

## EVIL ADVERTISING

***The value of Internet Advertising and Marketing is expected to reach \$80 Billion by (2011) the great bulk of on-line Advertising at present is with the major search companies such as Google. In this Article we illustrate the potential of EVIL Advertising and Marketing, (i.e. exploiting Electronic Virtual Intelligent Life) to take a significant share of this market. We are delighted to feature here the leading company in the field of Avatar based advertising and marketing– Oddcast Inc, a New York based company which has recently opened a new UK office.***

Oddcast has a huge workforce of Electronic Virtual Intelligent life forms that it currently hires out to over ten thousand businesses around the globe. These Intelligent Agents sit behind the Avatars that you see on this web site and on the web sites of many major companies.

Unlike humans they work 24x7 and are free of the tax and regulatory baggage that comes with employing people. Intelligent Agents have the growing knowledge and power of the Internet woven into their DNA. In this Show Case we explore the future potential of Intelligent Agents to generate a whole new Advertising ecosystem. However, before we look into the future potential you can visit Oddcast at [www.oddcast.com](http://www.oddcast.com) to get an idea of what they can do today for your Business, the Viral Marketing case is a great example of what Avatars can do, the 'Monk-e-Mail' being one of the most successful viral marketing campaigns ever!.

The power and simplicity of Avatar based Viral Marketing gives us a glimpse of the true potential of EVIL Advertising and Marketing. Couple this with the ability of Intelligent Agents to become personalised and to act as an individual's Personal Cyber Friend or a Business Persons trusted Personal Assistant or Expert Advisor and we have a very exciting prospect! Such Agents could for example be provided free by Advertising and Marketing companies to Consumers in return for the rights to use the Intelligent Agent to channel 'targeted' recommendations to their human.

For example an Intelligent Agent on a Mobile phone could recommend particular goods or services and offers based on what it knows are in the current vicinity and that also are a match against the users personal profile. In return the Consumers get a powerful Cyber Friend that can search the Internet on their behalf, filter news items of interest, filter emails, act as a translator, crack jokes, make conversation, flirt, recommend music that matches their humans profile, all these things are viable with todays Intelligent Agents. This

is a whole new Advertising ecosystem based on targeted advertising and access to real time knowledge of the individuals on-line profile. The company that owns the intelligent agents in this model will have taken the place of the search engine companies introducing a personalised broker between the consumer and the internet. The potential revenue opportunities here are quite exciting given the \$80 Billion market we are focusing on.

We illustrate this type of Advertising with a simple scenario where a user asks their personal Avatar via their mobile phone to find out what hotels there are in City X.

The Intelligent Agents in this scenario can invoke Web Services (i.e. make real time queries of services on the internet), in response to a user request. The Companies that supply these Agents can also provide their customers i.e. the EVIL Advertising Companies with the capability to filter and augment the data that is retrieved as a result of these Web Services calls. Consequently when the user asks their Avatar to find out what Hotels there are in City X it first results in a search engine query (e.g. Google, and or Yahoo) being invoked automatically by the intelligent agent that sits behind the Avatar on a server on the web.

In this Scenario lets say that the search result returns 100 hotels, these are then matched against Advertisers, so if Hotel Chain X is paying for 'suggest me first services' and if one of its Hotels is in the returned list then that Hotel gets presented back to the user first together with that hotels phone number. This is irrespective of its position on the search engine listings.

Typically the conversational part of the Intelligent Agent will be constructed in AIML (a particular set of XML tags for Ai applications). Java script can be invoked within standard AIML but for a commercial application it is better to simply define a new XML tag that can be used to invoke dedicated software routines to call Web Services in response to a particular conversational query (or Category as it is called in AIML) Such software routines invoke standard web services interfaces to get the data, filter the results and return the Advertisers suggest me first item and or associated marketing message.

This is a very simple scenario and the same model can be applied to a wide range of Web Services e.g. 'What is \*?' type questions responded to by invoking calls to wikipedia.com or answer.com. We provide an example of such a Web Services call out from an intelligent agent in the oddcast video featured in the Show Case on Evil Advertising which you can find on our Pan European Web Site [www.evillimited.com/evilsolutions.html](http://www.evillimited.com/evilsolutions.html)

As the Internet gets more pervasive the potential advertising and marketing opportunities that can exploit this type of technology increases exponentially. Lets look forward now towards 2011 and explore the compelling EVIL Advertising opportunities associated with this pervasive Internet.

What started out as a resilient IP network connecting a relatively small number of servers has exploded both in terms of its scale and in terms of the diversity in the protocols it now supports. Like the tentacles of a living thing the Internet is not only reaching out across the

globe but becoming more pervasive featuring ever smaller fractal like boundaries as more and more devices become internet enabled.

New materials technologies coupled with micro engineering are now inspiring the production of an increasing range of IP enabled device types ranging from multi media mobile phones, embedded Radio Frequency Identification Devices and Smart Wear through to nanotechnology powered Fairy Dust. Each of these can potentially hold gather and propagate personal data as well as performing their device specific functions and can thus be viewed as touch points between the EVIL Advertising companies and their various target markets. Communications technologies are also evolving to provide ubiquitous coverage and significant information on the precise geo-location and contexts of these devices and the people they touch.

