Ad Age Insights

BUILDING BRANDS ONLINE

Interactive Branding: Best Practices in a Direct Response-Driven Media


Here's to more noise and heavier traffic.
Chevy was looking for new ways to reach its target. So Yahoo! presented the carmaker with the opportunity to be their first Digital AdVentures partner, offering an innovative new ad unit as part of a testing and learning initiative. Tracking showed that search volume soared almost immediately, with some models increasing over 700%. That's the power of SCIENCE + ART + SCALE. Find out more at advertising.yahoo.com/SAS
Y!®
SCIENCE+ART+SCALE™
©2010. Yahoo! All Rights Reserved.

TABLE OF CONTENTS

INTRODUCTION 4
- Branding vs. direct response
- What brands are spending on interactive now, and where

PLANNING 9
- Best Practice: Get a new funnel
- Inventory evaluation tools
- Best Practice: Evaluate clutter of all media partners
- Best Practice: Use reach-buying techniques for brand launches or repositionings
- Best Practice: Understand and use audience cumes to flight campaigns
- Best Practices in usage of ad networks and exchanges

MEASUREMENT 15
- Clicks: Brands embrace response
- Best Practice: Branding impact studies
- Best Practice: Measure branding impact
- Best Practice: Find an optimal online conversion path
- Best Practice: Measure offline-sales impact over time
- Best Practice: Use current GRP tools-support initiatives to create better ones
- Best Practice: Pre- and post-buy studies: Get what you paid for
- Best Practice: Test for optimal frequency
- Best Practice: Employ brand-protection tools for context safety
- Best Practice: Was the ad even seen? Above-the-fold tools
- Best Practice: Re-marketing consumers
- Best Practice: Incorporate interactive into media-mix models

CREATIVE 23
- Best Practices: Dynamic Logic, Nielsen IAG
- Best Practice: Don't optimize creative to the click
- New creative options

CONCLUSION 26
Finding the magic

CHARTS

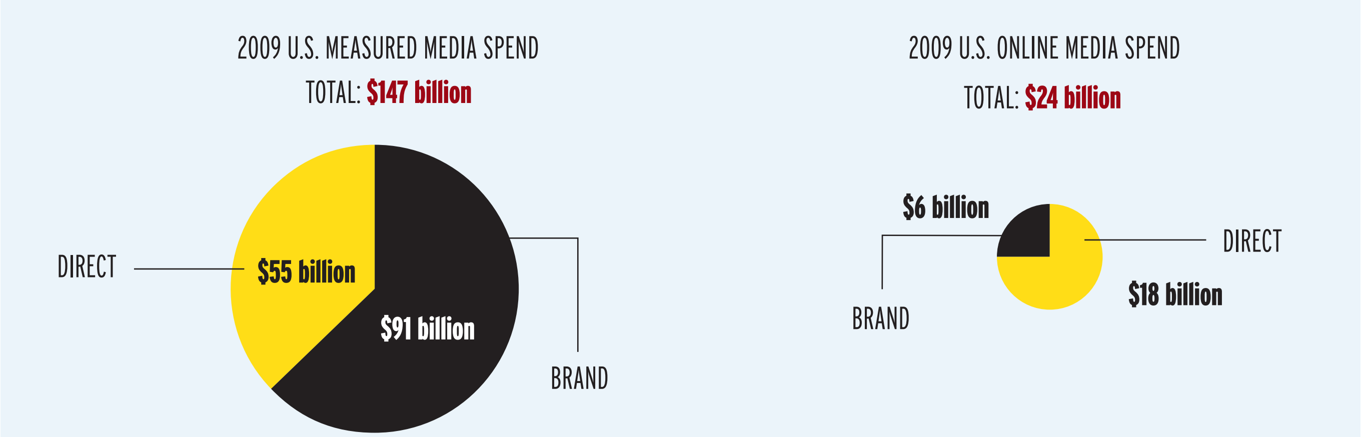
CHART 1	Brand dollars vs. direct dollars, Barclays Capital	4
CHART 2	All forms of TV viewing are increasing, The Nielsen Co.	5
CHART 3	Online ad-spend data, The Nielsen Co.	6
CHART 4	Retail, CPG and public services show greatest growth, The Nielsen Co.	6
CHART 5	Top brands online, ranked by share of spending, The Nielsen Co.	7
CHART 6	Top sites ranked by impressions, Q2 2010, The Nielsen Co.	8
CHART 7	Search, purchases by type of website, Online Publishers Association	10
CHART 8	Publisher ad-clutter summary, June 2010, comScore	10
CHART 9	Audience cumes, comScore	11
CHART 10	Top audience segments purchased, June 2010, Audience Science	12
CHART 11	Social network vs. portal share of global total minutes, comScore	12
CHART 12	Custom ads on Facebook improve effectiveness, The Nielsen Co.	13
CHART 13	Reach of ad networks, comScore	14
CHART 14	Worst malware found, July-August 2010 ClickFacts	15
CHART 15	Metrics brand marketers want, Bain/IAB	17
CHART 16	Brand metric glossary, Dynamic Logic	17
CHART 17	Brand awareness increases with multiple media use, Dynamic Logic	18
CHART 18	Online ad impact over time, comScore	20
CHART 19	Sample media plan, Atlas/comScore	21
CHART 20	Pre- and post-testing, comScore	22
CHART 21	Best practices in frequency, Insight Express	24
CHART 22	Poorly performing campaigns negatively impact branding, Dynamic Logic	24

MORE ON ADAGE.COM

This is one in a series of white papers published by Advertising Age. To see other Ad Age white papers and to obtain additional copies of this white paper, go to **AdAge.com/whitepapers**

INTRODUCTION

CHART 1 Brand dollars vs. direct dollars



Source: Brand net analysis based on Barclays Capital, Think Equity Partners LLC, and DMA

After 15 years of interactive, is it time for best practices?

BY KATHRYN KOEGEL kathryn@primaryimpact.com

FIFTEEN YEARS AGO, a couple of engineers hung out in a basement in Georgia and created something—perhaps not magical, but absolutely irrevocable in terms of media: the ad server. It enabled ads to be dispersed, displayed and tracked on the burgeoning platform then being called the World Wide Web. Since there was no "there there" in terms of physical media—no tapes or print copies to check ad delivery—the ad server would show the advertiser how many times an ad was viewed, and where. Given that this new medium had an infinite array of placement opportunities and potential inventory, the aim was to simplify the whole process.

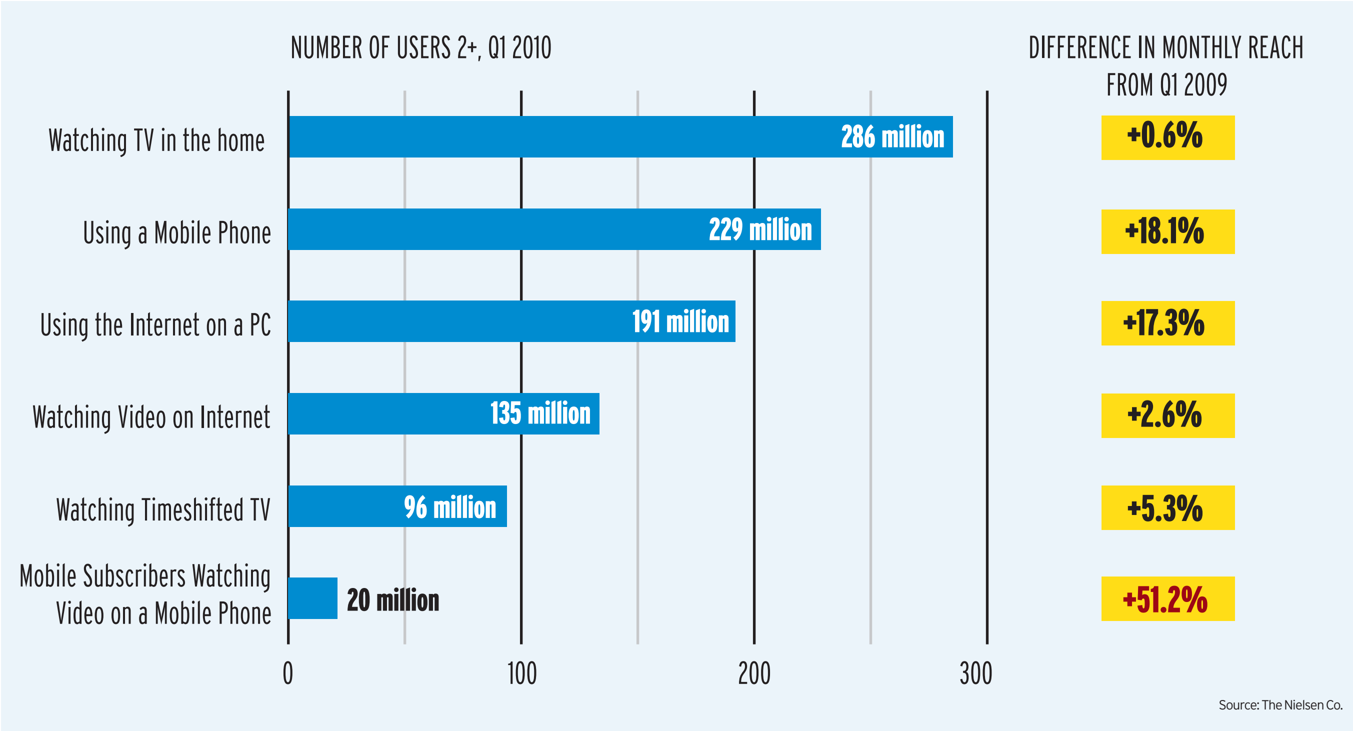
The engineers were Kevin O'Connor and Dwight Merriman, and they founded DoubleClick—now a part of Google. They were engineers, and weren't concerned with building and selling brands. Yet they focused on solving a crucial problem: the complexity of interactive media. Little did they know they were in the process of blowing apart all of media, laying waste to the revenue streams of "traditional" publishers and engendering a world of numerical complexity that few in the media world can even claim to understand.

Most importantly, brand advertisers have seemingly been left out of this data-driven, digital-media revolution. According to a Brand.net analysis of data from Barclay Capital, Think Equity Partners and the Direct Marketing Association, online accounts for 30% of the $55 billion spent on direct marketing, yet accounts for only 6% of the $91 billion spent on branding in the U.S. in 2009 **(see chart 1)**. The Interactive Advertising Bureau commissioned Bain to survey 700 marketers in April 2010. When asked to look forward to 2011, brand marketers expected that 70% of dollars would go to print and TV, while direct-response marketers would spend nearly an equal amount on online as on print and TV. When one considers that all forms of digital media tend to reach younger audiences than print and TV in a more highly engaged manner, online has a lot of explaining to do. Millions of media dollars are being left on the table. The reality is that marketers have a serious challenge buying and planning interactive media. It's too complicated, ignores basic precepts of marketing (including the significance of creative and the value of context), and has for too long set itself apart from other media.

That complexity prompted the IAB to act last month. "Measurement is one of the key obstacles to growing spend in interactive," said Sherrill Mane, IAB senior VP-industry services. "Unless we create a smooth supply chain so that online can be bought and sold as simply as TV, we will be held back...It's a business-process problem that the entire ecosystem of the business has to take control of." The IAB, with the Association of National Advertisers and American Association of Advertising Agencies, issued an RFP to consulting firms to create "a structure for change." Meanwhile, the Marketing Accountability Standards Board, which includes members Coca-Cola Co., Publicis, Starcom and the ANA, is striving "to create a set of metrics generally recognized as meaningful and predictive." A third project involves Google and the ARF issuing an RFP for a project to make reach and frequency metrics comparable between online and TV.

While the industry looks for answers, this report will address pitfalls online faces as a branding medium and simplify, simplify, simplify. Tools, techniques and creative options can make interactive media sing for brand marketers—we just need to adopt them.

CHART 2 All forms of TV viewing are increasing, but watching "linear" TV remains the dominant mode.



Source: The Nielsen Co.

Branding vs. Direct Response

THE WORLDS OF branding and direct response are the Venus and Mars of the ad world—or are they? One is all squishy and emotional, filled with beautiful sentiment that goes straight to the heart. The other gets right to the point: click, slam, bam, thank you, ma'am—you've just lowered your car insurance or whitened your teeth.

That's a gross simplification of how branding and direct response work, and how they have been irrevocably changed in the digital age. Perianne Grignon, former CMO of Sears and now CMO and chief strategy officer for [x+1], a demand-side platform, acknowledges the divide but sees it as a somewhat artificial one: "I actually think that pure brand practitioners and performance marketers measure similar things. They just do it in different ways, in different speeds, and call the measures different things. At the heart of it is a desire for a product, and whether that's called conversion or intent, it's all leading to the same place: a purchase."

