



The Essential Guide to Digital Marketing and Advertising in South Africa.

Edition 2, 2010



**DM
& MA**



The aim of this short guide is to provide you with an objective, independent overview which will assist you in making an informed and educated decision regarding desktop and mobile web advertising for you or your clients.

The DMMA (Digital Media & Marketing Association)

Founded in May 2003, the DMMA (previously the OPA) is an industry organisation, dedicated to promoting engagement and facilitating growth between all key players in the South African digital industry including desktop and mobile web publishers, advertising and media agencies, and digital production agencies.

Why Advertise Online?

The proliferation of the desktop and mobile web has enabled astute advertisers and marketers to tap into a medium which offers highly creative and effective solutions. Desktop and more recently mobile web advertising are amongst the most powerful and interactive advertising mediums available today.

Interact with your Consumer in their Space

Consumers are not just going online more often and for longer periods of time, they're also adopting the medium for increasingly diverse and/or personal parts of their lives. They browse, shop, e-mail, read, connect with friends, write or upload content, bank, search, interact, and indulge their hobbies, to name a few.

With an online media strategy, you can pick or choose each or any of these moments, depending on which is most relevant in terms of the nature of the conversation you wish to have with your audience. It is the only medium which truly enables a two-way, engaging and active conversation between consumer and brand.





Build your Brand

Desktop and mobile web marketing offers your brand a unique and engaging platform via which to interact with consumers. It gives you the opportunity to bring your brand to life in interactive and memorable ways. Read http://www.comscore.com/Press_Events/Pressentations_Whitepapers/2008/How_Online_Advertising_Works_Whither_The_Click for more information on how online advertising builds a brand.

Engage your Consumer

Online allows you to reach your consumer on the desktop or mobile web, no matter whether they are accessing from work, home or school. That means you can target your message in “digital areas” where your audience is most interested or receptive, allowing you to create alliances or tie-ups with promotions, concerts, new and exciting channels or events that have a synergy with your brand and your consumer.

Transact there and then

Online advertising allows you to influence people at the right time - when they are in an active mindset, wanting to find out more, making comparisons and/or buying.

Targeting

With online marketing, advertisers can not only target highly specific demographic and industry groups; but specific geographic, behavioural, professional and company-specific subsets, amongst others.

Reach

Desktop and mobile web advertising, particularly through display based campaigns, allow you to choose exactly how often your adverts will be seen.





Time to Market

Offline advertising can be a slow. With online, once your creative is ready you can begin the campaign reaching thousands or millions of potential customers in days. Placing an ad offline is, in almost all cases, delayed by weeks at a minimum. In the one or two months it takes to place and then run a magazine advertisement, you can start, analyse, optimise and complete a massive online or mobile campaign.

Optimisation

Once you have launched an offline campaign, it is time consuming, expensive and sometimes impossible to tweak or change your message. With online advertising, if desired, you can alter your ad creative as often as you like – constantly testing and optimizing to see which execution delivers the best results.

Direct Response

Online advertising is one of the only mediums that gives your audience the ability to respond directly and immediately to your offers and furthermore, you can track this response.

Cost

Online advertising is one of the least expensive channels available to market your products and services, whether measured by total cost or cost per thousand impressions (one impression=one ad display). Online marketing also benefits from lower start-up and development costs.

