

Interactive Advertising: A Surefire Bet

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Spanish companies are more and more often putting stock in this alternative form of advertising due to the low costs involved and positive results, as well as the fact that they are completely measurable.

According to an IAB-PwC study, corporate investment in interactive advertising in Spain climbed to 220.3 million euros in the first half of 2007. That translates into a 74.5 percent gain compared to the same period last year, attesting to the continued growth of advertising investment in interactive media, which topped the other communication channels. The result also shows that companies are starting to realize the Web's potential as a recipe for advertising success.

Positive factors include their consistently low costs—which makes them an attractive option—and the fact that the lives of those in the under-25 age bracket are already immersed in new technologies, while the rest of the population is starting to follow suit.

This trend is corroborated in the specialty forums, as was brought to light at the recently held 2nd Meeting on Interactive Advertising, organized in Madrid by the PwC&IESE e-Business Center. Brands such as Dove and Caja Madrid have opted for posting flashy advertising campaigns on the Internet, which users can then start redistributing via email. At the event, Fernanda Romano, Executive Creative Director at Lowe New York and Global Creative Director at LOLA, explained that people are now the medium and the important thing is the information our friends share with us.

Romano stresses the importance of having a presence on YouTube, the world's most highly visited video site, seeing how seven of the most-watched videos on that site are advertisements. The key, she said, is making an impact and being attention-grabbers, so as to ensure widespread distribution via word of mouth. Along the same lines, Ana Arroquia, marketing director in Spain for Dove (Unilever), says that thanks to the Internet, companies can now create videos lasting over one minute, since the cost involved is not particularly high, whereas with television only a handful of brands can afford that.

Strategies like this can often be complemented by a dynamic interactive website, which lets the customers establish stronger ties and a more close-knit relationship with the brand.

A recent example of this type of campaign is Nike+ (<http://nikeplus.nike.com>), a joint project between the sports industry giant and Apple whereby a microchip is installed on an iPod and then becomes activated when the user exercises while listening to music. The device can then be connected to a computer to provide information about heart rate and distance traveled. With this innovation, Nike and Apple have found a way to integrate music and sports and ultimately provide better service to their respective customers.

Projects like this one allow companies to establish a closer, more direct relationship, based on transparency and trust with consumers—who now play a more active role—while achieving greater audience fragmentation in the process. Moreover, they further separate the Internet from other media platforms as regards effective communication. At the same time, the Internet influences other media, since radio can now be read and newspapers can include audiovisual content.

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