

**Specification of Competency Standards**  
**for the Retail Industry**  
**Unit of Competency**

Functional Area - Multi-channel Promotion of Communication

Title	Analyze the payment methods of internet advertisement
Code	107165L5
Description	Analyze the different payment methods of internet advertisement and select the appropriate method for the corporate.
Level	5
Credit	12 ( For Reference Only )
Competency	<p>Performance Requirements</p> <p>1. Analyze and compare different payment methods of internet advertisement</p> <ul style="list-style-type: none"> <li>• Cost per Click (CPC) <ul style="list-style-type: none"> <li>○ Operating model <ul style="list-style-type: none"> <li>▪ based on the number of times the advertisement is clicked</li> <li>▪ suitable for keyword advertising</li> </ul> </li> <li>○ Market reference <ul style="list-style-type: none"> <li>▪ AdSense for Content of Google</li> <li>▪ Baidu bid advertising</li> <li>▪ Taobao through train advertising</li> </ul> </li> <li>○ Limitation of operation <ul style="list-style-type: none"> <li>▪ Facing with the challenge of fraud click</li> </ul> </li> </ul> </li> <li>• Cost per Action (PAC) <ul style="list-style-type: none"> <li>○ Operating model <ul style="list-style-type: none"> <li>▪ The transaction is charged on the final result, including the number of transactions or the number of applications</li> <li>▪ Each action cost refers to a similar way to guarantee the charge</li> <li>▪ Considered as an optimized form of buying online advertisement. Advertisers are only required to pay for an advertisement when an action occurs</li> </ul> </li> <li>○ Market reference <ul style="list-style-type: none"> <li>▪ AdSense for Content of Google</li> <li>▪ AdContext of eBay</li> </ul> </li> <li>○ Limitation of operation <ul style="list-style-type: none"> <li>▪ Pricing is a risk to the site. But if the advertisement is successful, the revenue is much larger than the other methods.</li> </ul> </li> </ul> </li> <li>• Cost per Mille (CPM) <ul style="list-style-type: none"> <li>○ Operating model <ul style="list-style-type: none"> <li>▪ As long as the advertisement content is displayed, advertisers have to pay for this.</li> <li>▪ Unit of advertisement charge is based on 1,000 times of advertisement display.</li> </ul> </li> <li>○ Market reference <ul style="list-style-type: none"> <li>▪ Television advertisement</li> </ul> </li> <li>○ Limitation of operation <ul style="list-style-type: none"> <li>▪ Ineffective advertisement method but could bring certain audience flow and stable income to the bloggers.</li> </ul> </li> </ul> </li> <li>• Cost per Sales (CPS) <ul style="list-style-type: none"> <li>○ Operating model <ul style="list-style-type: none"> <li>▪ Advertisement cost is calculated with the actual sales volume</li> </ul> </li> </ul> </li> </ul>

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	<ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li> <ul style="list-style-type: none"> <li>▪ A certain income percentage share between the advertisers and the agents based on the number of customers visited the website or their amount of purchase</li> </ul> </li> <li>○ Market reference           <ul style="list-style-type: none"> <li>▪ Suitable for online shopping website or website for navigation etc.</li> </ul> </li> <li>○ Limitation of operation           <ul style="list-style-type: none"> <li>▪ Require accurate customer flow for the income generation.</li> </ul> </li> </ul> </li> <li>• Cost per Time (CPT)       <ul style="list-style-type: none"> <li>○ Operating model           <ul style="list-style-type: none"> <li>▪ A fixed advertisement charging method based on time spent on website</li> <li>▪ The time span could be at least one day to one year</li> <li>▪ Generate stable income for website or bloggers</li> </ul> </li> <li>○ Market reference           <ul style="list-style-type: none"> <li>▪ Financial Times</li> <li>▪ The Economist Publisher</li> </ul> </li> <li>○ Limitation of operation           <ul style="list-style-type: none"> <li>▪ The advertisement format is rough that could not protect the interest of customers</li> </ul> </li> </ul> </li> <li>• Demand-side Platform concept (DSP)       <ul style="list-style-type: none"> <li>○ Operating model           <ul style="list-style-type: none"> <li>▪ DSP is an online advertising platform that enables the advertisers to consolidate the advertisement cost and feedbacks from customers more easily. It also allow different advertisers to purchase high-quality advertisement inventory at reasonable price.</li> <li>▪ Through real-time bidding to purchase the exposure slot for advertisement, i.e. similar to the CPM (Cost Per Mille) method</li> </ul> </li> <li>○ Market reference           <ul style="list-style-type: none"> <li>▪ TANX of Taobao</li> <li>▪ ADX of Google</li> </ul> </li> <li>○ Limitation of operation           <ul style="list-style-type: none"> <li>▪ Requires powerful infrastructure and capacity for real-time bidding system</li> <li>▪ Requires advanced audience targeting technology</li> </ul> </li> </ul> </li> </ul> <p>2. Develop internet advertisement strategy</p> <ul style="list-style-type: none"> <li>• Consider the following economic factors for placing the internet advertisement:       <ul style="list-style-type: none"> <li>○ Reasonable internet advertisement broadcast time (according to the survey, consumers spend more time on the Internet at night and holidays)</li> <li>○ Develop strict internet advertisement budget</li> <li>○ Regularly review the advertisement expenditure and corporate income</li> </ul> </li> </ul> <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> <li>• The internet advertisement sales strategy has to be economically viable for the corporate.</li> <li>• Follow the latest laws of government and regulatory organizations such as information, privacy and information security to ensure that the implementation of the online advertisement does not violate the relevant regulations</li> </ul>
Assessment Criteria	<p>The integrated outcome requirement of this UoC is the ability to:</p> <ul style="list-style-type: none"> <li>• Recognize the concept, payment methods and pros and cons of internet advertisement.</li> <li>• Develop cost-effective internet advertisement broadcast strategy</li> </ul>

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Remark	
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