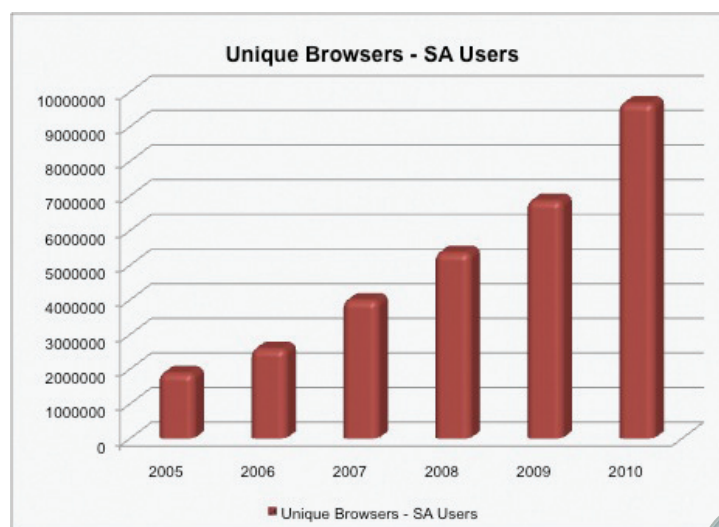
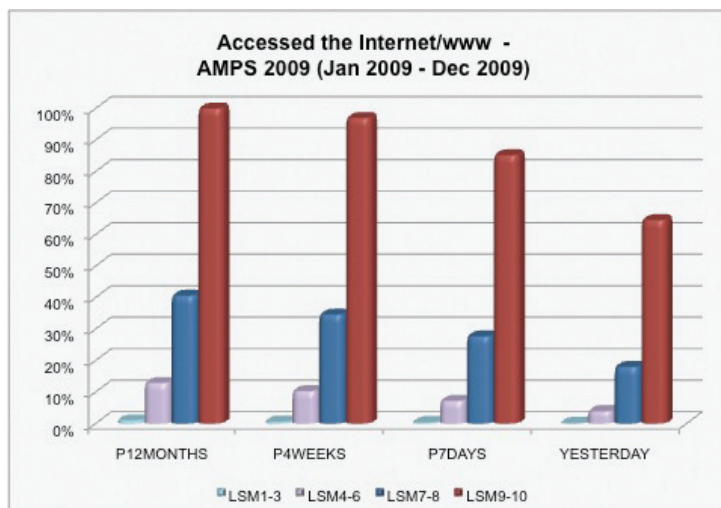




Measurability and Accountability

Online allows marketers to measure return on investment through appropriate tracking technology. In the case of direct response campaigns, leads, subscriptions, entries etc. can all be used to gauge how well a campaign has performed. For online brand building campaigns, engagement with the advert as well as metrics around how often a brand name is searched for, traffic to and engagement with a brand site, and online purchases can all be used to measure the success of the campaign.

Size of Audience





Online Audience Measurement

The online audience is currently measured by using data from Nielsen Online Market Intelligence (MI), which gives insight into rankings, reach (the number of Unique Browsers (UBs) visiting a site), audience engagement (page impressions, average session duration etc.), and audience demographics. It is important to remember that one UB does not equate to one person. One person may access the internet via multiple devices (e.g. desktop, laptop, iPad etc.) and each one of these devices would be recorded as a UB.

Nielsen Online MI gathers the traffic information through cookies when people browse DMMA sites. Demographic information is gathered through online surveys which pop up randomly across DMMA member sites. Browsers can choose whether to complete these surveys or not. If a browser does complete the survey, the demographic information gathered is linked to that browser's cookie and then used to populate the demographic stats on the other sites the browser visits (assuming he/ she does not clear their cookies).

World Wide Worx conducted a study entitled Internet Access in South Africa 2010, which indicates that the desktop web audience in terms of the number of actual people accessing the internet grew by 15% in 2009 from 4.6 million to 5.3 million and is expected to grow at a similar rate in 2010. The good news is that we will continue to see strong growth in 2010, and we should reach the 6-million mark by the end of the year according to Arthur Goldstuck, MD of World Wide Worx.

Part of the DMMA's mandate is to provide credible and reliable audience measurement statistics (traffic and demographics) to the marketing and advertising community in South Africa, thereby promoting the credibility of DMMA member sites, and equipping advertisers with the information they require to make informed decisions around their online marketing and advertising.



