



Why Small Businesses Need to Harness Digital Advertising

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While the world slowly claws its way out of an economic slump, one market has seemingly remained untouched by financial hardship: digital advertising. This sector has shown remarkable stamina throughout the recession and is expected to continue its strong upward trajectory this year and beyond.

The Interactive Advertising Bureau and PricewaterhouseCoopers revealed recently that U.S. online advertising grew by 13.9% in 2010, reaching a record \$25.8 billion. The firms predict that this year, spending for online advertising will grow to \$28.5 billion, will surpass \$30 billion in 2012 and will exceed \$40 billion in 2014. For its part, e-mail marketing is no slouch either: A report from Forrester indicates that e-mail marketing spending will increase to \$2 billion by 2014.

While display advertising and e-mail marketing are fertile grounds for advertisers, reaching ideal target audiences, especially for small and midsize businesses (SMBs), remains a challenge. The SMB market is expansive — estimated at 27 million in the U.S. alone — bringing traditional mass-marketing costs into the hundreds of thousands of dollars. These costs are prohibitive for large companies that market to SMBs, let alone for SMBs that market to other SMBs.

Harnessing Social Media for Successful Digital Advertising Campaigns

With this in mind, it's no surprise that the advent of social media has presented advertisers with a new tool to mine their target audiences. Advertisers are increasingly recognizing the key role social media sites like Facebook play in a successful digital media campaign—specifically, how they provide a sea of information on potential advertising targets, including SMBs, whose own marketers often turn to social media outlets to create brand awareness. This potential is driving a shift in advertising spending from TV, print and even online search to social media, contributing, for example, to the estimated 35% growth in Facebook ads in a single year.

The challenge for advertisers is that digital advertising used to be all about “direct response” while Facebook's social media advertising seems to be all about branding or generating buzz without necessarily a measurable boost to revenues.

The fact is there is a convergence of digital advertising and social media. Digital media convergence is all about leveraging social media for direct response or lead generation while holding onto the branding buzz you get by gaining the eyeballs which are clearly living in the social network world.

Putting it Together

The next challenge for advertisers is how to harness digital advertising and use resources effectively.

Advertisers are now taking a three-pronged approach: e-mail marketing, display advertising and social media. This combination allows for running integrated campaigns – mixing direct response and branding with a religious dedication to reaching the target audience.

Technology has opened new doors for advertisers, shining a bright light on the potential for limitless opportunity. But finding this opportunity could be a challenge unless advertisers are savvy about how to use popular digital advertising tools. By integrating digital advertising and social media, and leveraging companies that help them do so effectively, advertisers can easily meet their revenue objectives, build brand value and connect clients to their ideal target audiences, executing successful campaigns time and again.

Russell Rothstein is the Founder and CEO of Sales Spider , a business social network specifically geared for small to medium-sized businesses. Sales Spider features \$25 Billion worth of qualified sales leads, networking with thousands of business professionals, classified ads and online tradeshows to users – for free. Sales Spider was launched in March 2006 and has since attracted over 750,000+ members and is growing by 20,000 per month. Prior to the development of Sales Spider, Rothstein was the President and Founder of NorthPath, a Sales Outsourcing company offering lead generation and field sales outsourcing to leading technology companies. Before joining NorthPath, Rothstein served in numerous sales and application capacities for Oracle, and was awarded Highest Performing Application Sales Manager. He was also the Managing Partner and Founder of Bizware, a software supply chain for retail petroleum and major convenience stores, where he successfully built Bizware into the industry market leader before selling to a NASDAQ listed public company in 1995.

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