

## **EVOLVING CHANGES IN ADS ECOSYSTEM AND ITS AFFECTS**

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### **ABSTRACT**

There is no longer a two-way street in the advertising ecosystem. What was once a straightforward partnership between a publisher and advertising has evolved into a dynamic, complex interaction with a growing number of stakeholders and layers in the structure. It changed how the advertising industry operates by introducing new intermediaries and subsectors including social media marketing, demand-side platforms (DSPs), agencies, and more. Suppliers, customers, trading partners, applications, third-party data service providers, and all relevant technology make up digital ecosystems. The modern digital marketing sector is made up of a wide variety of platforms, solutions, and players, all of which are connected by a complicated web of relationships that are centered on their common goal: the successful and relevant delivery of online ads. The digital ad ecosystem currently supports a wide range of digital ad sizes, formats, channels, and targeting options. It also has a wide range of tools that enable both publishers and advertisers to develop successful programmatic ad strategies. Although online advertising, and the programmatic ecosystem in particular, may appear overly complex at first glance, after learning more about the key components and how they work together, one can begin to gain a deeper grasp of the industry. This paper provides the basic understanding of the evolving changes of ads ecosystem and its impact..

### **INTRODUCTION**

Delivering promotional content via various online platforms, including search engines, social media, websites, and other channels, is known as digital advertising. All digital media connected to your brand are included in a digital marketing ecosystem. It takes numerous separate networks to function as one, much like a natural ecosystem. This covers anything that's a component of your digital strategy for a marketing ecosystem, such as your website, social media accounts, video presence, and anything else. The three foundational pillars of the ecosystem continue to be the advertiser, publisher, and consumer. Publishers depend on ads for revenue, but advertisers depend on publishers to reach their audience.

### **ADVERTISEMENT ECOSYSTEM**

People now come across online advertising that feels personal to them. Data and machine learning, which make sure individuals hear the most pertinent message at the ideal time on their path to purchase, make personalization feasible. Although individuals like personalized ads, they also have higher expectations for online data privacy, and the ecosystem has quickly changed to satisfy these demands.

You can have a greater understanding of the significant developments in the advertising environment thanks to this learning route. It also looks at the approaches you may use to deliver personalised ad experiences while

respecting people's privacy preferences.

Companies are now able to identify and reach their target markets more quickly, accurately, and affordably, which helps with customer development and retention but paradoxically also makes it much simpler for new competitors to target the customers of leading companies.

The main components of marketing ecosystem:

- One of the cornerstones of marketing maturation is the shift away from face-to-face sales and service in favour of remote/direct marketing, first through call/contact centres and subsequently via the web/digital.
- As a result of increased competition in formerly monopolised markets, businesses in sectors including telecommunications, finance, travel, transportation, and utilities have had to improve their marketing strategies and tactics dramatically.
- The public sector, notably in the areas of health, taxes, and benefits, has profited from the development of marketing technology and procedures in the same way as retailers, leisure, airlines, broadcast/printed media, and the aforementioned industries have (customer databases, analytics, contact centers, digital).

## **EVOLVING CHANGES OF ADVERTISEMENTS ECOSYSTEM**

The 1990s saw the introduction of the phrase "digital marketing." Internet and the Web 1.0 platform marked the beginning of the modern digital era. Web 1.0 users could find what they were looking for, but they couldn't share it with others. Up until that moment, marketers all around the globe were hesitant to fully embrace the digital medium. They weren't sure how effective their methods would be since the internet wasn't widely used at the time.

Hot Wired began using clickable banners in their marketing strategy soon after the first one appeared online in 1993. The transition from more conventional marketing to online promotion has therefore begun. This gradual shift made room for the introduction of cutting-edge digital technology in 1994. In the same year, Yahoo made its debut.

Yahoo, named after its inventor Jerry Yang, had almost 1 million visits in its first year, earning it the nickname "Jerry's Guide to the World Wide Web." Because of this, digital marketing has seen dramatic shifts, with companies increasingly focusing on search engine optimization for their websites. In 1996, a slew of new search engines and related technologies were released, including HotBot, LookSmart, and Alexa. Google emerged into the scene in 1998. In contrast to Microsoft's MSN Search, Yahoo launched Yahoo Web Search. Due to the industry consolidation that followed the bursting of the dot-com boom two years later, only the largest search engines remain. In 2006, it was projected that search engine traffic had climbed to around 6.4 billion in just one month, marking the first substantial uptick in the sector of digital marketing. In order to compete with Google and Yahoo, Microsoft launched Live Search and temporarily shelved MSN.