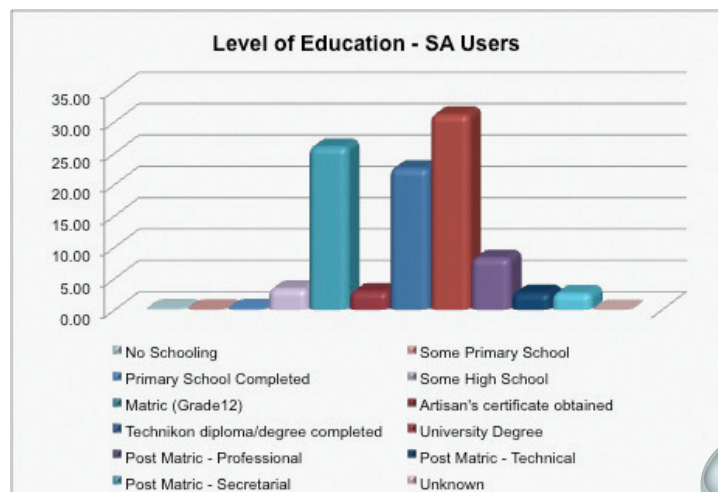
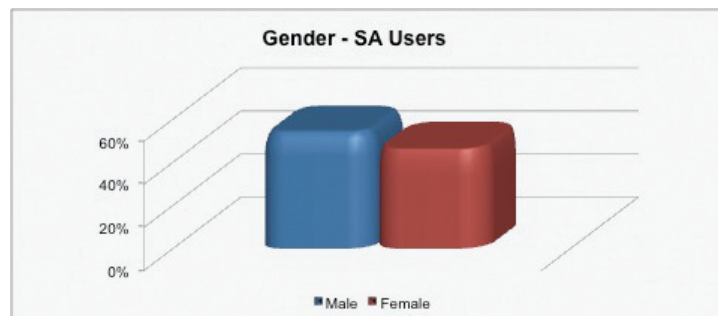


Web Analytics

There are various analytics tools currently available on the market such as Nielsen SiteCensus, Google Analytics, Omniture and others. Variances may occur between audience data from your analytics tool and audience data from Nielsen Online MI as they use different methodologies.

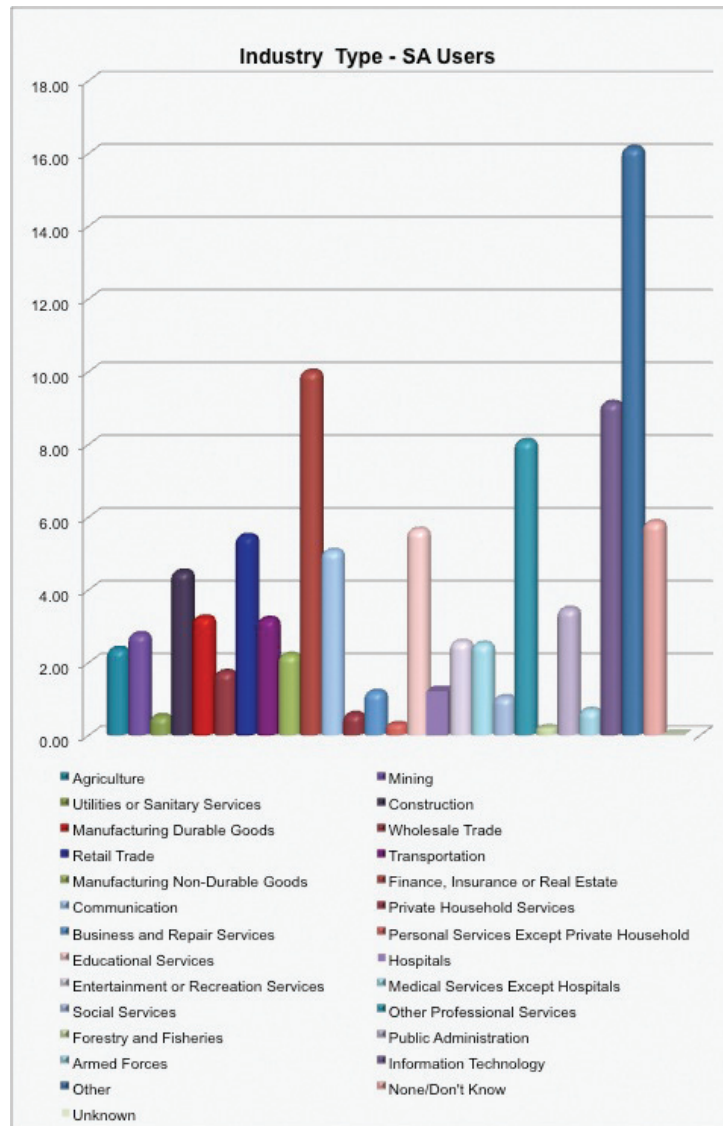
Audience Demographics

A majority of South African internet users have a household income of more than R9000 per month, and reside in the key urban areas of the country: Johannesburg, Pretoria, Cape Town and Durban. They typically are well-educated (70% have completed further education) and work in an office, where most Internet usage (52% of access) takes place. Gender split: 54% of site visits being from males and 46% being from females.