Now, to clear up a few misconceptions about direct and branding, and media channels:

TELEVISION DOES MORE THAN JUST BRANDING, AND BRANDING DOES LEAD TO SALES

Yes, those ads make people hum and feel good, but they also sell product—though that product is not sold directly through the TV, in most cases. Brand marketers have some 50 years of experience buying TV, and they know precisely how many gross rating points will result in sales of how many rolls of toilet paper. How do they know this? Media-mix modeling and scanner data. TV buys for package goods are as much a data-driven business as online is.

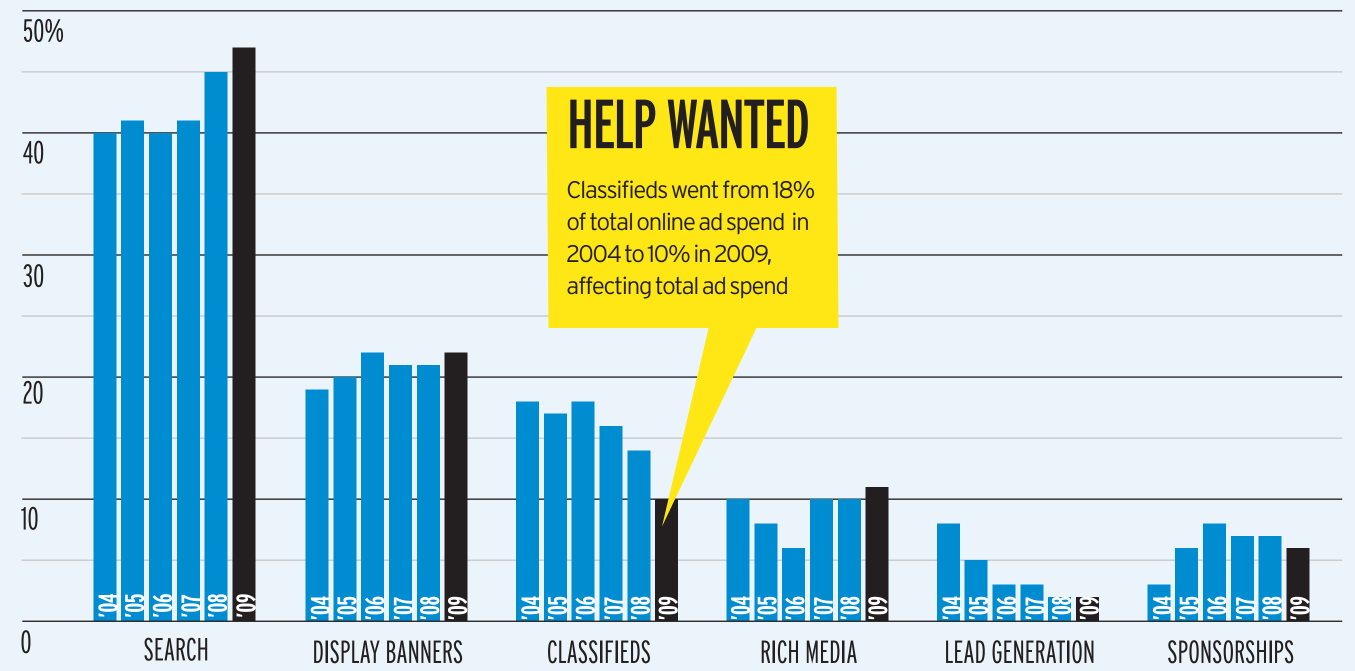
TV USAGE AND EFFECTIVENESS ARE NOT DIMINISHING AS AUDIENCES GO ONLINE

Nielsen's Three Screen Report is an essential read for any marketer. The data show that while television usage is changing and includes more variables, TV likely will always be the dominant medium in terms of consumer usage, and is actually increasing in all forms **(see chart 2)**. TV viewers, however, are getting older: while the average person 2+ spends more than 35 hours per week watching TV, people 65+ spend more than 48 hours. In terms of effectiveness, Joel Rubinson, former VP-research of the Advertising Research Foundation, finds TV is working just as well. Marketers, however, are rightly concerned about certain trends, especially increasing fragmentation of reach, clutter and ad skipping. Yet, the prices don't go down, and in this year's Upfront alone, over $9 billion dollars of advertising was purchased.

MOST INTERACTIVE MEDIA CAN HAVE A BRANDING IMPACT, BEYOND DIRECT RESPONSE

To Rubinson, all interactive has some kind of a branding impact, and that includes search. "In the new world of media, brands get created in more subtle ways," he said. "Branding effects are everywhere."

CHART 3 Online ad spend data: Search has grown fastest; Display, Rich Media & Video also show positive trends.
IAB internet ad revenue share by major format, 2004 through 2009



Source: The Nielsen Co.

BRANDING ONLINE CAN MEAN ASKING FOR A CLICK

Online-ad creative has the capacity for the click, and brand marketers are taking advantage of this. That may not be their complete measure of performance, but if they can get a response, they will. Whole generations now are familiar with the concept of interacting with brands and ads, and marketers are taking advantage of that in ways that engage and often entertain. According to Michael Cassidy, CEO of Undertone, a brand-focused ad network, the majority of brand creative he sees is "brand response." In the case of CPG, it's often a drive to a coupon or a game; for entertainment, a drive to a microsite or trailer.

CLICK TO COUPONS
Duncan Hines ad prompts response

The whole notion of "branding" as some sort of consumer/product connection/value system dictated by marketers is not relevant in the age of ubiquitous media and consumer control. Interactive media have blown up the very notion of what a brand is, making it more consumer-involved and dynamic. Brands can now be direct sellers, content producers, bloggers, tweeters and even friends without having to rely on media to deliver those messages. Consumers can seek out those brands, connect with them through social networks, tweet about them, and instantaneously let all their friends know what they think about them or what they plan to buy.

The very fact that we still talk about new and old media, interactive and traditional, goes to the heart of the problem, says Rishad Tobaccowala, chief strategy and innovation officer at

CHART 4 Retail, CPG and public services show greatest growth

INDUSTRY	Q2 2010 SOI*	YOY % CHANGE SOI*
FINANCIAL SERVICES	23.4%	4%
WEB MEDIA	15.8%	−10%
RETAIL GOODS & SERVICES	13.8%	25%
CONSUMER GOODS	10.3%	41%
TELECOMMUNICATIONS	8.3%	−35%
PUBLIC SERVICES	7.1%	71%
ENTERTAINMENT	5.1%	−13%
AUTOMOTIVE	4.5%	6%
HEALTH	3.7%	−2%
TRAVEL	3.5%	−31%
BUSINESS TO BUSINESS	1.7%	−32%
SOFTWARE	1.6%	−4%
HARDWARE & ELECTRONICS	1.2%	−23%

Note: * Share of impressions;
Source: The Nielsen Co.

CHART 5 Foods make top spenders list along with perennials like loan consolidation, auto and wireless.
Top brands ranked on share of estimated spending during first half 2010, U.S.

RANK	BRAND	PARENT COMPANY SHARE OF ESTIMATED SPEND	1ST HALF 2010 IN SHARE OF SPEND	YOY % CHANGE IN SHARE OF SPEND
1	LOWERMYBILLS.COM INC.	Experian Group Ltd.	2.66%	235%
2	WYETH PHARMACEUTICALS	Pfizer Inc.	1.32%	4,011%
3	CHEVROLET	General Motors Corp.	0.98%	226%
4	AT&T WIRELESS SERVICES INC.	AT&T Corp.	0.82%	−44%
5	HILLSHIRE FARM	Sara Lee Corp.	0.75%	N/A
6	CLASSES USA INC.	Experian Group Ltd.	0.71%	95%
7	TOYOTA	Toyota Motor Corp.	0.67%	3%
8	LENDINGTREE.COM	InterActiveCorp	0.58%	285%
9	FORD	Ford Motor Co.	0.47%	−56%
10	ORVILLE REDENBACHER	ConAgra Foods Inc.	0.44%	1,890,271%
11	CHEETOS	PepsiCo Inc.	0.39%	2,193%
12	CENTRUM	Pfizer Inc.	0.38%	23,581%
13	NISSAN	Nissan Motor Co. Ltd.	0.38%	91%
14	PET HEALTH & NUTRITION	Procter & Gamble Co.	0.34%	3,760%
15	WIRELINE COMMUNICATIONS	AT&T Corp.	0.31%	−25%

Source: The Nielsen Co.

VivaKi. "People in the U.S. are in a post-digital age," he said. "People don't stop and say, 'Now I'm going to use analog media; now I'm going to use digital.' The future doesn't fit into the containers of the past."

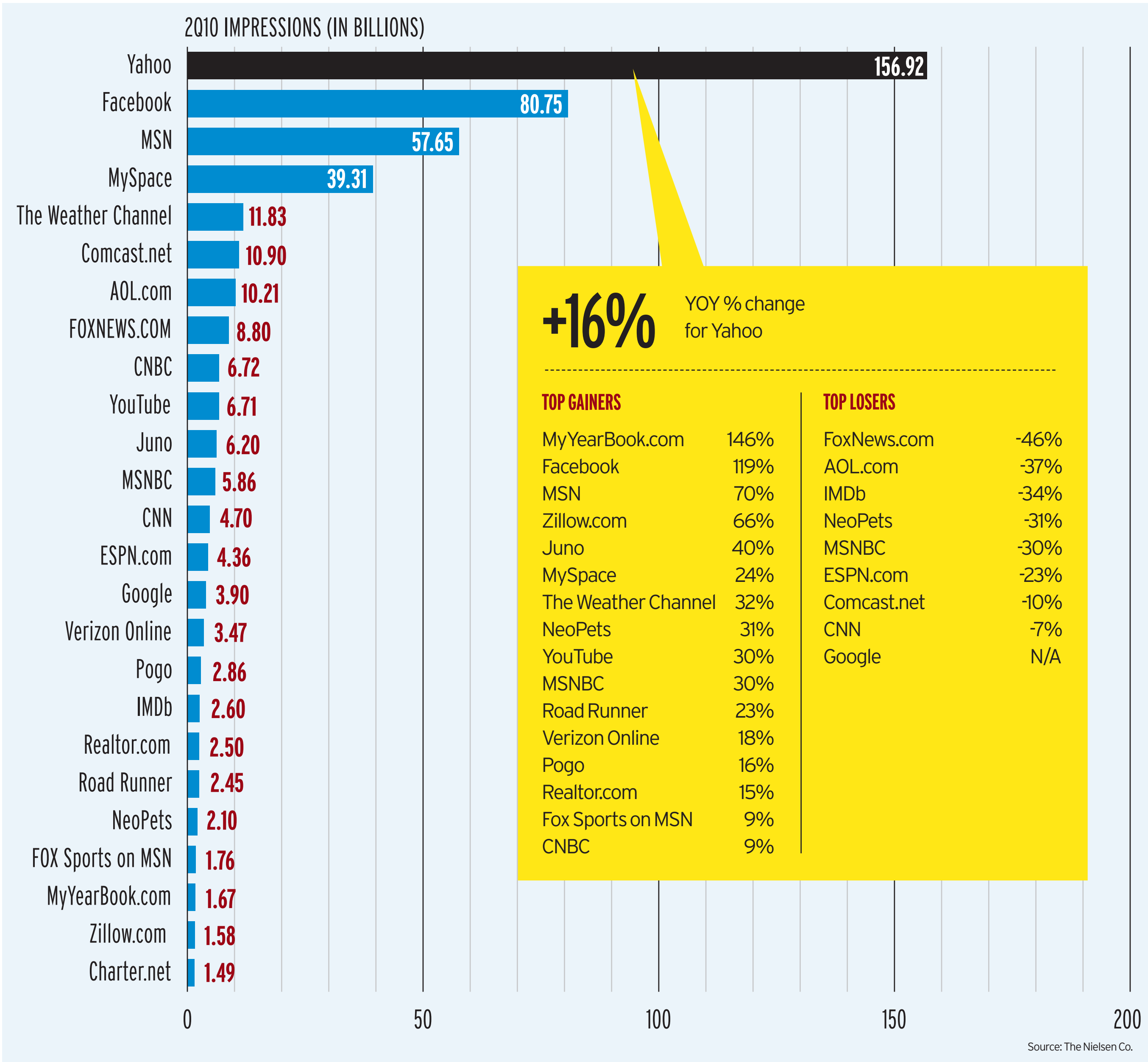
What are those containers? Old notions of TV as a bucket for branding dollars, online as the receptacle for direct. "As marketers, we need to live this change," said Tobaccowala. "People discover, transact, express and share—they don't consume advertising. In the current times, people are marketing to themselves." What's the solution, as he sees it? "Plan across media, deliver engagement, measure across, never use the word 'digital.'"

