

12.8: The future of online advertising

On the web, the convergence of digital devices and channels is leading to new avenues for online advertising. Digital advertising can reach customers anywhere where they can access the web.

While we have become used to the Internet as a free medium where we can read and interact with any content we want, it is the fact that it is an advertisers' medium that keeps it free. And that means that as technologies evolve and the way we interact with content changes, so advertising follows.

Previously the level of interaction a web user had with a website could be measured by the number of pages of that website the user viewed. Now, technology such as AJAX and rich media such as video mean that the time spent on a web page can be more meaningful than the number of pages viewed. The key word here is 'engagement', and technology and data analysis is working towards being able to determine how websites can quantify the level of engagement with a viewer.

A little online research will reveal plenty of commentary declaring the decline of display advertising. Increasingly, consumers are becoming both weary and wary of advertising. Already low clickthrough rates on banners are dropping, so the effectiveness of display advertising is being questioned by some. However, there is a counterargument to be made here using different types of online advertising. Native advertising, for example, has a fairly good engagement rate. With the focus in digital marketing on tracking and measuring response and engagement, should a company spend money on less measurable activities such as 'brand building', where they are paying on a CPM basis?

Note

View-through conversions are important to look at as well, especially if your campaign is focused on raising awareness

Using third-party ad servers and post-impression tracking, the effects of different advertising and marketing channels on each other can be observed. Banner advertising can see an increase in search volume, for example.

What does this tell us? Measurement should take place across all channels, and no channel should be utilised in isolation. The best results will be gained through an integrated and holistic approach to digital marketing.

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