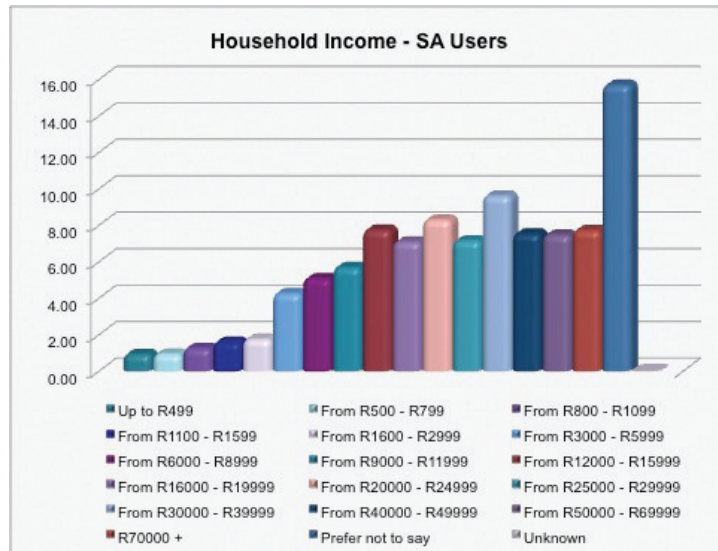


Audience Demographics (continued)



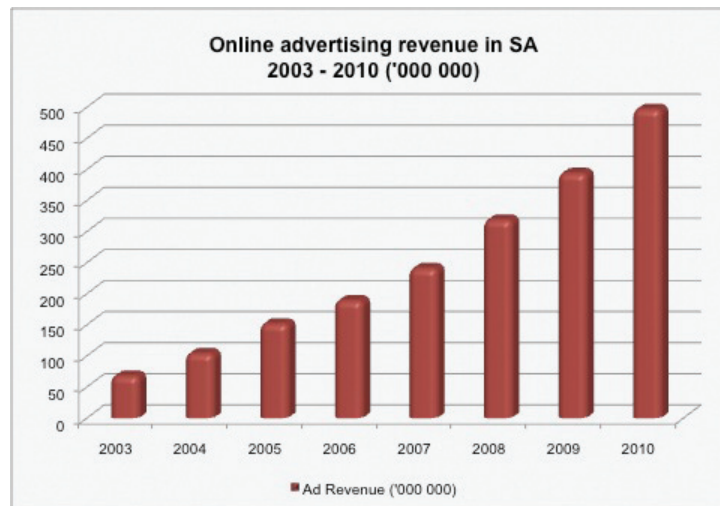


Audience Demographics (continued)





Online Ad Revenue



World Wide Worx

Online advertising revenue of DMMA members reached R419 million in 2009 and is predicted to pass the R500-million mark in 2010.

It took the online publishing industry 9 years, from 1994 to 2003, to grow to the R60-million revenue mark, yet it has almost trebled that amount in the subsequent three years.





Advertising Options

Placement Options

Various forms of online advertising are available:

- Display based campaigns on websites or through networks. Campaigns can be ROS (Run of Site), section or page specific
- Email campaigns via newsletters or promotional mailers
- Search Engine advertising via offerings such as Google Adwords
- Display or text based marketing on mobile (WAP) sites or within mobile applications (commonly referred to as apps).
- Direct mobile advertising e.g. SMS, MMS or USSD.
- Advertising within Social Networks such as Facebook or twitter.

Creative Options

Display Based Campaigns

Web publishers today offer various display based advertising options including standard banner ads (static or animated jpeg, gif or flash executions), rich media ads (including online video), and customized advertising (advertorials, background branding etc.)





