained some ground with a 21 percent market share, a 0.5 percent increase at Google's expense. Microsoft has repeatedly expressed interest in purchasing Yahoo's search business, so you can hedge your bets that this approach will likely grow in the future.

So why do I think this is an important trend? Two reasons:

1. With our recession economy, people are doing more online research before making purchase decisions now than a year ago. Recent research by Miller Zell Inc in the US reveals that 44% of all respondents were doing more online research than they were a year ago. The trend is likely to be similar in Canada. More online searches will mean it is becoming increasingly important to rank at the top of search listings with a compelling reason to click on the link.

2. While TV viewing is becoming increasingly fragmented with multiple stations, time shifting of viewing and commercial skipping, the traditional 30-second spot is getting lost in the shuffle. The Bureau of Broadcast Measurement (BBM) pegs overall household penetration of DVRs in Canada, those machines that allow commercials to be skipped, at 12-14%. The loss of TV viewing also seems to be at the expense of time spent online. Recent research by TNS Canadian Facts found that 22% of people were watching less TV than a year ago but their online activities such as social networking, sending emails and viewing of websites had increased during that time. Watching videos on Youtube has become increasingly popular and this new offering to embed video in the search engine result, feeds the shift in use patterns we have observed, particularly with younger audiences.

Of course if embedded video becomes too popular content will fail to stand out on a page filled with these links. However, as a tool to help integrate digital and online media, it's right on target for the times. Stay tuned, and don't touch that dial - I mean mouse!

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