What and where brands are spending on interactive now

WHEN WE TALK about brand-related advertising online, we typically are referring to visual ads such as display, rich media and video rather than search. Search, the ultimate "bottom funnel" activity (someone knows what they want to buy and wants to know where to buy it or how much it costs), has continued to grow even during the recession, as other forms of interactive advertising took a nosedive. Online classifieds were hardest hit **(see chart 3)**, as data from the IAB indicates—no surprise given that recruitment and real estate are two of classifieds biggest categories. Display was stable, while rich media and video showed slight increases. Given the fact that display, rich media and video account for a smaller share than search, it's interesting how much entrepreneurial activity is focused on image-based ads. An entirely new sector has developed over the past three years in the automation of image-based online advertising: we now have Demand Side Platforms, Supply Side Platforms, Ad Exchanges, Data Optimizers and cloud-computing companies focused on simplifying the process and increasing the effectiveness of interactive advertising. Google is so bullish on display, it took the unusual step last month of launching an ad campaign, including a Times Square billboard, to promote the value of its display network. When the house that search built starts talking up the power of display, and a whole lot of venture capitalists jump in to support automation of interactive display, it's clear the market sees untapped potential. Given that so many of these companies are data-driven, you might assume that interactive is becoming even more direct response-driven. Are brands embracing this hyped-up advertising world? Nielsen's AdRelevance impression numbers reflect only CPM buys (not those purchased on direct-response metrics like cost-per-acquisition and cost-per-click), and while Q1 2010 was flat versus the previous year, Q2 was up 7%.

Nielsen's online ad-impression data by category shows that heavy "brand categories" are indeed buying into online **(see chart 4)**. Financial services remains the top category, though the decline of financial ads online lead to stories of the "death of the banner" throughout 2008 and 2009 (see reports The State of Display I and II). The top growth categories are retail (up 25%), consumer goods (up 41%) and public services (up 71%). Automotive is stable, up

CHART 6 Social networks are the big growth story, but Yahoo still carries nearly double the volume. Top sites ranked by impressions during 2Q 2010, U.S.



6%. Interestingly, the telecommunications sector, one of the heaviest spenders during the recession (all those smartphones!), declined by 35%. Telco numbers as a percent of total have decreased due to other types of marketers coming back into interactive. It also reflects the fact that cell phones are employing a lot of direct-response strategies online as conversions are the primary goal.

The top 15 spenders list for online advertisers **(see chart 5)** is always an interesting mishmash. In the early '00s, the list was dominated by the dot-coms. Coming out of the last recession (2002-'03), Fortune 500 companies had begun to make the list. In the second quarter of 2010, Hillshire Farms, Orville Redenbacher, Cheerios and Centrum appear. Clearly, brand marketers are embracing interactive as a marketing medium.

The rest of the list also has positive stories for branding (auto brands, for example, make up seven of the top 25). Who are the Pets.com of yore? LowerMyBills.com and Lending Tree are perennials of the top 10. Where are the dollars going? Clearly, brand marketers continue looking for reach, but there are new ways for them to get that reach: namely, social networks. Among the top sites ranked by display-ad impressions, the biggest gainers have been social-media sites **(see chart 6)**. It should be noted that this Nielsen data is blind to the cost of those impressions. A report from comScore in June 2010 showed that social media cost-per-thousand rates (CPMs) were so low the overall average CPM came down considerably.

PLANNING

"Brand media planning has changed so much. It used to be about reach and relevancy; now it's about reach and relevancy in a world of consumer control that is becoming more social and more mobile layered on with shopper-marketing practices."
-PERIANNE GRIGNON, FORMER CMO OF SEARS AND CURRENT VP-MEDIA STRATEGY AND CHIEF MARKETING OFFICER AT [X+1]

"Online suffers because it's the Swiss Army Knife of media. It's got a toothpick, a magnifying glass and a knife. It can work in so many places."
- REX BRIGGS, CEO OF MARKETING EVOLUTION

Briggs' observation about the multifaceted nature of online brings into focus another long-held marketing precept, the notion of a linear purchase funnel and its use in the planning process. If we consider how consumers made purchase decisions 40 years ago—when typically, they watched one of three TV networks, read a daily newspaper in print (one which supplied coupons in the Thursday food section and Sunday inserts) and listened to local radio stations on their way to work each morning—it was all pretty simple. Each medium had its strengths (TV for branding/reach, print for branding and information/product consideration, newspapers and radio for local and promotions). The yellow pages came in at the bottom, as consumers looked up where to buy products.

Over the past 15 years, online has pummeled that funnel, leaving it hopelessly leaking and generally useless. Various forms of interactive can work at different levels of the funnel. The 79% of consumers who use the internet (Pew, August 2010) rarely purchase a "considered" product like a car without getting more information online first. A significant number of purchases in categories like travel and electronics have shifted to online. Younger and more male-skewing audiences tend to become aware of entertainment and even personal-care products online. Search has replaced yellow pages—and mobile search has made it available on the go, while consumers are already actively shopping. Promotionally sensitive consumers are not only clipping but also clicking their way to coupons. So what's a media planner to do, seeing that hard-and-fast rules about which media work best for awareness, consideration and purchase decisions no longer exist?

BEST PRACTICE: GET A NEW FUNNEL–AND START UNDERSTANDING MORE ABOUT PEOPLE AND THEIR PURCHASE PROCESS ON A CATEGORY AND EVEN PER-BRAND BASIS

Rex Briggs understands the appeal of simple diagrams for explaining concepts like how people come to make a purchase. To him, the funnel should be broken into four types based on the life cycle of the product and goals like acquisition/trial, brand building, maintenance and conversion/retention.

Do we need even more finite funnels showing where interactive has impact? Yaakov Kimelfeld, senior VP-digital research and analytics director at MediaVest, believes that in today's media world, the purchase path is more complex and ever-changing than Briggs' four funnels could ever accommodate. The group he runs at MediaVest conducts weekly surveys of a panel of consumers, which helps develop media-path analysis on a per-product basis. Media consumption is changing so rapidly and radically that this kind of ongoing check-in with consumers yields valuable insights, Kimelfeld said.

For an industry futurist like Rishad Tobaccowala, who advocates blowing up the funnel and changing how agencies operate ("There are too many that just are production houses for :30s—they should just go away"), media planning needs to start with going back to the human being. "The single most important thing we need to keep in mind is that we are marketing to people, not consumers or customers," he explained.

'The single most important thing we need to keep in mind is that we are marketing to people, not consumers or customers.' - Rishad Tobaccowala, chief strategy and innovation officer, VivaKi

In the today's world, discovering the distinct, changing path to purchase, and isolating people who have displayed intent, is certainly a best practice.

BEST PRACTICE: INVENTORY EVALUATION THAT ASSESSES QUALITY OF PLACEMENTS

"Agencies are desperate to find something that works, and right now the only inventory truly worth anything is premium. There's actually a finite amount of quality inventory. Premium pricing will go up if you just shut off the billions of impressions on Facebook."
–DOROTHY YOUNG, FOUNDER OF THE GLASS BOX AND FORMER COO OF OGILVYONE AND CEO OF SILVER CARROT

"The solution to crap inventory is not to buy crap."
–YAAKOV KIMMELFELD, SENIOR VP-DIGITAL RESEARCH AND ANALYTICS DIRECTOR, MEDIAVEST

Perhaps no job in the online world is more thankless than the role of the online planner. Thousands of sites (25,000 in Nielsen's databank alone), so little time, so much less money. As Dorothy Young, the former COO of OgilvyOne who has also consulted with interactive agencies, points out: "We've created a world of such complexity that agencies can't make any money buying it—90% of the work of a media department is manual processing."

What should planners be looking at in the way of content to give full branding value to the ads? It's not so different from the quality measures that are applied to print. Considerations should include the quality of the placement, using parameters such as clutter, ad size, position on page (including whether the ad appears above the

INVENTORY-EVALUATION TOOLS

Some shortcuts can help evaluate online inventory for quality.

ONLINE PUBLISHERS ASSOCIATION SITES

Members have to fulfill various qualifications, including a professional staff that edits content. Still, the OPA does not employ any sort of "Good Content" seal, and parent companies, not individual sites, are listed as members, so no complete list of OPA sites is available.

COMSCORE 100, 250 OR 500

comScore's ad-planning tool allows users to limit searches to only top sites by reach and allows filtering by types of content such as adult, social, user-generated, etc.

URL WHITELISTS

Adnetik keeps massive lists of sites carrying advertising, and excludes ones with reported placement and ad-load time problems.

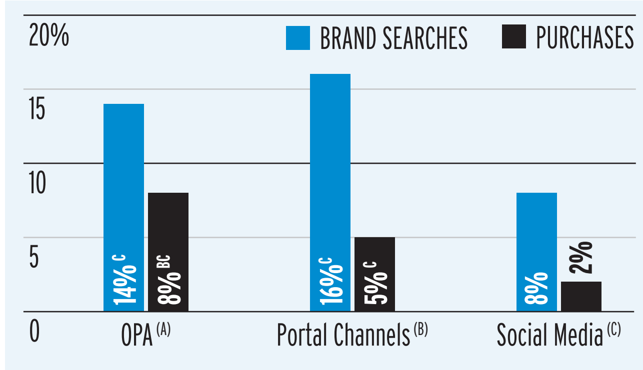
GOOGLE AD PLANNER

This free ad-planning tool (www.google.com/adplanner) is accessible to anyone. Top 1,000 properties are ranked by unique users, which doesn't automatically denote quality but is an easy way to filter out properties too small for an advertiser's needs.

NIELSEN

As of March, @plan was integrated into the media-planning tool. Claritas Prizm Clusters are also now integrated, so planners can rank properties by reach within chosen groups.

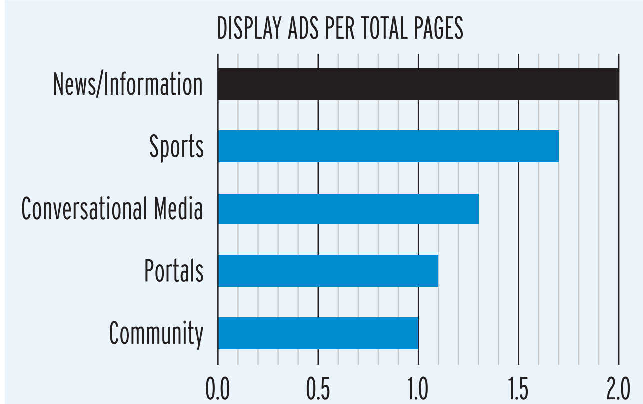
CHART 7 Portal channels more likely to lead to search; Media sites impact purchases



BASE Site Ratings (N=6222: 4185 OPA, 1544 Portal Channels, 493 Social Media). Q: Which of the following have you ever done as the result of seeing an ad on [SITE]. Searched for more information about the product or service, made a purchase? Superscripted capital letters (ABC) indicate statistically significant differences at 90% confidence between site categories.

Source: Online Publishers Association

CHART 8 News sites are most cluttered. comScore's Publisher Ad Clutter Summary report



Source: comScore, June 2010

fold), time spent on page and repeat visitation patterns of the site. With so many sites, that amounts to a ton of work.

Young hopes to help, and is in the midst of building an inventory-scoring tool to take some of the pain out of planning online. She's positioning her new company, dubbed The Glass Box, as an antidote to all that much of the online space has become.

Does context truly matter? It's been a battle that premium publishers have fought since internet upstarts began flooding the ad world with inventory. While someone like David Payne, founder of ShortTail Media (a short-lived, brand-focused ad network built on inventory from Online Publishers Association members), felt he was spending too much time trying to push the value of context on agencies, the majority of those interviewed for this report were strong proponents of context. Tobaccowala, for one, notes: "Brands like to hang out with brands."

Even those most associated with the data/direct-response perspective are coming around. Nathan Woodman, managing director-COO, Adnetik, an ad trading desk, noted based on its data analysis, "We are starting to see that people that visit premium sites have different behaviors to non-premium." He also believes that a finite amount of quality inventory is available out there.

The OPA attempted to get at this elusive halo effect in its study "A Sense of Place," conducted by Harris and released in June 2010. Consumers related their positive associations with a media brand to the advertisers on the site, expecting a certain level of quality from those advertisers. Consumers displayed the most loyalty to "branded" sites, and while portals were most likely to drive search activity, branded sites were most likely to drive purchases. Social media appears to be a different media beast altogether **(see chart 7)**.

BEST PRACTICE: EVALUATE CLUTTER OF ALL MEDIA PARTNERS

Clutter has long been a challenge of online advertising. The more ads per page, the more they are ignored. (One exception to that are sites that are used for comparative shopping, especially for auto. See Nielsen's "Measuring Online Advertising Clutter: A New Perspective for Media Planning.") Despite research from Nielsen, Dynamic Logic and Insight Express indicating that fewer ads were more effective, in these tough times, some publishers have increased ad loads. Which category most has to get a handle on the program? News **(see chart 8)**.