Standard display based online campaigns

The most popular standard banner sizes offered by local publishers are:
(Measured in pixels (px)):

Button - 120x60px

Banner - 468x60px

Double Banner - 468x120px

Medium Rectangle - 300x250 px

Large Rectangle - 300x600px

Skyscraper - 120x600 or 160x600px

Leaderboard – 728x90 px

Sizes offered vary by publisher. In addition, each publisher has their own set of guidelines on the maximum kilobyte size (KB) of the creative as adverts that are too “heavy” can slow down the speed of the publisher’s website.

The pricing model for display based web advertising can be CPA (Cost Per Acquisition), CPC (Cost Per Click) or most commonly CPM (Cost Per Thousand) impressions. Ads can also be purchased exclusively, meaning the ad is shown permanently (on every impression) over a set period of time for a flat fee.

Whilst the above mentioned adverts are the most commonly used in South Africa, publishers offer advertisers a variety of additional options and advertising opportunities. Some of these options include:





LATEST ONLINE READERSHIP

SEPTEMBER, 2010

Unique Browsers

Total: 20,710,414

Sa Only: 11,114,552

Page impressions

Total: 380,278,756

Sa Only: 287,978,041

Mobile

Profile of SA's Internet Users:

Sex	Male 52%	Female 48%
Age	25 - 34 30%	35 - 44 25%
Education	Matric 26%	Technikon Degree/ Diploma 23%
Income	10% Monthly income R30 000 - R39 999	

Source: Nielsen data for September, 2010

120x600
or
160x600S
k
y
s
c
r
a
p
e
r

THE BOOKMARKS WEEK

November 2010

16 Tuesday

The Bookmarks Week

READ MORE

Q & A



What are the standard banner formats used by online publishers in SA?

View Answer

LATEST BLOG POSTS



Ensure your Nielsen tags run before your Google Analytics tags...

Comments 2
READ BLOG

MORE BLOG POSTS

- DMMA Measurement presentation at Nielsen briefings
- Measurement Update end August

THE BOOKMARKS ID
Measuring Digital Success18 November 2010
Cape Town

DMMA



136 people like DMMA



Lerato



Peter



Matthew



Kevin



Bryan



Aidan



Moemi



Abraham



Thabo



Neil

Facebook social plugin

728x90 Leaderboard

MEMBERS



468x60 Banner

468x120
Double Banner

CONNECT WITH US

Powered by Blueworld
Communities



Sponsorships

Website sponsorship can include a variety of options, from a logo and company message, through to content sponsorship. The advertiser has limited control and submits his or her own content to the site as well as one or more ads for the page. These sponsorships run for fixed periods of time and are usually exclusive, meaning no other advertiser can host an ad on the particular page being sponsored.

Pop-up or Pop-unders

These are the small windows that appear when you first load a website. Pop-ups appear on top of the content you are currently browsing. Pop-unders appear on your desktop after the site has been closed or is minimised. Surveys have found that most Internet users find pop-up or pop-under adverts intrusive and annoying and they are thus far less popular. Many web browsers also block pop-up windows by default.

Text or Sponsored Links

These are a line of text with a set number of characters which link through to an advertiser's website.

Interstitial Ads

More popular in international online markets, this type of advertising pops up as you move between pages on a site and sometimes has a timer linked to it.

Floater/iCatchers

Floater or iCatchers generally follow the user's cursor movement on a page or float around on a web page. As they can cause some annoyance, they should include a close option.





Rich Media

Rich media offers far more branding opportunities than any other online advertising format. This format of advertising can include movement, sound or video and is usually interactive, meaning that the user can interact with the ad by playing a game, for example.

Text

Text ads are predominantly used on search engines, although publishers also offer text options. Text ads can also be configured to only display when specific content appears on a search engine or website. These are known as contextual ads.

Newsletters

Various newsletter advertising opportunities exist. These can be in the form of an ad unit such as a banner and/or text ad within a subscriber-based newsletter. Alternatively, an advertiser can 'rent' the database, which enables advertisers to utilise the entire space within the newsletter with their marketing message. This is generally referred to as a promotional or "promo" mailer. However, as a caution, always confirm that the list owner has permission from each subscriber to send third party offers or you run the risk of being blacklisted for spam.

NEVER email a marketing message to any subscriber who has not provided his or her explicit consent (i.e. opted in).





