Online Advertising: An Outlook and Emerging Scenario

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This paper gives an overview of online advertising, discusses the global and Indian **online** trends. It examines the online industry in terms of market size, segments, growth forecasts, drivers, and resistors. It also discusses about the emerging scenario of the industries in terms of the competitive positioning of major players and their business models, strategies, and strengths, weaknesses, opportunities, and threats. The study tries to analyze the emerging models that are likely to dominate the industry. The online advertising industry, which has a major dominance by Google, is likely to see a lot of hot action in the near future. While this industry will continue to grow and be popular in the developed world, it is likely to gain a fast growth in the emerging economies of Asia, especially India and China.

Based on the analysis, it is forecasted that the online advertising industry will almost double from \$ 42 billion in 2007 to \$72 billion in 2012 which is a growth of Compounded Annual Growth Rate (*CAGR*) 11.4%, within which North America will dominate the industry. Internet use can be expected to exceed time spent on watching TV over period of time.

The online advertising industry is expected to see a major battle with Microsoft emerging a challenger to Google's dominance. The web analytics tool provided by search engines provides an effective online marketing tool for online advertising companies.

Key words: Online advertising, Internet marketing, New media marketing