



# Should You Sell Ads on Your Web Site?

## If so, what should you do first?

**Q:** Our organization is considering selling ads on our Web site. How do we go about it?

**A:** Selling Web site ads appears to be an attractive money-making option, but it's fraught with potential problems. First, it's vital to identify the right advertisers—those with products that benefit your clients. It's also important to price the relationship correctly. Your brand—your reputation—is one of the most valuable things you have. Don't undersell it. Besides, since you'll have to pay unrelated business income tax (UBIT) on the revenue, you want to be sure the amount you receive is worth it.

This area is fraught with potential problems.

There are other issues as well. Are you going to “sell” the advertising yourself or rely on a passive approach by working through an ad service such as Google AdSense? If you do the selling, you have more control over the advertising you accept, but you're investing a great deal of time in an activity that has nothing to do with your mission. If you work through a service, the work's done for you. However, while you may be able to specify keywords related to your mission, you won't know until the ads are up whether they're a good fit. How does it look to the public if liquor ads are popping up on MADD's Web site—even if those ads are tastefully presented? You can arrange with most of these services to take down objectionable ads, but what damage may have been done before removal?

Most advertisers will want to be on your home page, but is that appropriate for you?

How will your stakeholders respond when they log on looking for specific information and are bombarded with advertising? Will they understand? Or will they be turned off? Will they get confused by what's fact and what's a pitch? What tradeoffs are you willing to make?

Can you make enough money to justify the chance

of turning off your visitors? Google AdSense estimates that you can earn between \$.05 and \$5.00 for every 1,000 impressions, or every 1,000 times the ad loads. If you don't already have an idea of how often visitors view each page of your site, you might want to register for Google Analytics (a free service) to find out.

Assuming you wish to move ahead, here are some other questions to ask:

Will you accept text only, static, or animated images?

Will you charge based on the number of times the ad is seen, the times someone clicks through to the advertiser, or the times someone takes an action the advertiser desires?

Where on your Web site will you permit advertising? Most advertisers will want to be on your home page, but is that appropriate for you?

How will ads impact the look of your Web site and the image you're trying to convey about your organization?

You must carefully identify the right advertisers.

Will you allow multiple ads on a page? What size will those ads be? You'll be able to charge more for an exclusive ad, and it will be less obtrusive, but that limits the income you can receive. Will you sell different sized ads?

You may want to check out some ad services to decide if this is a route for you to go. Here are some of the most prominent ones (note that their mention shouldn't be construed as an endorsement): Google AdSense ([www.google.com/adsense](http://www.google.com/adsense)), AdBrite ([www.adbrite.com](http://www.adbrite.com)), AdToll ([www.adtoll.com](http://www.adtoll.com)), Bidvertiser ([www.bidvertiser.com](http://www.bidvertiser.com)), Clicksor ([www.clicksor.com](http://www.clicksor.com)).

Good luck!

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**Editor's Note:** For details on unrelated business income tax, see these *Nonprofit World* articles at [www.snpo.org/members](http://www.snpo.org/members): “UBIT: What It Is & How to Avoid It” (Vol. 13, No. 4) and “Are Your Activities Safe from UBIT?” (Vol. 16, No. 5).

## Advertisers' Index

501(c) Agencies Trust ..... 5  
eTapestry ..... 3

Irwin Siegel Agency Inc ..... Inside Front Cover  
Peace Corps ..... Inside Back Cover