A personal intelligent Agent is able to deploy itself or subscribe to data feeds from any of the touch points registered with it by that person. For example a parent could set up a voice interactive Toy to host a Personal Intelligent Agent interface for a Child, and set up a couple of items of the child's Smart wear clothing to feed data (location, body temperature and other bio data) via wireless networking to the Personal intelligent Agent itself, typically resident on a household computing hub, with connection available to domestic appliances and the Internet.

Once the personal intelligent Agent has been set up in this way it provides a number of basic services. By interacting conversationally with the Child it provides the child with a companion and a language learning aid during those periods when the Child plays with it. By continuously monitoring the data feeds from the child's Smart wear it can inform the parent (via the nearest domestic appliance or the parents assigned emergency touch point device) of the child's location and alert the parent if the child is outside a predefined safe zone, or if the child is having breathing difficulties during the night. The Business model here would typically involve the EVIL Advertising Company providing the Agent for free in return for the right to provide targeted advertising services to the Parent, (as opposed to the child) highlighting perhaps new educational toys and best offers on popular children's ware, nursery school places in the area and so on.

A similar scenario applies in the case of say a vulnerable older person living on their own. In this case the Personal Intelligent Agent could be set up by the person themselves or on their behalf by a relative or carer. Here the touch points would be a combination of household appliances and or a dedicated companion device together with Smart Wear. The Personal Intelligent Agent again acts as a companion (not to be undervalued in the case of an old person living alone and or housebound) and also monitors the bio data from the Smart Wear. In this scenario the Agent can remind the individual to take medication and also alert them and more significantly their GP or the emergency services in the event of warning signals being picked up from the analysis of their bio data. The Business model in this case would again typically involve the EVIL Advertising Company providing the Agent for free in return here for providing Business to Business marketing services between Pharmaceutical

companies, Health and Life Insurance Companies and the persons Health Care providers, rather than targeting the individual themselves.

These intelligent Agents of (2011) will have evolved from those available today (2007) and the ability of an Avatar to respond to direct questions such as what is the best deal on the market for product or service X will now be complimented by pro-active goal oriented conversational abilities. For example, as a part of its goal oriented conversational banter an agent will 'occasionally' and in the right context suggest products and services to those it interacts with. These goal oriented behaviours are described in more detail in our research note on EVIL evolving in Virtual Worlds, which is also available from the Evl Library pages on our [www.Evil.eu](http://www.Evil.eu) web site.

The art of generating successful EVIL Advertising campaigns will be in getting the right balance between subtlety, directness and personalisation. If the Avatar is asked a direct question it should always try to provide a direct answer and only augment the response with an EVIL Advertising message where that is appropriate. It should also retain in the users personal profile preferences and dislikes so that it learns what to suggest and what to avoid suggesting. Personalisation via access to the user's personal profile is fundamental here since it enables refined targeting.

Even basic personal knowledge such as the user's age, gender, home post code and language enable a significant and powerful degree of targeting. For example it is likely that there is not going to be a high return on advertising goods like skateboards directly to someone in their Eighties, or high end luxury goods and services to people with only a small amount of disposable income. Indeed such off target advertising would be counterproductive and would soon result in the user deactivating the service. Equally if you know that the user comes from a wealthy area (via their registered post code) is French speaking and is currently in a town X in say, England (determined via their mobile device) then the Intelligent Agent can target adverts that the user is likely to value for example recommending top of the range restaurants in that town and doing so using the French language.

However, Intelligent Agents especially those with goal oriented capabilities can be programmed to discover and build up much more than a basic knowledge of a user's personal preferences and circumstances through conversation strategies. Over time the sheer wealth of personal knowledge that will build up in the Conversational Logs and thus be available to the Intelligent Agents should differentiate EVIL Advertising from all competing forms of on-line advertising such as those associated with search engines and web 2.0.

There are of course some interesting issues here concerning privacy and data protection. Users prepared to authorise the use of their personal information in return for Intelligent Agent services will need to be assured that their personal data is protected. This type of assurance can however be addressed through 'Trusted Agents' that are authenticated e.g. by using established technologies such as Public Key Crypto Graphic Services. The EVIL Advertising companies will need to offer increasingly attractive services to their users in return for the rights to retain and use such rich personalised profiles for targeted advertising.

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Given the potential to capture a significant share of the \$80 Billion on-line Advertising market it is likely that some very attractive and innovative services will be marketed especially to high net worth individuals.

We finish this paper by returning to the where we started and focusing on the Avatars. As Avatars get more life like the ability for a celebrity to endorse an Avatar the Celebrities own image and to provide the associated voice will become both viable and commercially attractive. This is a simple but powerful extension to the concept of EVIL Advertising and enables Advertisers to exploit a celebrity's brand equity to target consumers. We would expect EVIL Advertising companies to offer a range of free Celebrity endorsed Personal Agents either free in return to EVIL Advertising rights or for a fee as a premium upgrade service.

In our view the company best placed to benefit from this market is Oddcast Inc givin its current position as an established leader in the field of Avatar based Advertising and Marketing.

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