



ONLINE MARKETING CONTINUES TO INCREASE ITS SHARE OF THE PIE, ECLIPSES RADIO SPENDING

Traditional media is feeling the squeeze from online advertising. Depending on whom you ask, overall advertising expenditures in this country are approximately \$150 billion per year, and, for the first time since 2001 the pie is shrinking. According to *TNS Media*, total advertising expenditures for the first half of this year are down .03%. Online advertising however continues to see steady year-over-year increases, and for the first time it has surpassed total radio advertising by over \$1 billion for a projected \$21.7 billion by year's end—that's over 14% of the overall pie—this, from a *medium* that's less than a decade old. If you're not doing some sort of online marketing, then you're missing out on the most trackable, directly related ROI vehicle there is. *e-Marketer* predicts that by 2011 online advertising will be over \$44 billion, or twice that of radio. The Lee Iacocca quote, "you either lead, follow, or get out of the way," is so true when it comes to the Web. If you don't lead or follow your competition, you'd better get out of their way.

Local online ad spending is expected to hit \$2.9 billion this year, up 38 percent over last year's \$2.1 billion, and that's a faster pace than total online advertising. While local online advertising is only 2.9 percent of all local ad spending, the pressure to pony up local ad dollars online is building as an increasing number of consumers use the Internet instead of a printed phone directory to find local businesses and services. So, if you're one of those who continue to think that you can get away with an antiquated website (or not one at all), I'm afraid you will find it difficult to stay in business as society becomes more and more tech savvy.

"As audiences continue migrating to the Web and away from traditional local media such as newspapers and radio, it's only a matter of time before online local ad spending catches up with today's reality," said David Hallerman, senior analyst for *e-Marketer*.

Something important to remember—the Web is not only a medium, but it's also a technology, so it's ever changing. To market effectively online, it's important to continue to evaluate your presence. It's probably a good idea to have an annual meeting with key employees to discuss the latest online trends and determine if your online presence is keeping up with the times, while providing your customers with the experience and content they expect.

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