Brand marketers should always ask publishers what the ad load is on their web pages, in addition to ascertaining placement on the page. comScore now has a report available in AdMetrix called the Publisher Ad Clutter Summary report, which offers data on Average Display Ads Per Total Pages, Average Display Ads Per Visit, and more.

BEST PRACTICE: USE REACH-BUYING TECHNIQUES FOR BRAND LAUNCHES OR REPOSITIONING

For the past decade, various sites have tried to create splashy units and inventory packages to help brand marketers support launches or achieve quick reach. Here are some successful techniques.

- **Homepage takeovers**

First launched on Yahoo nearly 10 years ago, homepage takeovers of major sites like CNN, ESPN, The New York Times and The Wall Street Journal are the rough equivalent of running a full-page, back-of-a-section ad in a major newspaper. All of these sites offer the opportunity to surround content with sequenced banners or roadblocks, or to offer exclusive use of homepages.

- **Google Display Network blasts**

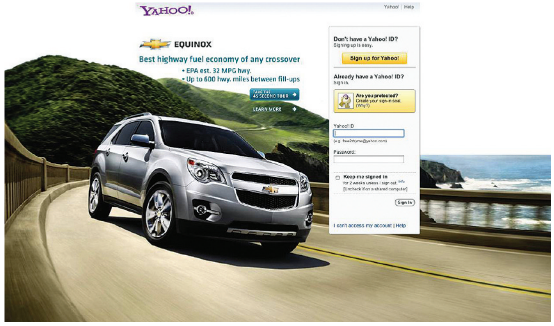
These can also reach a large audience in a short time period (usually 24-76 hours). With a signature property like YouTube, these blasts are the equivalent of prime-time sponsorships of network TV programs. Google reports that brand marketers like InterContinental Hotels & Resorts, Infiniti and H&R Block have taken advantage of them. What kind of reach can they achieve? The Infiniti March Madness Blast delivered 79 million ad impressions in four days, for example. The YouTube homepage placement alone delivered 40 million views per day.

- **Yahoo Log-In Page Units**

Introduced this summer, this mega-rich-media ad unit (1,400 pixels wide) is placed on the third most-highly trafficked page on Yahoo. About 26 million unique users in the U.S. each day visit the log-in page that connects Yahoo subscribers with their e-mail accounts, stock pages and other services. Chevrolet ran a campaign in June 2010 with four different executions that had users click on a link placed within the background art that takes them to a page with more information on the Chevrolet model displayed.

BEST PRACTICE: UNDERSTAND AND USE AUDIENCE CUMES TO FLIGHT CAMPAIGNS APPROPRIATELY

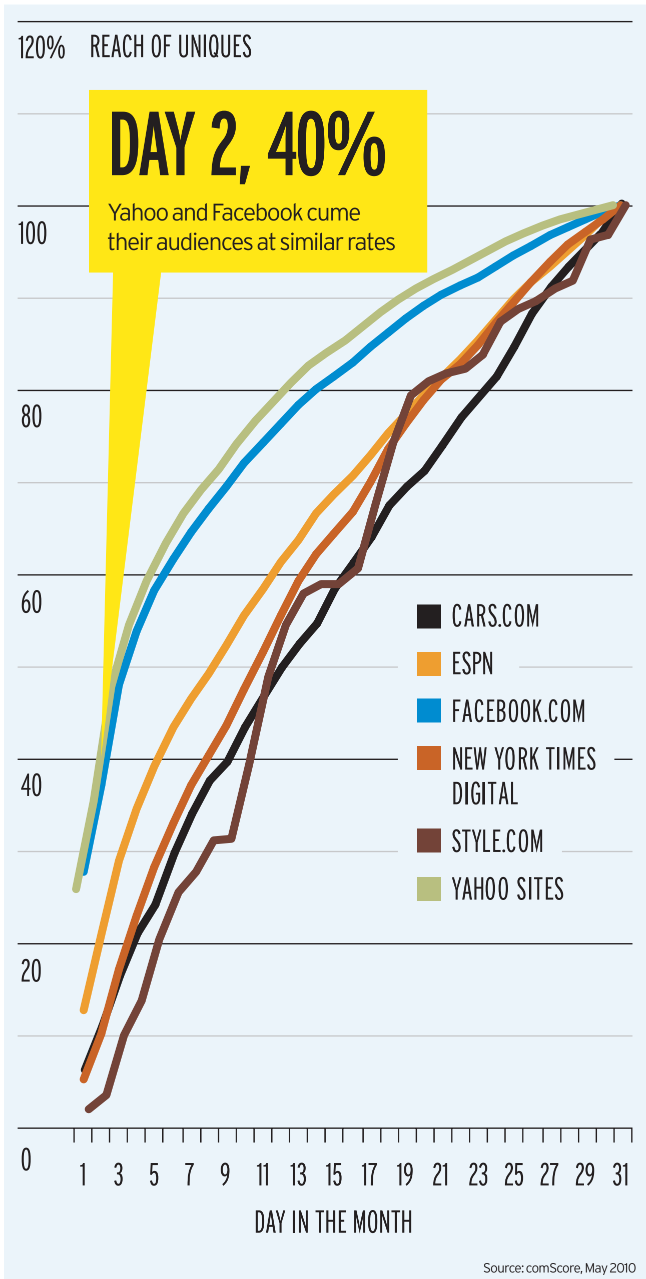
Planners typically buy sites based on potential reach. There's a simple fallacy to that logic: You would have to buy every impression that goes to every user over a given month to reach that number. What can you do to increase reach of the potential audience so buys are flighted accordingly? Tactics like homepage takeovers typically reach heaviest users of a site with high frequency, not the full potential of the site's reach. A quick glance at **chart 9** shows that a one-day takeover of Yahoo's homepage would reach just under 40% of the site's users. In contrast, it takes The New York Times Digital about seven days to reach 40%.



1 BIG AD, 4 CARS

Chevrolet featured four models in this Yahoo rich media unit

CHART 9 Understanding how a site cumes its audience can help in the flighting of campaigns



Source: comScore, May 2010

BEST PRACTICE: USE AUDIENCE TARGETING TO EXTEND REACH BEYOND CONTEXT OR TO INCREASE THE EFFICIENCY OF A BUY

When Tacoda introduced "behavioral targeting" in 2001, it was seen as a way to juice response rates—as in clicks. Behavioral targeting was largely the domain of direct-response advertisers—or brand marketers who were driving online conversions and buying on a DR basis. It's now had its own rebranding and emerged as "audience targeting."

While audience targeting is still used heavily by DR advertisers, Audience Science CEO Jeff Hirsch reports marketers are using it even when they are not looking to drive a specific transaction. It represents 30% of his customers, an increase from 2009, he reports. Hirsch sees the technique as a crucial bridge to TV buying, where the aim is to deliver a message to a sizable audience. "It's as close as we are going to get to a GRP (gross rating point)," he said.

According to Amanda Richman, executive VP-managing director, digital at MediaVest, audience targeting does play a role in brand buys as it "extends reach beyond that implied by context."

John Montgomery, COO of GroupM, views it as an answer to an efficiency problem. "Our brand clients are paying too much when they buy context directly from publishers—soap doesn't need context," he said. "We need to make online a more efficient buy." For him, the shift toward audience buying makes sense beyond just cost. "It's intent rather than segment-based marketing, and uses the unique targeting capabilities of online," he said.

So who buys audience targeting and how finite does it get? An analysis of top targets bought on the Audience Science platform over the past year shows that it is a mix of very specific targeting (custom segments requested by advertisers), intent marketing and reach aggregation. In a given month, one to three of the top slots typically go to custom audience segments; there are a few broad targets marketers would recognize from TV (women 25-54, men 18-34). Automotive clearly is using the technique to find in-market buyers at more affordable prices than those on auto sites and in auto context. It appears in the top 10 categories every month, usually in more than one permutation. Other top targets are "gadget heads" and "cell phone enthusiasts." For telco, it's a matter of reach plus intent. (See **chart 10** for the top targets purchased from Audience Science in June 2010.)

CHART 10 Top Audience Segments purchased: June 2010

RANK	AUDIENCE SEGMENT
1	AUTO > AUTO SHOPPERS
2	LIFESTYLE > OUTDOOR ENTHUSIAST
3	LIFESTYLE > ECO-AWARE INDIVIDUALS
4	TECHNOLOGY > CELL PHONE ENTHUSIASTS
5	LIFESTYLE > PROUD PARENTS
6	CUSTOM >
7	AUTO > ASIAN IMPORT BUYERS
8	AUTO > LUXURY AUTOMOBILE BUYERS
9	TRAVEL > VACATION TRAVELERS
10	AUTO > AUTO ENTHUSIASTS

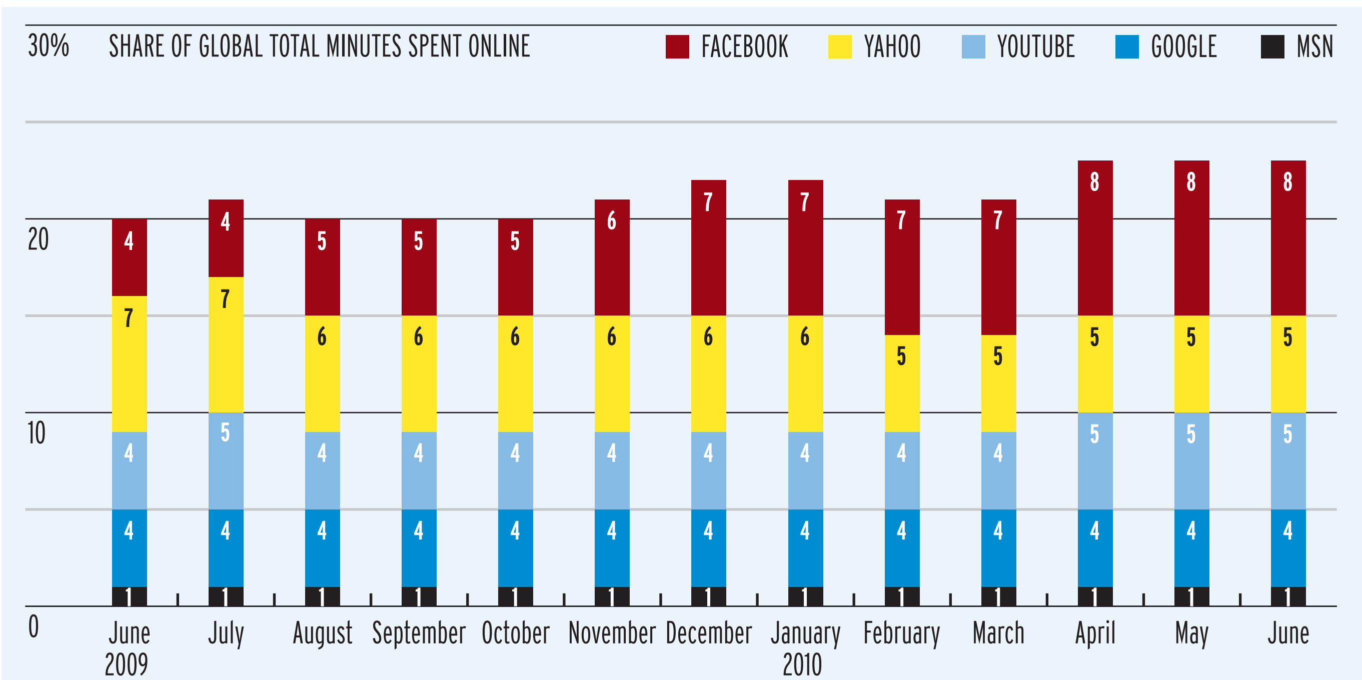
SEASONAL
OUTDOOR ENTHUSIASTS, VACATION TRAVELERS

HOT EVERY MONTH
AUTO (4), CELL PHONE ENTHUSIASTS

CUSTOM
1 OF THE TOP 10

Source: Audience Science Quarterly Report, June, 2010

CHART 11 Consumers are spending more time on social networks, less time on portals.



Audience: Persons age 15+. Worldwide, home/work/university locations. Source: comScore Media Metrix

BEST PRACTICES IN USE OF SOCIAL MEDIA: REACH OR CONVERSATION?

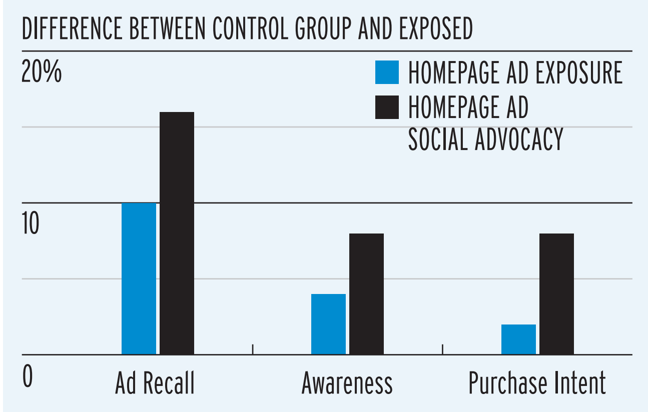
Anyone looking at the user-growth curve of Facebook must stand in awe before this latest player in the reach market **(see chart 11, P. 12)**.