Search Marketing

Search engine marketing, or SEM, is a form of Internet marketing that seeks to promote websites by increasing their visibility in search engine result pages. It is the act of placing advertisements against search results on sites like Google or Bing. Search marketing provides marketers with the opportunity to reach those users who have already shown an interest in their product or service.

Mobile Marketing

Mobile marketing is marketing that is targeted to mobile devices, that is, any device that is connected to a network, whether it is a wireless network or a mobile operator network. Devices include mobile phones, iPods, iPads and iPhones.

Mobile marketing offers one of the most effective and rapidly evolving opportunities to engage with target audiences in new ways on what is often referred to as the “4th screen”.

According to Nielsen Online Market Intelligence, 3,266,977 UBs visited DMMA member mobile sites during the Month of September 2010. For the most recent data, see www.dmma.co.za.

The Mobile Internet in SA 2010 study conducted by World Wide Worx estimates that there are currently 16 million urban cell phone users in SA of which approximately 12 million have Internet access on their handsets.





For purposes of their study, World Wide Worx has defined the Mobile Internet framework, which consists of three tiers, as follows:

Tier 1: **The WAP Internet** (access to WAP gateways, which includes mobile versions of brand sites, mobile versions of traditional and new media publisher sites, downloads of ringtones, games and other content, which may only involve a single link from the phone; the typical user of the WAP Internet is not always aware that he or she is using the Internet).

Tier 2: **The Mobile Application Internet** (usage of “stand-alone” applications on the phone that rely on data feeds, such as MXit, Gmail, and Maps; the typical user is aware of using data, but not of fully accessing the Internet)

Tier 3: **Mobile Web Browsing** (usage of a web browser to access the World Wide Web from the phone – understood by most users to represent full Internet access)

There are many forms that mobile marketing can take and these should be selected on the basis of the objectives of the campaign. Mobile marketing can be any or a combination of the following:

- SMS
- MMS
- USSD
- Short Codes
- Games
- Applications (Apps)
- Downloads (ringtones and wallpaper)
- Banner ads





Social Media

Social media primarily utilises desktop and mobile web based tools for connecting, sharing and discussing information. Essentially it refers to any platform or channel that allows for people to have conversations and share. The term most often refers to activities that involve technology and interaction online and can involve pictures, videos, and links.

Examples of social networks that are collectively referred to as social media include: Facebook, Twitter, LinkedIn, Flickr and others. Each of these platforms will have a different set of advantages and are chosen on the basis of whether or not they can meet the objectives and desired outcome of a brand's communication requirements.

Pricing Models

A variety of pricing models exist for online marketing. These include:

CPM (Cost Per Thousand)

This is the most common pricing model whereby impressions are sold in bulk and measured in thousands (CPM). Advertisers pay each time an ad is served to a browser (an impression) E.g. 100,000 banner impressions which sell for R100 CPM will cost R10,000.

CPC (Cost Per Click)

Advertisers only pay each time an ad is clicked, regardless of how many times it was served.

CPA (Cost Per Acquisition)

This is when the advertiser pays only for a specific action, whether it is a lead, competition entry, sale, download etc.





Flat Fee

A flat fee is generally paid for an exclusive placement E.g. a sponsorship, whereby an ad position is occupied by only one advertiser.

Hybrid

A hybrid is any combination of the above mentioned pricing models.

Targeting Options

Various ad targeting opportunities exist, which vary from publisher to publisher.

The most commonly offered are:

- Geo-targeting (by country, region or urban area)
- Day of week (E.g. served only Monday-Friday)
- Time of day (E.g. served only between 8am and 5pm)
- Frequency capping (capping the number of times an ad is served per unique browser)

Ad Serving and Measurement

Various ad serving technologies are utilised by publishers. In some instances, advertisers or their agencies utilise third party ad-serving technology.

Publisher Provided

Publishers should at a minimum be able to provide reporting on how many impressions have been served and how many clicks have been achieved. The click-through rate is the number of clicks divided by the number of impressions, measured as a % CTR (Click-Through Rate).





Since publishers use different ad-serving technologies, various techniques are used to track and report on this data.

Browser type and operating system are also often included in reports. Whilst this may not seem relevant, it can be useful to some advertisers who may wish to review their websites if they have not catered for specific browser types or operating systems.

