

1. REPORT PROFILE

FOCUS

This report reviews the evolving state of online advertising and proposes how B2B publishers should take advantage of emerging tools and revenue opportunities that are appropriate for their audience.

AUDIENCE

B2B publishers with a Web presence and marketers and advertisers that service business publishers will find this report most relevant. Search engine companies, and companies that provide technology for search, Web publishing, CRM tools, and online advertising will find this report relevant to their current business issues.

CONTENT

This report presents a new and unique framework for comparing publishing models specifically designed for B2B publishers, along with background and perspective on how online advertising trends have evolved, with supporting facts and figures. In addition, search engine marketing, with an emphasis on Contextual Ad Placement, is examined and suggestions for modified applications of contextual ad listings for professional publishing firms are provided.

USE

Publishers of premium B2B will find recommendations in this report to leverage their content portfolio with product versions that can be monetized through paid search and other contextual advertising techniques. In addition, suggestions for increasing the value of a Web site using evolving Web technology that improves a publisher's ability to deliver relevant content to specific users at the appropriate time are presented.

2. EXECUTIVE SUMMARY

After a two-year slump in online advertising forced online publishers to scale back operations and implement subscription fees and other forms of fees to monetize their products, online advertising got back on its high-growth trajectory in 2003 by way of paid search listing and links. Contextual advertising, an offshoot of search engine paid listings, has emerged as a leading contributor to re-energizing of online publishing. Journalists from business magazines, technology publications, marketing and advertising journals, online pundits, and even general newspapers are highlighting the exciting growth in search advertising and contextual placement of ads on Web sites.¹

But how can B2B publishers, who have professional standards that may prohibit using unscreened commercial advertising, profit from techniques that have provided new hopes of profitability to many smaller and noncommercial Web sites?

This paper provides a critical analysis of why search engine marketing and contextual ads delivered by the search engine companies have taken off in the past year and why these techniques will evolve over time and be supplemented, and supplanted in some cases, by better targeted promotional tools.

Further, this report proposes business models for monetizing content that build on the underlying success of the paid links services offered by providers such as Overture and Google, but are appropriate to the B2B publishing community.