



What Customers Want

The last mile of behavioral targeting may be driven by the user

BY DAVID SIDMAN

December 10, 2007 —

BEHAVIORAL TARGETING IS one of the most clever new technologies driving the seismic shift of ad dollars to the Web. By tracking a user's click activity, advertisers can serve an ad that (hopefully) falls within the range of the user's interests. For example, someone who has been reading automobile articles on a newspaper site might be inferred to be interested in buying a car, and so might be served a car ad.

But there are significant limitations. First, not all users want to be tracked. Many find it creepy. Several consumer privacy groups, including the Center for Democracy and Technology, the Electronic Frontier Foundation and Consumer Action, have petitioned the Federal Trade Commission to institute a mandatory "Do Not Track" registry modeled after the "Do Not Call" registry that blocks phone spammers. AOL, which paid \$275 million to acquire the market-leading behavioral targeting network Tacoda, is now using it to better fulfill the "opt-out" requests that users have made via AOL's own opt-out system.

Second, despite the concerns of privacy advocates, behavioral targeting still isn't nearly as effective in reality as it promises in theory. A behavioral targeting vendor can only sample the user's click activity within the network of sites it has access to. Unless this is a wide enough net to capture a lot of activity, it doesn't encompass enough data to render meaningful clues. Further, the algorithms are still primitive. Just because someone has been clicking on car articles doesn't mean she is actually interested in buying a car.

Third, behavioral targeting always faces a tremendous "last mile" problem. Even if it knows that the user is interested in buying a car, it has no idea whether this person is a 24-year-old woman seeking her first cheap, reliable car with good mileage for suburban commuting, or a 75-year-old male retiree looking for something with a good safety record. The decision might even boil down to where the cup holders are located.

Fourth, even if behavioral targeting somehow knows the customer's precise age, sex, income level, geographical location, other demographic info and recent click behavior, it doesn't know what stage of the purchase decision cycle someone is in. If she is just beginning what is typically a six-month process of buying a new car, then the advertiser should be pushing messaging intended to drive "awareness" and brand-level perceptions. But if the customer has already done her six months of research, her decision at this stage is driven by transaction-oriented information like pricing, feature comparisons,

financing or trade-in options, availability in local dealer inventory, etc. Or she may already want to take a specific action, like locating a dealer, scheduling a test-drive or performing a price-calculation exercise.

The point is, the advertiser can never get all the way inside the head of the user. Only the user knows precisely what she is interested in, what product considerations will drive her purchasing decision and what she wants to know at the particular moment she is seeing the ad.

So here's a radical idea: Why not actually let the user control her own advertising interactions? Why not create ads that provide rich, deep, user-selectable information—such that the user herself can navigate directly to the specific answers that she wants, or the marketing pitches that most resonate with her, or even the transaction she wants (which is the advertiser's holy grail)?

The ad industry needs to start thinking about solutions that let the customer drive the process, because only she really knows what she wants. If advertisers could tap into the customer's own desires—simply by providing faster/easier access to the available actions and letting the customer take the step she desires—then advertisers will reap greater rewards because they are, in fact, providing greater value.

Who can forget the ecstatic reaction of Marisa Tomei in *What Women Want*, after Mel Gibson is truly able to get inside her head and know exactly what she wants? Unfortunately, we can only approximate such reactions in real life, even by employing other more straightforward techniques—like listening, for example.

But if advertisers can't literally get inside the head of the customer they're courting, why not do the next best thing, which is to simply let the person choose for herself? Why try clumsily to guess, instead of just putting the customer in control? With or without behavioral targeting to help target the right ad to the right customer, why not let the customer cross that "last mile" herself?

In the future, every time an advertiser and agency sit down to plan the next campaign, the very first question should be: Who is our customer—and what does she want?

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