Third Party Ad Serving

Some advertisers or their agencies use third party ad servers for tracking and reporting on their online campaigns. The benefit of third party ad serving is that it ensures advertisers are comparing apples with apples when it comes to counting impressions served. Rather than being served through various technologies, they are all served directly from the third party ad server. The other benefit of third party ad serving is that it offers a variety of other serving benefits, such as tracking data beyond the click, through tags placed on the advertiser's website. This enables advertisers to track the browser all the way to the point of acquisition, whether it is a sale, reservation or lead, and thus calculate ROI (Return on Investment).

How to Book an Online Campaign

To book an online campaign you can contact either the publisher directly or their intermediate sales agency.

Another option is to consult with a specialist agency who offers online marketing services.





Online Marketers' Glossary

Above the fold: The ad appears on the top part of the screen before the user scrolls down

Ad Server: Technology used to serve online advertising

Ad Specs: The pixel and KB specification of an ad

Affiliate Marketing: Performance based online marketing

Bandwidth: The amount of data that can be carried from one point to another in a given time period

Banner: A graphical ad placed on a web site or newsletter usually 468x60 pixels in size

Button: A smaller graphical ad which is usually 120x60 pixels in size

Cache: The storing of a web page on a server by an organization to reduce bandwidth load

Click-Through Rate/CTR: The number of clicks received on an ad divided by the number of impressions served, expressed as a percentage

Cookie: An anonymous number that is stored on a computer's browser, generally used to aid the effectiveness and measurement of online advertising

C.P.A: Cost Per Acquisition (eg lead, download, sale etc.)

C.P.M: Cost Per Thousand ad impressions

Domain Name: An Internet web site address

Flash/ Shockwave Flash: Used for creating high class animated and rich media ads

Frequency: The number of times an ad is seen by a user

Gif: Graphics Interchange Format - the most common type of online image which can be static or animated

Hit: A request for a file on a web page. A hit is not a measurement that determines the popularity of a site (see 'Page Impression' and 'Unique User')

House Ad: A publisher's own ad that is displayed on his/her site

HTML: Hypertext Mark Up Language - embedded tags which are translated by browsers to display content and images





Hybrid: A combination of pricing models

Hyperlink: A text link that links to another page or web site

I.E: Microsoft Internet Explorer, the most popular web browsing software at present

Impression: A page or ad view

Inventory: The number of available ad impressions on a website

Jpeg: Joint Photographic Experts Group - uses the extension .jpg and is used for high quality images which are not animated

Landing Page: The destination page that an ad clicks through to

Mobile Marketing: Marketing that is communicated to mobile devices

Opt-In: Permission-based subscription to a newsletter

Opt-Out: A request to unsubscribe from a newsletter

Page Impression/ Page View: A full download of a web page

Reach: The number of unique users who have been served an ad

Rich Media: Ads that allow for user interaction and can include sound, video and/or animation

Sponsorship: Exclusive placement within a particular area of a web site or newsletter

Social Media: Mobile and Web based tools that allow for the sharing of information and conversation online

Tag: A string of code which determines how an ad will be displayed or tracked

Third Party Ad Server: An independent server which hosts ads not belonging to the publisher, advertiser or its agency

Trafficker: The person responsible for loading ads on an ad server

Unique User: An individual who has either visited a site or viewed an ad within a 30-day timeframe





URL: Uniform Resource Locator - the web site address of a web site

User: An individual who uses a computer or mobile device to access the Internet

USSD: USSD (Unstructured Supplementary Service Data) is a technology used by the network to send information (usually text menus) between a mobile phone and an application on the network.





Contact the DMMA

Theresa Vitale

Email: info@dmma.co.za

Tel: (011) 715 6849

Fax: (011) 715 6850

Web: www.dmma.co.za

Credit

Compiled on behalf of the DMMA by Andrea Mitchell and Jonathan Allan-Barrett of digiVOX

Email: info@digivox.co.za

Tel: (021) 448 8685

Edited by Colin Daniels and Karen Dempers (DMMA).

Layout and design courtesy of Habari Media. Copyright © DMMA

Special thanks go out to Arthur Goldstuck and World Wide Worx for kindly providing us with data.

