MEDIACOM

BLOG

Why Microsoft Matters

CONNECTIONS MOBILE SOCIAL MEDIA

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When AOL absorbed Microsoft's Display Business, along with 1,200 of its employees, an Ad exchanger article took a look at Microsoft's place in the advertising landscape.

While some were quick to point out that an infusion of Microsoft inventory doesn't suddenly make AOL competitive with Google or Facebook in display, others see value in its quality.

Firstly, there's the brand. MSN, as pointed out by Dstillery's VP of Media Operations Alec Greenberg, is a "good, trusted news source", performing about as well as other large news sites like CNN. Microsoft's inventory was consistently clean. It's not fraudulent- Microsoft's legacy as an Internet technology company incentivised it to ensure quality inventory.

Skype also benefits from a captured audience. Outlook, as an email program, benefits from consistent user login patterns.

There's also the possibility that Verizon, who acquired AOL earlier this year, may incorporate and infuse their data into AOL and Microsoft's inventory.

What it means for the industry

"The acquisition of AOL by Verizon and the announcement of the Microsoft deal are potentially transformative for AOL. They now have significant volume in both display and video and the ability to sell both programmatically. However, there is no obvious coherence between the combined assets and there seems to be no special focus on mobile, the fastest growing consumption state. Competitively, we see limited short term impact on Facebook and Google but further challenges to Yahoo which, like Microsoft and AOL, have struggled mightily in recent years. One factor, as yet unknown, is what the new enterprise will be able to do to challenge and compete with others in respect of user and device level targeting. "

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