Over the past year, the site morphed from a utility for twentysomethings into a mass-market destination that reaches 42% of the online population, according to Pew. There are a whole lot of people out there posting status updates, but is advertising on social networks the best possible use of this type of communication?

The OPA study on the significance of various types of content for advertising shows that ads on social networks are not as effective at driving product sales or even brand searches as other types of content. Perhaps the environment for social-media ads is akin to e-mail: so personal and engrossing that ads are not particularly noticed. To be sure, more research on the topic is needed.

So, if the inventory is not as great in value as content, what is it good for? Nielsen, which has developed a product in conjunction with Facebook, called Facebook Brand Lift, points out in its report "Advertising Effectiveness: Understanding the Value of a Social Media Impression" that ads on Facebook are better served to generate brand conversations **(see chart 12)**. The basic point is that the same creative used to push a message elsewhere may not work as well in a social environment. "Brand Advocacy" ads, or ads designed to drive conversation about a brand, are a better way to go.

CHART 12 Nielsen study shows that custom ads on Facebook designed to elicit "brand friends" work better than traditional ads



Source: Nielsen BrandLift

BEST PRACTICES IN USAGE OF AD NETWORKS AND EXCHANGES: PROCEED WITH EYES WIDE OPEN

Networks play a vital role in the online ecosystem, and have, since the day DoubleClick built its ad server, to be able to track and distribute online media—and then built an ad network to sell it. Ad networks are also one of the most controversial parts of the ecosystem for a very simple fact: many operate black boxes of inventory where there is little concern for issues such as quality, clutter and appropriateness of content. Perhaps even deeper issues are the lack of exclusivity of inventory and the "gross" margins they receive for services. Among those interviewed for this white paper, the estimates of inventory flowing through ad networks bought and sold on exchanges range from 75% to 90%. In effect, the same inventory is being passed back and forth until it is sold at the lowest possible price. Others take issue with networks that charge excessive fees without adding any value. Says Dorothy Young, former COO of Ogilvy One and CEO of Silver Carrot: "Networks get 30% to 50% gross margins on the media; agencies could never charge that. Should the clients accept it?"

Networks can be a powerful part of simplifying the process of buying interactive ads and achieving the reach demanded by brand-oriented buys. **Chart 13 (P. 14)** shows networks as ranked by comScore (comScore notes these rankings are somewhat problematic due to the issue of nonexclusivity of inventory).

But with more than 300 networks and little differentiation between them, not to mention the increasing automation of sales through exchanges and DSPs, how many networks can the market support? Those interviewed expressed varying levels of skepticism about the future of networks. John Montgomery of GroupM thinks the space will contract (and only needs a maximum of 30 networks) as more inventory flows into DSPs and exchanges, which are just in their infancy now. Those that will thrive will likely have a vertical specialty, strong content and solid agency relationships. Nathan Woodman, COO of Adnetik, a trading desk spinoff from Havas, cites NBC Universal's decision to create its own ad network as a positive step. In doing so, the media company joined Time Inc., Forbes, Martha Stewart Omnimedia and others in pooling company inventory to provide reach of quality audiences. Another key survival tactic? The ability to deliver rich-media units that cannot be bought on exchanges and delivering them at scale.

HOW TO EVALUATE AN AD NETWORK FOR BRANDING USE

Here are key questions one should use to evaluate ad networks.

Buying Practices

How does the network secure its ad inventory? Does it buy from other networks? Ad exchanges? Direct from publishers? Is there any exclusivity of inventory? Buyers should be specific about the kinds of inventory they want. One media buyer of pharma ads makes networks sign a document specifying inventory will not be purchased on exchanges, then monitors for accuracy and demands makegoods.

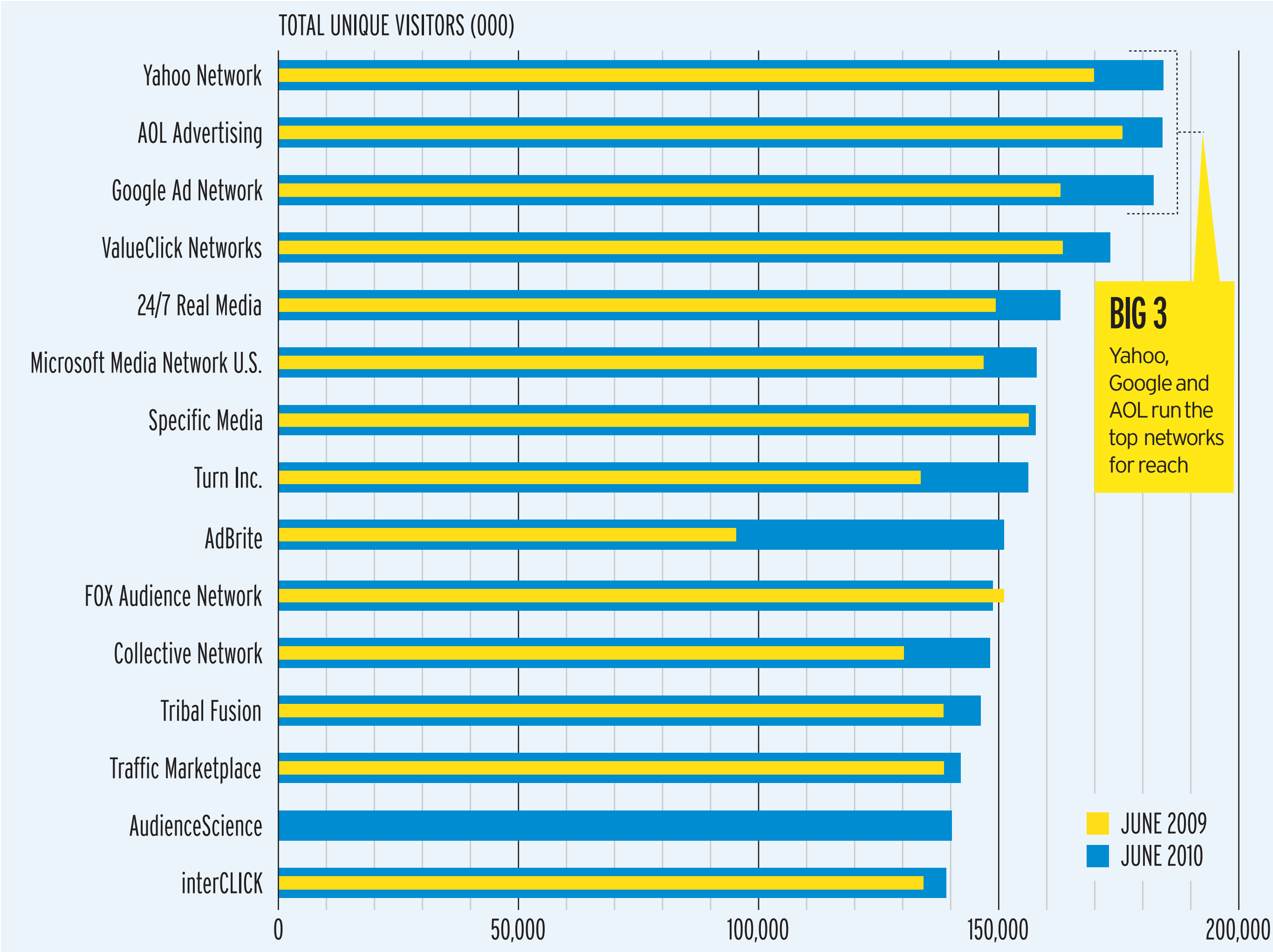
Quality control

Does the network guarantee ads will run above the fold? That all international impressions will be excluded? That there is no "parked" inventory or social inventory you choose to exclude? Up to 40% of publisher site traffic comes from outside of the U.S., and ad networks are used as a clearinghouse for this inventory. Unless international users are your target, specify U.S.-traffic only in insertion orders. Parked sites (those sites that show up when a user mistypes a URL) is inventory that often flows through networks—especially ones bought on a cost-per-acquisition basis.

How is the content in the network assessed? A common practice is to use top sites in comScore as a proxy for quality—though that reflects reach more than quality. Due to contracts, most highly valued publishers blind the inventory. How do networks back up any claims to the quality of sites that make up their inventory?

One of the most dangerous challenges of inventory that comes through networks—especially ad exchanges which have entirely automated the buying process and where no physical contact occurs with the purchaser of the inventory—is malware. Malware can do

CHART 13 Ad network reach, June 2009 vs. June 2010



Source: Comscore

something as simple as use an ad to infect a computer with a virus or, in the worst case, scrape identities like credit card data from a user's computer. **Chart 14 (P. 15)** shows some incidents of malware that hit various sites this summer, as captured by ClickFacts.

Brand Protection

Will the network guarantee ads will not run on undesirable sites and issue a makegood should that happen? Will it issue site lists and let you determine which sites to avoid? Does it use a verification tool like AdSafe or DoubleVerify? If the network uses its own tools, how does it prove appropriate placements? A network like Undertone will give a money-back guarantee (though CEO Michael Cassidy reports the company has never had anyone ask for one). Does the network have some vertical specialty? Contextual content in areas like health can be valuable, even though placements aren't on top sites. Buying a vertical network can help lower CPMs and still provide relevant context.

Can the network offer scale of rich-media opportunities? Rich media is great, but often a marketer doesn't just want to make a splash on only one or two sites. What is a network's technological capabilities? Which ad server does it use, and how proficient is the network at using it? Most importantly, do trafficking people understand the goals of the campaign and use the tools to optimize accordingly—and not just default to the direct-response metrics they know?

Data usage

Does the network work with third-party resources to enrich data and improve targeting? Are all of these providers Network-Advertising-Initiative compliant? How's the back office? Are the billing systems in order? Will the network work quickly to eliminate discrepancies and reconcile billing with delivery? What are the network's client services like? Despite the advent of Wall Street-like trading systems, advertising remains a people business and many agencies choose ad networks based on trust and sales-rep relationships.

Do campaigns deliver against goals? If the agency does a pre-post buy test, how high was the accuracy in delivering on key performance initiatives? According to John Montgomery, the old direct-response adage "Test and Learn" applies here. If a network doesn't deliver, drop it.

MEASUREMENT

CLICKS: BRANDS EMBRACE RESPONSE

"Only 16% of consumers clicked on at least one display ad in March 2009, down from 32% two years earlier."
-"HOW ONLINE ADVERTISING WORKS: WHITHER THE CLICK," COMSCORE, 2009

"The click should have been DOA."
-RICHY GLASSBERG, COO OF MEDHELP.ORG AND ONE OF THE FOUNDERS OF THE IAB

"So many agencies plan on clicks. That's criminal."
-JON GIBS, SENIOR VP-ANALYTICS AND INSIGHT, NIELSEN ONLINE

"The click is a crutch. Agencies are getting it; clients are not."
-MICHAEL CASSIDY, CEO, UNDERTONE NETWORKS

"64% of advertisers are measuring with clicks."
-COLLECTIVE MEDIA, 2010 DISPLAY ADVERTISING STUDY

"The overall click-through rate for static ads is 0.1%, for Flash ads, .09%, consistent with 2008." - DOUBLECLICK, 2009 YEAR IN REVIEW BENCHMARKS, RELEASED JUNE 2010

"If you get the consumer to the point of engagement, it's a lost opportunity if you don't ask for the interaction."
-STACEY DEZIEL, MANAGING PARTNER-ACCOUNT DIRECTOR, MEC

To measure by click, or not to measure by click? It's a question that the industry has lived and nearly died by. There's nothing wrong with soliciting an action to media, but it's not a sufficient way to pay content providers. Research from comScore found that few people are clickers and the percentage of those who do click is in decline. Just 16% of online users regularly click on ads, according to a 2009 report.

Perhaps the most disturbing finding of a Collective Media study of marketers was that the majority were measuring a campaign's results by clicks. A paltry 35% said they used some sort of brand measure.

Can a click ever be a useful measure for a brand marketer? Stacey Deziel of MEC thinks it can be one factor in deciding the success of a campaign. Clicks as an action within a rich-media engagement, she believes, have value because the person who clicks has demonstrated true intent.

Despite a terrible reputation, clicks are not going away, and probably never will in a medium with so much inventory and so many publishers willing to sell it that way. Many are also using "blended CPMs," buys based on a cost-per-thousand rate so that the ads can achieve desired reach but with a cost-per-click (CPC) rate for guaranteed delivery of interested consumers. For benchmarks on click performance by type of ad, including impact of sizes and rich media, see DoubleClick's recently released "2009 Year in Review Benchmarks." While direct response-focused, the report does make the point that people are interacting with ads, and that larger ads and rich media tend to elicit higher click rates.

