

# Riger

## R E P R I N T

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## The New Media: Online Services

Now that phone lines and computers have been merged into the much heralded "Information Superhighway," we have still another source of news, education and entertainment coming into our homes and workplaces—the Online Service. You've probably heard of the biggies, America Online, Compuserve, Prodigy, and lately, the Microsoft Network. Most if not all of that which had been previously available to us through newspapers, magazines and "900" phone lines is now piped through to the desktop computer in an interactive Multimedia format. Communicators are interested in Online Services as conduits for information and audience feedback, but also for the advertising opportunities these services afford.

### Advantages

- Unlike in mass media, the consumer may now interact instantaneously with the message, either to find out more from the advertiser, or to actually purchase a product or service.
- A la the New Media generation gap, it's a great target marketing tool for a younger, more affluent, better educated audience which makes its living from Information Age industries.
- Online service users tend to be very involved with the medium; witness the "chat group" and "bulletin board" phenomena.
- The application software needed to go online is free...but you still pay to connect at their end.
- Online service users have a "gateway" to the Internet.
- Opportunity to buy goods and services from around the globe via your personal computer and phone line.
- Many similarities with Yellow Pages: online users have a good idea where to look for goods and services; online advertisers have a pretty good hunch where to attract prospects.

### Disadvantages

- Online services are pricey for some consumers.
- Advertising through these online services is very pricey!
- Security problems in purchasing goods and services online.
- There's considerable "churn" among online service subscribers, i.e. the services sign up loads of new customers everyday, but they lose them by the bushel, too.
- Not all of the services are as multi-media-friendly as they need to be.
- "Generation gap" downside.
- Measuring actual online audience usage is not yet even close to a science.

### Online Service at Work

Fred Riger Advertising was researching market potential for a sporting goods product that would curtail communicable disease in a team environment. Through an online connection we were able to find out current news reportage on this topic in a variety of publications which were not immediately available through our local public library. This online research covered lots of ground fast and we never had to leave the office!

Another Riger client wanted a quick scouting report on which of its competitors were using the Internet and what stories these competitors were telling via this vehicle. Through an internet gateway in America Online, we "surfed" through hordes of competitive data and were able to give this client valuable marketing intelligence.

**Fred Riger  
Advertising  
Agency, Inc.**

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53 Chenango Street • PO Box 1623 • Binghamton, NY 13902-1623 • Phone 607.723.7441 • Fax 607.723.7623 • E-Mail [agency@riger.com](mailto:agency@riger.com) • Web site [www.riger.com](http://www.riger.com)