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Internet Content Syndication



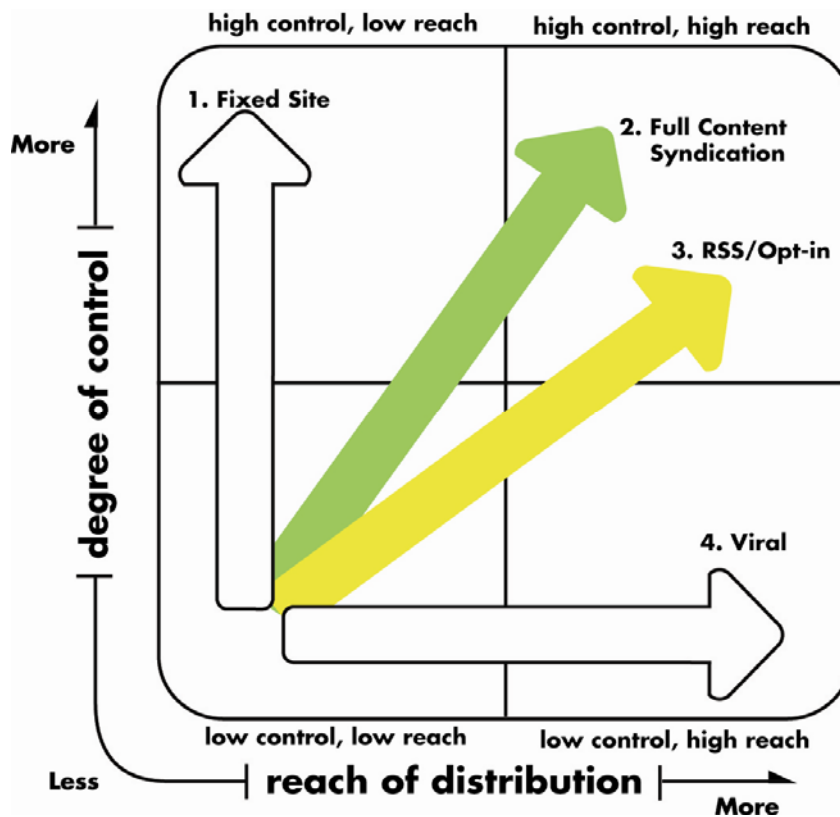
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1. The Lowdown

Internet content syndication is the controlled placement of the same content on multiple partnering Internet destinations. “Controlled placement” means that content is placed on the destination sites, and, to some degree, those placements are directed by the content owner. “Multiple destination” placement of content is used to increase licensing fees and audience exposure. Destinations partner with the content owner by either contributing value in return for valuable content or by sharing revenue.

You have probably consumed syndicated content many times. Whenever you read an article by The Associated Press on Yahoo! News, for example, that is syndicated content. RSS is often referred to as “Really Simple Syndication,” and when you see RSS feeds for one publication placed on another site, that, too, is syndication.

It’s also important to understand what syndication is not, as there are other types of online distribution that fall outside its scope. On one end of the spectrum is fixed-site or single-site distribution, in which content owners retain exclusive rights over their content and drive traffic through search and display advertising. This is not syndication, because there are not multiple destinations for the content. On the other end of the spectrum is viral distribution, where there is no formal partnership between the content owner and the destination site. Furthermore, with viral distribution, the content owner has no control over the destination of the content. Instead, it is given away to any publisher site that wants to carry it.



Many content creators place their work on various destination sites. The Associated Press was already mentioned; other players from the United States include Reuters, Mochila, HealthDay News, IDG, and Studio One Networks. Two major content syndicators abroad are the India Today Group and Prisma Presse in France.

Many advertisers, such as Bridgestone and Procter & Gamble, have increasingly turned to Internet content syndication as an effective means of reaching their target audiences.

2. Why do I need to know about it?

If you have ever struggled to reach an audience online, you should consider Internet content syndication. With the number of Internet sites at 175 million and growing, reaching an audience is difficult and complex. On the surface, the sheer volume of choices online is a blessing for users. For instance, if you wanted to know what sort of glue you should buy, there are 7 million sites in Google's index that return a match for the keyword "glue review."

Of course, there is something for everyone on the Internet, which means that everyone has a unique destination. The reality is this range of choices leads to audience fragmentation. For any advertiser looking to reach a large audience online, fragmentation presents an unmanageable number of channels, networks, and technologies to research, negotiate with, and manage.

This leads to a further difficulty because advertisers are usually the only means of revenue for Internet content producers. Users have been notoriously resistant to paying subscription fees in exchange for content, preferring to tolerate advertising messaging instead. Essentially, this means that online content is supported almost entirely by advertising.

Because fragmentation is a problem for advertisers, it becomes a problem for users in the long term. Although Web advertising revenues have been growing at a phenomenal rate, the Web itself has mushroomed. In other words, the number of content creators and publishers supported by advertising is growing faster than the advertising budgets that support them.

That means more publishers are sharing less income, which means fewer resources are available to put back into their businesses of creating content for their users. In essence, therefore, fragmentation threatens the quality of content on the Internet. The sheer volume of choices online now appears to be more of a danger than a blessing.

Content syndication simplifies Internet advertising by providing, to paraphrase Bill Bernbach, portable environments to buy. With one simple media investment, advertisers can reach large, targeted audiences throughout the vastness of cyberspace in a controlled editorial environment. Supporting syndicated content allows advertisers to go where their audiences are rather than driving their audiences to them.



With the support of advertisers in place, content syndicators can afford to continue to produce high-quality content that will keep users engaged and loyal. This also benefits online publishers, who can gain access to this high-quality content at an affordable cost. It minimizes the risk of becoming a content producer who runs at a loss online, of which there are quite a few.

3. The thing to remember is...

Although syndication itself is not new—it is, in fact, as old as mass media—it is new on the Internet, and it has the potential to benefit all the constituents of the media industry.

Some content syndication takeaways:

- For content producers, syndication provides an opportunity to increase revenue that can be reinvested into their businesses, increasing the quality of their offerings.
- For content publishers, syndication provides access to high-quality content at affordable rates.
- For advertisers, simple investment syndication provides reach in a controlled editorial environment.
- For users, syndication provides higher-quality content easily located.

As fragmentation persists, look to syndication to continue to enable content to thrive on the Internet.

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