CHART 14 Snapshots of worst malware found in July through August 2010 for ClickFacts clients

DATE:	8-31-10 (Hit 30 different Ad Tags)
ACCOUNT:	A Top 20 Publisher
MALWARE FOUND:	PDF Exploit
BEHAVIOR:	The ad tag makes a request directly to a URL. The URL returns Javascript code that contains a link to the malware host site, krxxc.com. The intention is to steal identities.
DATE:	7-27-10; 7-23-10
ACCOUNT:	Fortune 100 Insurance Company
MALWARE FOUND:	PDF Exploit
BEHAVIOR:	Downloads a PDF that launches an executable file that hits the registry. The intention is to steal identities.
DATE:	7-13-10
ACCOUNT:	Fortune 100 Car Company
MALWARE FOUND:	PDF Exploit
BEHAVIOR:	Downloads a PDF that launches a malicious process. The intention is to steal identities.
DATE:	Weekly
ACCOUNT:	Seen across multiple accounts
MALWARE FOUND:	Registry updates for Flash & Quicktime
BEHAVIOR:	A site hits the registry and then asks to upgrade Flash and/or Quicktime. While not always malicious, this is a potential vector for infection.

Source: ClickFacts

BEST PRACTICE: BRANDING IMPACT STUDIES

In early 2010, the IAB and Bain released a study that diagnosed the problem of why brand marketers were not focusing on interactive as much as the IAB thought they should. A group of 700 marketers were asked which metrics they wanted for online campaigns and which metrics they were able to get **(see chart 15, P. 17)**. Something very strange is going on. The top metrics marketers seek (message recall, ad favorability and purchase intent) are the very metrics that have been around since Nick Nyhan founded Dynamic Logic in 1999, and are now being cooked into the majority of larger branding buys. Are marketers just not getting it? The more sophisticated in the field, those such as data modelers Michele Madansky and Yaakov Kimmelfeld, have moved beyond that set of metrics. According to Kimmelfeld: "Once you do a few, you typically know what the results are going to be."

But for marketers relatively new to interactive, that data reassures that the medium works. "It's in the agency's best interest to do them to justify reallocation towards digital," said Lynn Bolger, exec VP-ad solutions at comScore. "They are also helpful when there is no direct connection to offline sales, as in the case of consumer package goods [CPG], where through-panel-matches online data can be connected to offline."

Clearly, demand for this type of survey has grown because there are so many companies in the space. Dynamic Logic pioneered the technique of pop-up surveys to an exposed versus a control group to determine the lift generated by the campaign. Dynamic Logic is now part of TNS Kantar Group and has a normative database so that marketers can compare their performance to those within specific ad categories and norms over time. Dynamic Logic has carried out more than 5,700 studies and tested 190,000 creative campaigns over the past 10 years. Insight Express emerged in 1999 as the first alternative. It has conducted more than 1,500 studies of 50,000 creative campaigns. Nielsen and comScore also perform the services now. Nielsen has two versions: one for use on display advertising, and another for determining whether an ad is eliciting conversations on Facebook. Vizu, a Silicon Valley startup that initially focused on online polling and social network activity, now offers a product called Ad Catalyst. Crowd Science, a two-year-old research company run by former executives from comScore and Nielsen, does pre- and post-surveys within their Campaign Audience Profiling Tool. The newest entry into the market is Dimestore, from Knowledge Networks, which specializes in the placement of campaign-measurement surveys in online video streams, either as overlays or as part of the pre- or post-roll. Their surveys do not interrupt the video experience or require respondents to go to a third-party site, and the results are available in near real time.

What do marketers need to know? 'It all comes back to you get what you pay for.' Be wary of the cheap solution that yields quick and positive data but little true insight.

What does a branding-impact survey cost? Drew Lipner, exec VP-group director of Insight Express, reports that "pricing for ad-effectiveness research is typically categorized by service level, and level of design/methodological rigor." For do-it-yourself offerings, which are often a single question, pricing ranges from $5,000 to $9,000. Full-service research typically includes: project management, survey design/build, dedicated analyst/project management, media/publisher coordination, data weighting, written report and presentation. Pricing within the full-service segment ranges from $20,000 to $25,000. According to Lipner, agencies tend to employ full-service brand measurement, given the need for project management and third-party accreditation, along with the desire to use the data to optimize creative.

Brand-impact surveys are such a crowded space that they have incited the most recent IAB research initiative, which focuses on best practices in developing the control groups. The IAB press release generated a storm of inside-baseball discussion in the online-research community. What do marketers need to know? As one poster on the Research Wonks listserve noted: "It all comes back to, you get what you pay for." Be wary of the cheap solution that yields quick and positive data but little true insight.

BEST PRACTICE: GO A STEP FURTHER AND MEASURE BRANDING IMPACT ACROSS MEDIA

Media do not exist in isolation, and if the silos of "traditional" and "interactive" are ever to break down, studies will need to look at results across all media types. Dynamic Logic now performs cross-media studies that can show relative contribution of the big three (TV, print and online), as well as incorporate mobile, gaming and social media to standard brand-impact measures. Dynamic Logic has conducted over 350 of these over the past 10 years **(see chart 16, P. 17)**.

Bill Havlena, PHD, research analytics, said clients are using them as a complement to media-mix modeling. This type of study works well when no sufficient historical data on certain media are available or there is relatively low reach for some media on the plan compared to others. Consumer package goods companies are the biggest users of this type of research, but last year saw a big uptick in usage by financial-services companies. Studies like this cost anywhere from $60,000 to $250,000, depending upon whether Dynamic Logic builds out a simulator for optimizing media mix based on results.

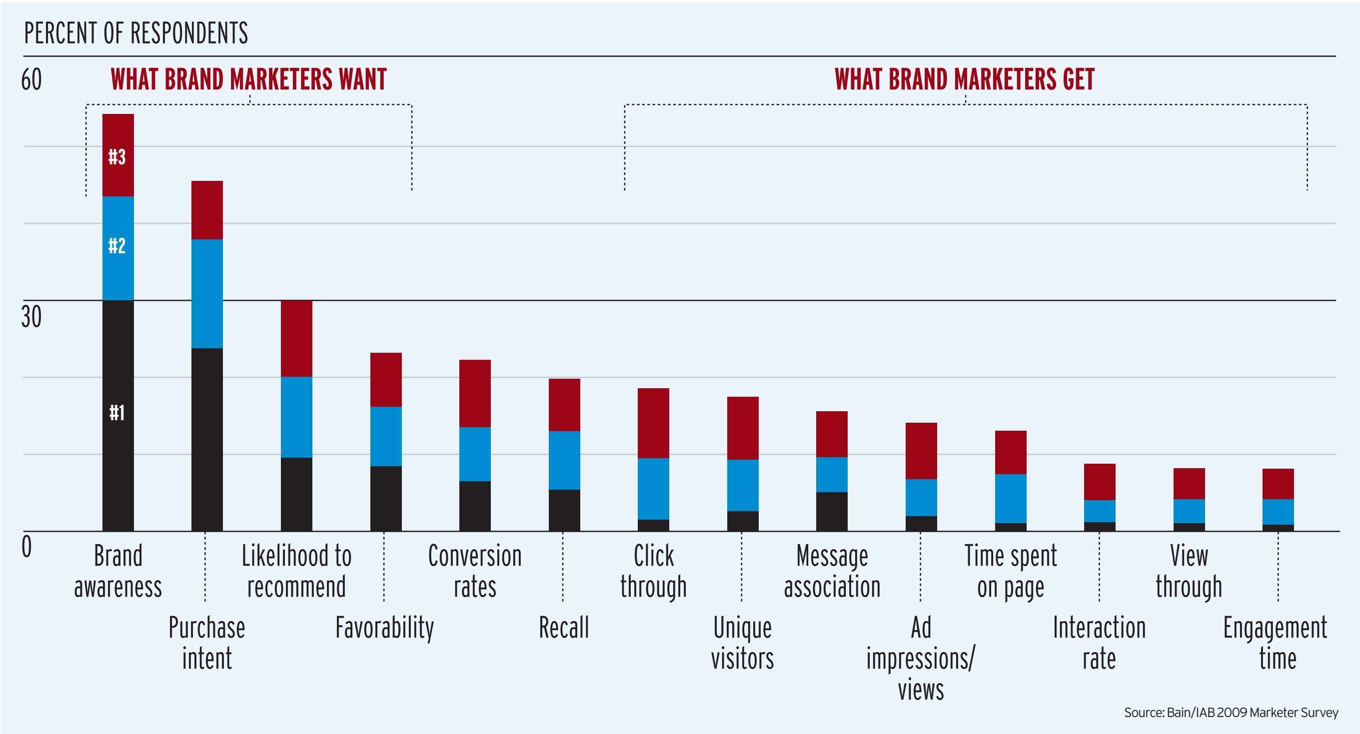
Havlena's key insight? "TV, online and print together are very strong at building top-of-mind, unaided brand awareness and communicating key brand messages **(see chart 17, P. 18)**." When used in combination, these media show three times the increase of TV alone.

Rex Briggs—who, along with the IAB and the ARF, brought XMOS, or cross-media optimization studies, to the online world between 2001 and 2006—built a consultancy based on this type of study, and counts among his clients Honda, Acura, MTV Networks and the agency RPA. He now has enough data from his Return on Marketing Objectives Studies (ROMO) that he has built out a normative database and a dashboard tool that will optimize media spending not on gross ratings points (GRPs) but on impact. Eight categories of data are represented, including CPG, auto and financial services. Perhaps the most compelling aspect of the tool is that it integrates and translates GRP data as supplied by Telmar, one of the leaders in the television-buy-optimization space. The tool, called Matterhorn, launched in beta in late September. RPA has been using it for the past six months.

BEST PRACTICE: MEASURE IMPACT OVER TIME AND DETERMINE WHAT IS THE OPTIMAL ONLINE CONVERSION PATH

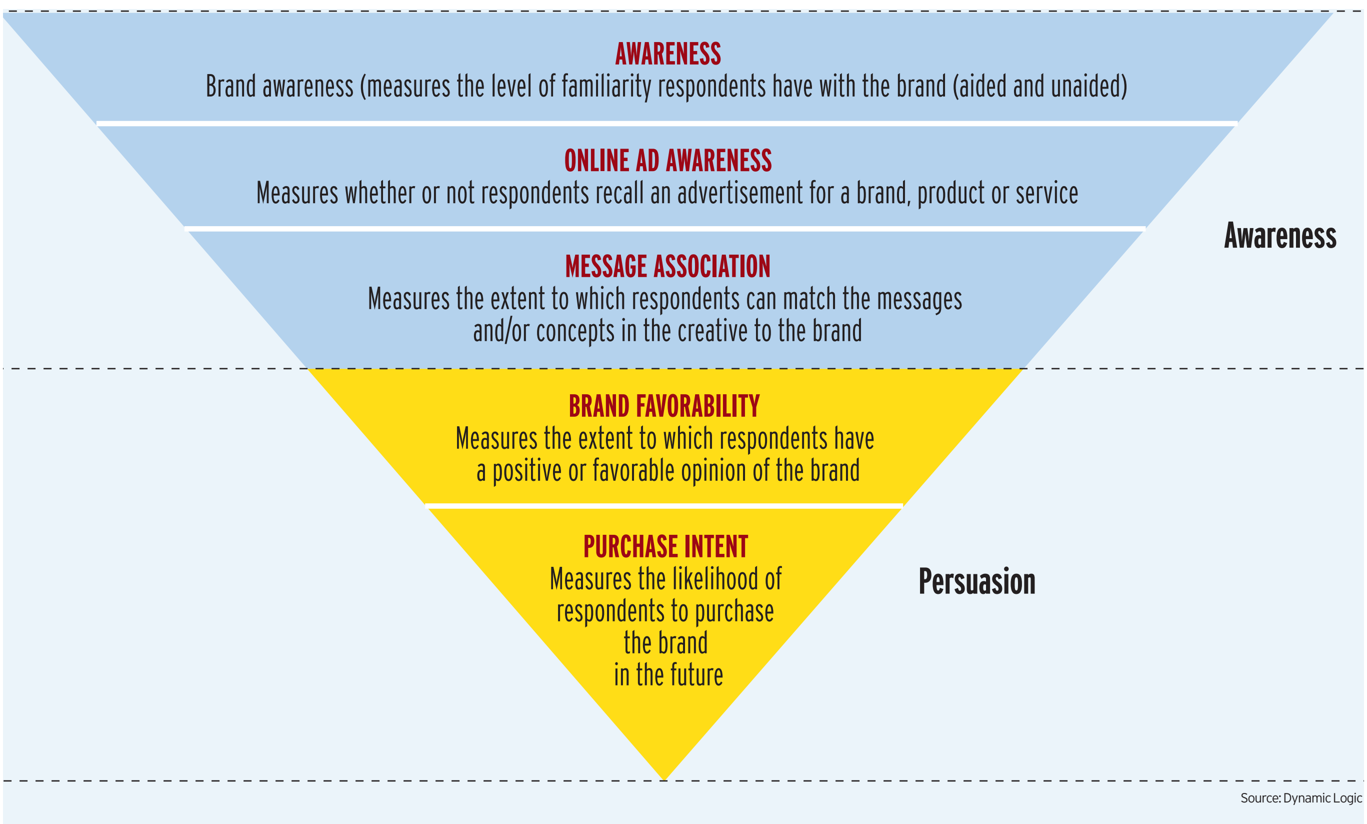
The challenge with brand-impact studies that include some sort of "intent" metric is that what people say they will do does not exactly correlate to their actual activity. But interactive excels at providing data on what people do online after exposure to an ad—whether or not they click. Action over time post-exposure without a click is called "view through" and has been a standard online metric available through third-party ad servers for over a decade. DoubleClick conducted two waves of research in the mid-'00s that showed which percentage of these "view-throughs" could be directly attributed to the online exposure; these studies showed attribution figures around 65%. It's all a matter of setting up the campaign appropriately and setting an appropriate window to track those conversions. Microsoft research over the past two years has shown that too often, the window of tracking a view-through was too short: one week or less. Research from comScore found that activity continues over at least one month post-exposure, depending upon the product and the campaign **(see chart 18, P. 20)**.

