A Brief History of Online Advertising

Adapted from a Hubspot article by Karla Cook

[1] Remember when “surfing the net” meant traversing a minefield of unwelcome pop-up ads? When “digital advertising” referred almost exclusively to obnoxious flashing banners and random sidebar ads? Online ads have matured a lot since those days, but it’s still important to look back at the flashy, sometimes messy origins of internet advertising to better understand where we’re headed – and where there’s still room for improvement.


On October 27, 1994, the world of advertising was forever transformed by a small graphic bearing the presumptive words, “Have you ever clicked your mouse right here? You will,” in a kitschy rainbow font. The age of banner ads had officially begun.

The idea was to set aside portions of its website to sell space to advertisers, similar to how ad space is sold in a print magazine. They called the ad spaces “banner ads,” and charged advertisers an upfront cost to occupy the real estate for a set time period – very different from today’s pay-per-click model.

The banner ad concept blew up as a way for websites to keep their content ungated and free for users, and it wasn’t long before other companies – such as Time Inc. and CMP’s Tech web – were seeking out advertisers to lease banner space as a sustainable way to scale their sites.
Why advertisers are tracking your emojis


It would be an understatement to say that pop-up ads suffer from a poor image problem. They've been called internet's original sin and the most hated advertising technique, and one of the original developers has even apologized for creating the underlying code that unleashed them upon unsuspecting web surfers. Even so, these much-maligned ads hold an undeniable place in the history of online advertising.

Amidst dwindling banner ad clickthrough rates in the late 1990s, pop-up ads first seemed like a way to save online advertising and capture the attention of increasingly ad-blind users. And while pop-ups did force users to pay attention, they didn't actually translate to real ROI. By the early 2000s, it was standard for web browsers to come with pop-up blocking features.


By this time, the web was expanding rapidly and users needed a better way to navigate the terrain. With search engines steadily gaining popularity, advertisers looking to create ads that were more targeted and less loathsome turned to sponsored search as the next digital advertising frontier.

In 1999, GoTo.com -- an emerging search engine company that would later be acquired by Yahoo -- introduced the first pay-for-placement search engine service. Advertisers were given the opportunity to bid for top search engine results on particular keywords. Despite some initial outcries that paid search would lead to corrupt results, GoTo.com was able to monetize their search engine through the model.

The highest bidders were usually listed first, even above more relevant content, and it was unclear to users which results were paid and which were organic content.

The user experience of paid search was suffering, and one up-and-coming search engine thought they could fix it. Google introduced AdWords in 2000, originally under a pay-for-placement ad model. Google wanted to create a sponsored search experience that generated revenue without compromising the quality and relevancy of search results.


As social media platforms picked up steam in the mid-2000s, advertisers sought a way to integrate ad content in a way that was both effective and non-intrusive. Marketers wanted a plan of action to reach younger internet users who were increasingly unswayed by banner ads and spending most of their internet time on social networks.

Targeting consumers with relevant ads -- rather than bombarding them with a large volume of ad content -- has become a standard practice for online advertisers, particularly on social media. Beyond Facebook's targeting efforts, other social networks such as Twitter, YouTube, and Google+ focus on providing an advertising experience for users that doesn't feel aggressive or impersonal.


Around this time, a new group of media companies began to emerge. Websites like BuzzFeed and Mashable presented advertisers with new opportunities to connect with their audiences through sponsored content and native advertising.

Advertisers pay to produce articles, videos, and other types of content for news and media sites. The nature of the content itself is promotional, but the format looks less like an ad and more like a regular piece of content on the host's website.

Instead of relying on ads that disrupt their target audience's online experience, native advertising allows marketers to create promotional content that supplements a user's online experience. Websites that traditionally generated revenue from display ads began to realize that they could create a better user experience by relying primarily on native ads -- rather than traditional display ads -- without compromising on ad revenue.
Why advertisers are tracking your emojis

4. **Match the underlined words from the text to their synonyms** (add words from sections [1]-[3] to the left column and the words from sections [4]-[6] to the right column).

- *Proven, beyond question* = undeniable
- *Disgusting, repulsive* = obnoxious
- *In advance* = upfront
- *Press, drive, make* = force
- *Tasteless, tacky* = kitschy
- *Unrestricted* = ungated
- *Set free, release* = unleashed
- *Enrich, complement* = supplement
- *Fitting, appropriate* = relevant
- *Income, earnings* = revenue
- *Disturb, interfere with* = disrupt
- *Protest, complaint* = outcry
- *Flooded, overrun* = bombard with
- *Rising, emerging* = up-and-coming
- *Unaffected, unconvinced* = unswayed
- *Slowly but surely* = steadily

5. **Discuss the following points about online advertising**: 

1. How has online advertising changed since the first online ad was displayed in 1994?
2. How can or can't advertising improve the surfing on the Internet?
3. Does modern advertising do more harm than good?
4. As there are more ads online, people start using ad-blockers (software that removes online advertising content). Is it ethical to use ad-blockers as it is sometimes the only funding for some websites that provide free content?
5. Can you remember an online advertising campaign that caught your attention?
6. How much do ads influence your shopping decisions?
7. It is said that the Internet is the future of advertising. Would you agree? Does it mean that TV ads will be gone soon?

**VIDEO & DISCUSSION**

6. **What emotions do the following emojis represent?**

- 😶 embarrassed
- 😞 disappointed
- 😡 angry, mad
- 😡 frustration or annoyance
- 😡 shock, horror, disbelief
- 😎 coolness, badass actions, cruel intentions
- 😍 love, adoration, enthusiasm
- 😌 confident, carefree attitude, feeling cool

Commented [ESLBrains4]: In this vocabulary task, students match new words with their synonyms. Give each student one column corresponding to the sections they read. If you want to spend more time on that, ask students to swap their sections so they have to look into new piece of text. However, that may take just too much time all together.

Commented [ESLBrains5]: This is where students can talk about online advertising much more. Some of these questions are so broad that they may spark a longer debate. Decide how much time you want to spend on this. We’d recommend 10-15 mins max.

Commented [ESLBrains6]: As the video clip for this lesson is about emojis in ads, first we go into explaining or negotiating the meaning of some of the popular emojis. Our suggested answers are based on emojipedia and our own knowledge but some emojis may have different meaning depending on culture. The video will also refer to 🍀 which means “penis” but we skipped it here 😐.
7. Watch a video (https://youtu.be/RK1K78PvWDc) about possible future development in targeted ads and discuss the following questions:

- Are targeted ads intrusive and unethical in your opinion?
- Should Twitter stop making emojis people use available for advertisers?
- Are you concerned about the fact that we are being constantly tracked online? What can we do about it?
- How targeted ads could be beneficial to consumers?
Why advertisers are tracking your emojis
Why advertisers are tracking your emojis