The arrival of Web 2.0 encouraged users to become more than simply consumers. Using Web 2.0, people may interact with companies and other users. Online, "super information highway" and other such phrases became commonplace. This increased the amount of data being sent across networks like those used by digital marketers, which in turn led to about \$2.9 billion being made in 2004 from online advertising and marketing in the United States alone.

There was a rapid proliferation of social networking sites. MySpace was the original social networking website, but Facebook caught up to it soon. Many companies saw that the proliferation of new websites was opening

up additional channels via which they might market their wares and their brands. It ushered in a new era for business and marked the beginning of a golden age. They had more money at their disposal, therefore they needed new strategies for boosting brand awareness and making the most of social media platforms.

The cookie was also a watershed moment in the history of online advertising. Marketers were beginning to look for new ways to make use of this technology. One method was monitoring regular internet users' activity to better tailor advertising and other communications to their tastes. As its name implies, the first cookie was created for that same purpose. Cookies have served many purposes since their inception, and today's sophisticated versions provide marketers a variety of tools for collecting and using real-world information about site visitors.

Products promoted online are now available to buyers around the clock. The Marketingtechblog found that in 2014, social media posting was the most popular internet activity in the United States. The average daily social media time for Americans is 37 minutes. Among digital marketers, almost all are active on Twitter, while nearly as many are on Pinterest and nearly as many on Instagram. Almost all of them (99%) use Facebook. Seventy percent of business-to-consumer marketers have found success in reaching their target audience on Facebook. Compared to the general population, 67% of Twitter users are more likely to make a purchase after seeing a brand's tweet. Pinterest has 83.8% of luxury brand content. Marketers mostly utilise LinkedIn, Twitter, and Facebook..

### **UNDERSTANDING USER'S EXPECTATIONS OF ONLINE ADS**

As a result of these user concerns, “the whole internet advertising sector has already undergone significant adjustments. Higher criteria for user privacy and data protection have been established by new regulations. Additionally, some web browsers have implemented limitations that make ad personalisation and campaign measurement more challenging.

Therefore, it is crucial that everyone involved in the ad ecosystem concentrates on enhancing user experiences and trust. To guarantee that users can access free, ad-supported content on the web with complete confidence that their privacy is safeguarded.

Relevant ads are preferred by consumers, but only provided they satisfy their needs in the following three areas:

- Transparency. People should be able to quickly understand how their personal information is used for advertisements, including what information is gathered and by whom.
- Choice. People's preferences for how advertisements are personalized to them should be respected, and any attempts to circumvent those preferences should be avoided.
- Control. People should be able to decide who has access to, how long is retained, and how their data is used to customise their adverts.

### **IMPACT OF ADS ECOSYSTEM**

Even if growth and variety in the digital advertising environment add to its complexity, they also provide fresh chances for entrepreneurs. In order to help their clients get the most out of their advertising budgets, long-standing service providers are now offering services to aid in detailed ad tracking, the implementation of business-focused analytics, the development of internal data capabilities, and the employment of aids such as social listening tools. As new businesses join the market and established companies expand their service

offerings, new capabilities will emerge to help enterprises meet new problems and extract more value. Digital advertising refers to the dissemination of promotional information over a variety of digital channels, such as the Internet and its many websites, social networking sites, and search engines.. The growth of digital advertising has been as exponential as its influence, reaching new platforms as they reach a critical mass. It is made up of a wide variety of ad formats, delivery channels, cost models, networks, and tools, and it has led to the development of new platforms that both facilitate and enhance the effectiveness of modern advertising.

Organizations are compelled to develop an online strategy in order to simply maintain viability due to customer expectations, rivalry, and the business benefits of the digital environment. Consumers now have more options, more information about each option (promotional materials, product websites, expert and user reviews), real-time price comparisons, and direct access to product and service providers anywhere in the world for the majority of goods and services. While brand competitors conduct innovative and aggressive efforts to capture market share and attract new category entrants, leaders in any given product space maintain enduring, foundational digital marketing campaigns to protect market share. Finally, practically every benefit of digital advertising outweighs that of traditional advertising. Online advertising is more effective financially, provides adaptability for various contexts and customer profiles (text, video, images, contextually placed or integrated in SERPs), is subject to immediate measurement, outperforms in terms of reach and speed, and allows targeting options to correspond to intricate sets of customer profile characteristics.