CHART 15 700 marketers were asked which metrics they wanted for online campaigns, and which metrics they were able to get.



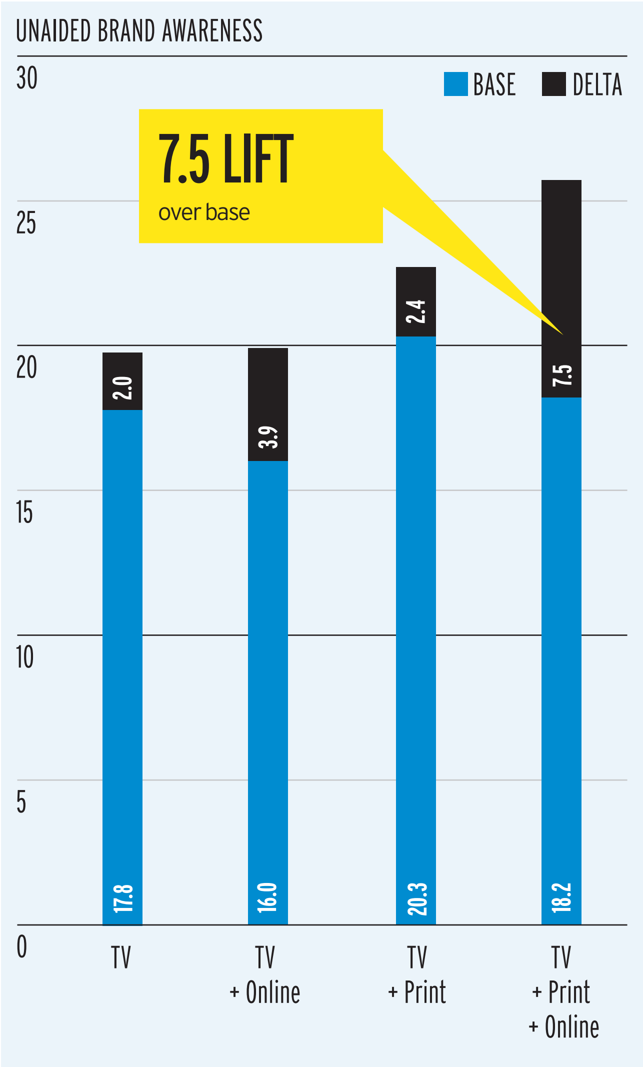
Source: Bain/IAB 2009 Marketer Survey

CHART 16 All brand-impact studies operate on similar measurement principles.



Source: Dynamic Logic

CHART 17 TV, print and online work best together to build awareness.



Source: Dynamic Logic, Millward Brown

Beyond assessing view-throughs, it's important to determine precisely what is a "conversion" based on campaign goals. In the olden days of the early '00s, homepages or landing pages were the only things tracked for conversion.

Now marketers are thinking about the path they want their targets to take and tagging accordingly. Bruce Falck, head of the Google Content Network, counsels clients to tag their sites appropriately and "measure for a range of conversions including shallow conversions where someone made it to a product page to a full conversion which might be where someone downloads a brochure. You can optimize the campaign off of any of these types of conversions, it depends on what your objective is."

A range of third-party tools that measure online impact of interactive advertising without clicks are available. They include Google Campaign Insights, launched in the fourth quarter of 2009, which shows how a campaign has impacted search volume and website visitation. comScore Action Lift also measures the impact of digital advertising on site visitation and search, as does Nielsen's Direct Effect Analysis.

BEST PRACTICE: MEASURE OFFLINE SALES IMPACT OVER TIME

"IRI studies of TV versus no TV show an average sales lift of 7% to 9% over the course of a year. When we've conducted similar studies with comScore tools mapped back to scanner data, we see lift of 9% over the course of three months. Because targeting is more precise online than on TV, online can deliver the lift faster."
-GIAN FULGONI, CO-FOUNDER AND EXECUTIVE CHAIRMAN OF COMSCORE

Gian Fulgoni has been battling the "online doesn't work for branding" challenge since he became chairman of comScore in 1999. As the former CEO of IRI, he knew the power of making the connection between marketing activity and sales. As he says, "Scanner data is real." When scanner data became available in the early '80s, "it immediately had an impact on ad spending. TV spending froze, and $40 billion now flows into in-store promotion as a result," says Fulgoni. At comScore, one of his key mandates is to link online data with offline sales. AdEffx from comScore can assess offline impact by linking with any shopper card data the client chooses to use. In all, comScore has completed over 50 studies in the CPG space. [x+1], a demand-side platform, offers a similar service called CPGconnect through a partnership with IRI.

Nielsen pioneered the technique with ConsumerDirect, the result of a partnership with Yahoo (Nielsen's HomeScan panel assesses data from consumers who scan all purchases, and this data is then connected with the Nielsen panel). The product is now available broadly through Nielsen.

One challenge with these kinds of studies is campaign volume. If there is not enough volume for a campaign on a per-site and overall basis, you cannot find enough matches in the online provider's panel to connect to the offline data source. To date, ConsumerDirect studies have been easiest to implement using large buys (30 million to 40 million impressions) confined to portals which have wide representation in the panels. A new partnership established by Nielsen should make this easier, and enable the results to get more granular, according to Steve Warshaw, senior VP-business development at Nielsen. Nielsen now is in a joint venture called Nielsen Catalina Solutions that, by fall 2010, will connect its data to the 50 million-plus household-data panel Catalina has developed through its shopper loyalty-card program.

BEST PRACTICE: USE CURRENT GRP TOOLS, AND SUPPORT INITIATIVES TO CREATE BETTER ONES

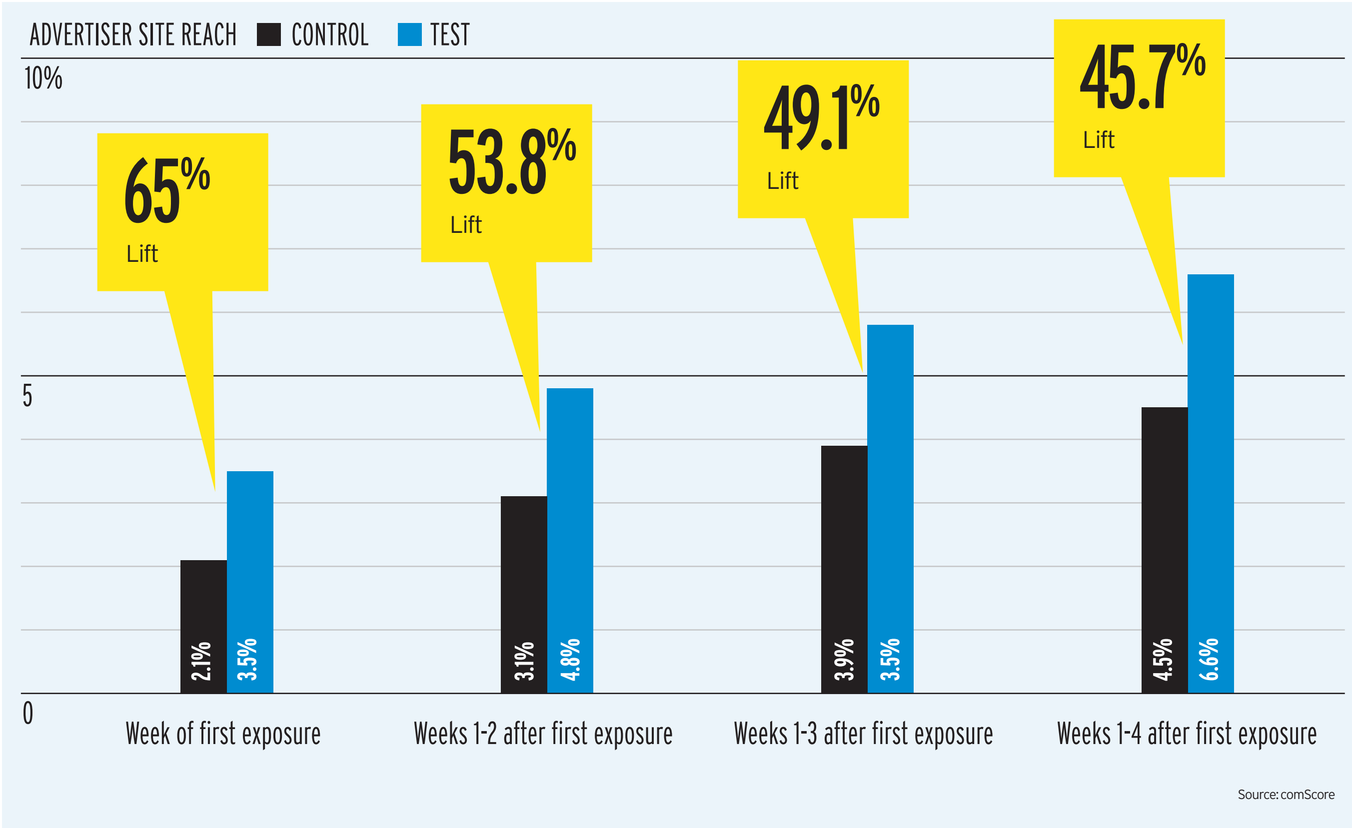
The relatively simple way TV is planned and bought—based on a calculation of reach of a campaign tied into frequency of exposure that translates into gross ratings points—has been discussed for more than a decade as one way to make online more palatable to brand marketers. The challenge for online includes the fact that the numerator is different (not all people are online; in fact, 21% of the U.S. does not go online at all, while TV has near-universal household penetration). Online also has a multiplicity of types of units and placement options that complicate the equation when com-

Crispety and crunchety wanted more notoriety.

So Yahoo! partnered with Butterfinger, using insights around their target audience's habits and preferences to develop a custom online comedy network that reached them in places they hang out online. The campaign was an instant hit, resulting in eight million video streams per month. That's the power of SCIENCE + ART + SCALE. Find out more at **advertising.yahoo.com/SAS**

Y! SCIENCE+ART+SCALE™

CHART 18 Online ad impact tools show lift of visitation to an advertiser's site, post-exposure to the ad, but without a click. Impact over a month.



pared to a standard TV spot. It is a "variable" nightmare, in research speak. What is the relative value of a search query or a search placement versus a :30? What is a pre-roll video versus a :30 on TV with an entirely different ad load? How about a rich-media interaction or a simple banner impression?

Clearly, a lot of smart people are working in online. And you would think that the factors to assess various types of online ads versus :30s on TV would have been developed by now. But as Jon Gibs, senior VP-analytics and insight at Nielsen, notes, "It's going to be expensive." Nonetheless, interest about going this route is growing, with the Advertising Research Foundation and Google joining forces and issuing an RFP for an industrywide reach-and-frequency project to various research vendors. RFP responses from research vendors were due the week of Aug. 2, but as of this writing, neither company was available for comment as to when the project might get underway or when any results might be made public. While the ultimate cross-media reach-and-frequency tool is not available, concepts related to it are being applied to online right now. Web reach and frequency tools are primarily used in planning to assess delivery against broad age/sex targets in metrics that are comparable to offline media where marketers have historical perspective (and confidence) in the relationships between reach and frequency delivery and potential sales. comScore has tools that mimic offline reach and frequency, as do Nielsen and Microsoft Atlas **(see chart 19, P. 21)**.