Advertising fraud is a serious threat as the tale of digital advertising develops. Many businesses may find it difficult to adapt to the rapidly changing digital environment, where unwelcome bot visits to advertising exaggerate statistics and drive up prices for advertisers and where users are downloading ad-blocking browser extensions that can completely stop the display of digital adverts.

The key issues stakeholders need to consider to deliver meaningful results amid the current ecosystem

#### **Acknowledging fraud complexity and risk**

Real money will continue to fall through the cracks since many marketers are now more concerned with whether their ads are actually being viewed than with whether they are just being delivered. For instance, an advertisement displayed to a bot on a tab that is hidden from view is a ‘viewable’ advertisement rather than one that actually benefits the advertiser.

Some publishers and ad networks are adopting dramatic efforts, such as ‘house cleaning’ techniques to delete sizable amounts of junk traffic, even when it ultimately results in traffic being reduced by 50% or more, to address the increasingly complex fraud picture and inject fresh reliability.

#### **Demanding accountability**

Key stakeholders can’t be expected to remain idle in the face of such uncertainty. Many people will and should hold their coworkers and outside parties responsible. For instance, some marketers would insist that the agency go above and above to confirm the data. Digital advertising platform operators will probably face increased pressure to identify, stop, and address fraud. Advertisers want to become more involved in the process and begin to comprehend these hazards that have an impact on the effectiveness of their digital advertising. Additionally, they will need to be more considerate in their communication with them. The difficulty extends well beyond bots. It also includes how brands interact with their customers.

However, accountability demands shouldn’t come only from outside sources. A growing number of marketers are realizing that their partners can’t, won’t, or won’t eliminate fraudulent or unrelated traffic from their digital

ad systems and procedures. Accountability for their actions will need to be incorporated by the advertisers themselves. They will need to devise strategies for figuring out how their advertisements are being seen, how users are interacting with their content, and how to collect information that they can use to inform future choices.

### **Rethinking digital strategies**

The significance of strategy will increase as stakeholders struggle with the rising complexity of digital advertising and place greater emphasis on accountability. It's likely that many advertisers will think twice before spending their money.

### **Navigating uncertainties**

There are still a lot of unanswered questions in the digital world for advertisers, agencies, publishers, platform operators, and other third parties. Unknown elements and new dimensions are continually emerging even as they deal with the recognized complexity of today. For instance, the mobile aspect of digital advertising continues to change, presenting its own own set of challenges and requiring additional considerations in terms of strategy and accountability.

### **OBJECTIVES OF THE STUDY**

- To study the concept of advertisement ecosystem.
- To gain a deeper grasp of the evolution of advertisement ecosystem.
- To have a better understanding of the user's expectations of online ads.
- To determine the impact of ads ecosystem.

### **RESEARCH METHODOLOGY**

The present study is theoretical in nature. The data for the present study has been collected from secondary sources. The data analysis has been done through secondary review and content analysis has been performed to arrive at conclusions and discussion. The secondary sources of the data includes books, journals, newspapers, published and unpublished research work, various search engines, etc.

### **CONCLUSION**

The internet as a platform, where anyone with a good idea and quality content can reach an audience and possibly make a life, is made possible in large part by digital advertising. This free, ad-supported web must be a secure environment where people may learn, create and promote in order for it to function.

Strategic advertising objectives and tactics within the digital ecosystem are created as part of a larger marketing strategy that identifies consumers, defines those customers, and sets strategic advertising goals and deploys tactics that carry out the plan and are impacted by the customer persona. Successful strategic marketing plans consistently define key aspects of the current and future state with accurate, measured details that guide specific strategies and tactics, although the level of definition required to position the organisation and its customers may vary depending on the ecosystem in which the organisation operates.

To appreciate the present condition of digital advertising, one must be able to identify not only the many issues plaguing the industry, but also the opportunities for improvement that may lead to the introduction of novel values. Adopting a risk-based, strategic approach to digital advertising may separate a company from one that only follows trends from one that really helps to create them. Taking calculated chances in the ever-changing landscape of digital advertising may boost performance." Improved brand safety, innovative new approaches,

and efficient data-driven monitoring may lead to higher returns on investment in this industry.

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