BEST PRACTICE: PRE- AND POST-BUY STUDIES ENSURE YOU GOT WHAT YOU PAID FOR

The industry has made progress connecting the dots between what an agency planned for a campaign and what was actually bought and delivered—one of the stickiest problems in online media. Agencies typically use MRI or @plan to determine likelihood of a target to consume various types of media. This is then translated into impression weights and buys are made accordingly. Given that campaigns are bought based on impressions, and those impressions and ad-server reports are blind to demography, what do agencies get back? Not surprisingly, impressions and click rates, plus view-throughs and conversions if an online measure of impact is being used.

But if a brand marketer is truly buying with the idea of reaching an audience, how can he prove he has gotten anywhere near the desired target? Via comScore's AdEffx Campaign Essentials and Nielsen's Campaign Audience Effectiveness reports. Nielsen's Jon Gibs said that version 1.0, available now, is just the first foray, and not yet where the company hopes to get with the tool. Meanwhile, comScore has released some results that show where both the advertiser and publisher should be cautious in the buying and delivery department; its findings may also point to areas where assumptions made by audience targeting are flawed **(see chart 20, P. 22)**.

What is the relative level of accuracy to be achieved? comScore is in the process of compiling a normative database for AdEffx

CHART 19 Sample media plan from Atlas/comScore reach & frequency planning initiative

SITE	COST	CPM	IMPRESSIONS	TARGET REACH	TARGET %	FREQUENCY	TRP	CPP
Entertainment	$120,000	$7.00	17,142,857	1,798,595	4.4%	6.1	27.0	$4,436
Shopping	$120,000	$10.00	20,000,000	2,736,842	6.7%	3.8	25.6	$7,800
News	$140,000	$5.50	25,454,545	1,134,387	2.8%	9.2	25.7	$5,441
Arts/Crafts	$40,000	$2.75	14,545,455	1,975,986	4.9%	5.3	25.8	$1,549
CAMPAIGN	**$500,000**	**$6.48**	**77,142,857**	**6,116,648**	**15.5%**	**7.8**	**117.6**	**$4,251**

RFP FROM AN AGENCY: "I have a budget of $500,000 and want to maximize reach to women 18-49 at an average frequency of 8 and I won't exceed a $10 CPM."

WHICH PERCENT OF MY TARGET DID I REACH WITH THIS PLAN?

Campaign Essentials. "We can say with certainty that no campaign is achieving 100% accuracy across the board," said Andrea Vollman, a comScore spokeswoman. "The industry as a whole is starting to realize this, and so the new question then becomes: So, if it's not possible to reach 100% with audience targeting, how much of my target audience am I actually reaching? And given that knowledge, is this really the most efficient approach for my given media buy?"

According to Vollman, "These sorts of tests are showing that paying more for audience targeting will be the most efficient option for some buys. But in other cases, an agency/advertiser may find that context-based targeting delivers a strong enough reach and at a better price, making it the better option."

BEST PRACTICE: TEST FOR OPTIMAL FREQUENCY TO BRAND IMPACT

What is the optimal frequency of exposure to an ad? In TV, an adage that dates to a study in the '60s pegged it at three. But with so many different formats and ways to measure online ads, optimal frequency is still an unanswered question. (While frequency of an exposure to a unique can be pre-determined by frequency capping in the ad server, the counts can be off due to cookie deletion. That means ad-server data often overstates reach and understates frequency actually delivered.)

For frequency to click, DoubleClick data often shows that one exposure is optimal. But given that cost-per-acquisition inventory is so cheap, direct-response advertisers tended not to care so much about frequency except in terms of creative burnout. Insight Express has now produced a report from its normative database about optimal frequency for branding impact metrics.

Though even one exposure causes lift in unaided recall **(see chart 21, P. 24)**, a point of diminishing returns is seen at seven exposures, especially for purchase intent. What is even more dramatic is its comparison of the brand impact by frequency of standard online ads with video. Its data supports IAG findings, pointing to a frequency of one being optimal for online video ads.

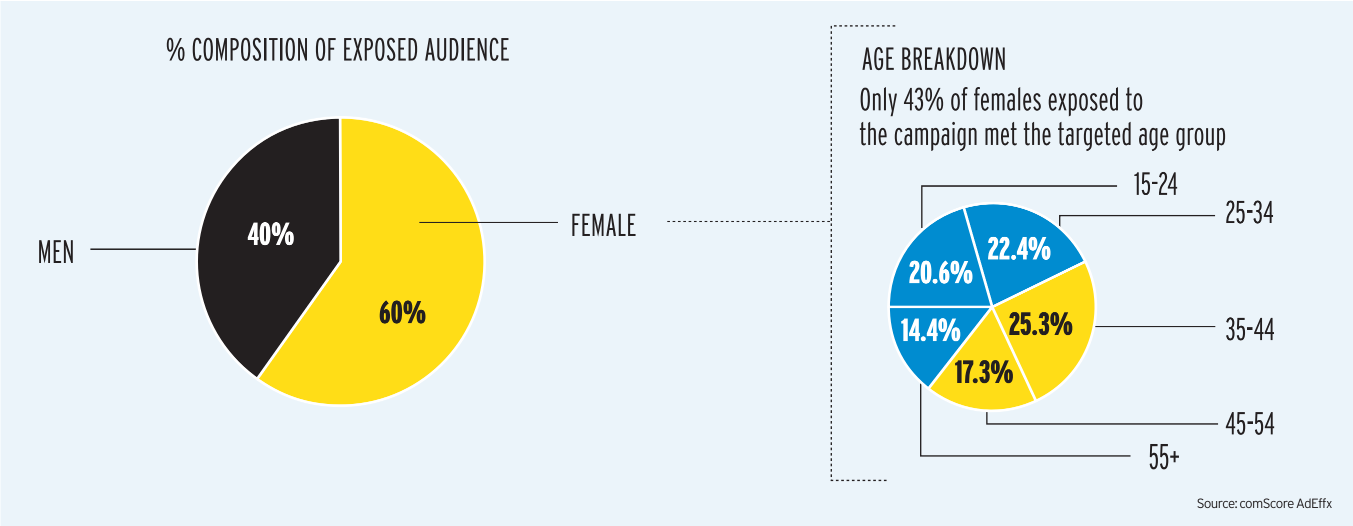
BEST PRACTICE: EMPLOY BRAND-PROTECTION TOOLS FOR CONTEXT SAFETY AND DELIVERY ASSURANCE

"29% of traffic was served to sites featuring user-generated content, 27% of which was deemed inappropriate for brand advertisers."
-ADSAFE 2009 YEAR-END REPORT

One of the more important layers of data that can be added to any online buy is the brand-protection tool. Brand marketers are now using tools like AdSafe, DoubleVerify and AdXPose. With so much inventory, so many sites and inventory increasingly bought in audience buckets through exchanges and demand side platforms, the problem of ensuring that one of your customers in Iowa does not see an ad placed on inappropriate content has become even more pronounced. A recent, much-passed-around "misplacement" was an ESPN article about Lance Armstrong and the doping scandal with two adjacent "Live Strong" ads. One of the agency executives interviewed had to do damage control when a U.S. Army ad appeared on a Pakistani website. According to GroupM's John Montgomery, it's more than porn and unfortunate adjacencies that should worry marketers. He uses the services to also test latency (was the ad slow to load?) and whether impressions were served outside the U.S. Said Montgomery: "There's an alarming large proportion of inventory from big media properties, especially mail inventory, that comes from outside the U.S." In addition to waste, Montgomery cites an even more serious problem: "If you're a pharma company, many are forbidden to market their products outside the U.S., and they can get into trouble with the FTC." Montgomery did a test of six services, and as of March began using the services of two of them.

Montgomery, whose agency buys for Unilever and Kimberly Clark, says the cost is about the same as ad serving: straight verifi-

CHART 20 Example of comScore pre/post testing: Campaign delivery can miss targeted audiences. Target for this health and well being product was females ages 35-54



cation is a 5-cent to 6-cent CPM and full reporting costs about 10 cents per CPM. Why not just include this technology into the ad server rather than having to deal with an entirely separate company and tagging process? Montgomery says he doesn't trust the ad servers to do it, nor does he trust some publishers. "The client is paying, so they have full control," he said.

BEST PRACTICE: WAS THE AD EVEN SEEN? ABOVE-THE-FOLD TOOLS

Advertisers always care about where their ads are placed, for optimal opportunity to view. For TV, it's typically the first ad in the break. For magazines, it's front of the book or adjacent to specific content. Online has the added dimension of "above or below the fold." (The term comes from newspapers, where advertisers prize top placements on the page.) In online, it's an even more crucial determinate, as ads below the fold, or below the standard height that will fit on a computer monitor, are less likely to be seen. The challenge is that we do not know whether they are seen at all or to what degree, or what percentage of them are seen. In the early days of the internet, most sites slapped as many ads as possible on a page. Those at the bottom generated an impression, but typically had lower click rates, or non-click impact.

High-quality sites typically do not use this position anymore, but if ads are being purchased through networks and exchanges, who knows? Both comScore (September 2010) and Google (March 2010) have come to the rescue with "above the fold" tools that use algorithms to detect placements on the computer screen.

BEST PRACTICE: REMARKETING CONSUMERS

This is one of the most powerful uses of data online and something that can set online apart from other broad-based media. Cookie data can be used to target consumers who have shown some prior interest in a product. Let's say that a person filled out a form to get more information on a particular vehicle model. That user can be identified at a later time and retargeted with ads and offers for that car. Agency execs interviewed for this article noted how well it works. The technique was originally called Boomerang when DoubleClick introduced it back in the '90s, but at that point the pool of data was not large enough to find appropriate matches, and inventory was so cheap, that it was not cost effective. Google/DoubleClick opened up remarketing to all advertisers in March 2010. Advertisers such as Infiniti, InterContinental Hotels Group, Giorgio Armani and Samsung have used their remarketing services. In a study conducted by comScore and ValueClick, retargeting was the most effective targeting technique at driving search queries, generating over 1000% lift. It was twice as effective as audience targeting.

BEST PRACTICE: INCORPORATE INTERACTIVE INTO MEDIA-MIX MODELS WHENEVER POSSIBLE

Media-mix modeling sometimes get a bad rap for being too complex, expensive or too historical to be of much use in the interactive world, which doesn't have years of data to employ. Another challenge is just having enough data in interactive that it can be read against the heavier media weights of TV and print.

Michele Madansky, Ph.D. and CEO of Michele Madansky Consulting, works extensively with companies like MMA and was the first interactive employee hired by BBDO in 1994. She specializes in econometric modeling that integrates online data, and has seen a change over the last two years in how marketers are testing interactive. "They're trying to get more granular in their models; they used to aggregate search and display into one but now they are breaking it out as well as looking at rich media versus non, and also including social-media initiatives," she said.

What's the first step for them? "Marketers need to start looking at interactive on a level playing field with other media," she said. "Their fear was that if they spent 3% of total on interactive, the model might come back and tell them to increase it to 15%. That's not going to happen. They just need to take baby steps."

CREATIVE

"By far, the most important thing for driving success is the quality of the ad, followed by aiming at an audience." -KEN MALLON, VP, YAHOO AD LABS

In TV, creative has four times the weight of media according to ARS, one of the leading creative-focused research companies. If that is the case, what is the impact of creative on online advertising? It is a field surprisingly lacking in attention in the online world. Most online creative is produced and run with no insight into its appeal among the target audience. The marketer finds out too late whether it is working or not.

Why? When you consider that production costs for TV commercials are often in excess of $1 million, you can see the necessity. In online, if a buy was $200,000 and the creative cost $40,000, it wasn't worth the effort.

Finally, creative quality and impact are being seriously addressed in the online medium. In 2009, the IAB formed its first coalition of agency creative directors. Now, the two most powerful companies in online research, comScore and Nielsen, are going head-to-head to extend creative-testing work from television into interactive. Nielsen bought IAG in 2008, and now does pre-testing. For campaigns that have a threshold of about 10 million online impressions, Nielsen finds those consumers in its panel who have been exposed (minimum of about 250 people) and determines metrics like likeability, purchase intent and persuasion. It has tested about 2,000 online ads over the last 1.5 years.

ComScore bought ARS, a company with 39 years in the TV business, in early 2010 and is applying its tools and techniques to the online world. ARS does pre-testing of creative and can also link ad-persuasion metrics to any sales data provided by the client. It looks at changes in market share before and after various GRPs are achieved and links back to various creative executions. The cost for doing such studies online? $10,000 to $30,000, depending on the level of granularity of the sample surveyed. What changes has it observed in the market? Package-goods marketers are starting to

DYNAMIC LOGIC'S CREATIVE BEST PRACTICES FOR BRAND MARKETERS

Dynamic Logic's analysis of best- and worst-performing creative executions in its system notes just how significant bad creative can be at lowering brand impact **(chart 22, P. 24)**. Here are the highlights of what its assessment asks marketers, creative teams and publishers to keep in mind:

■ The brand has to be featured prominently in all frames of the creative: in the ultimate ADD medium, we're talking about keeping the logo persistent. What if the consumer just sees one frame of the ad?

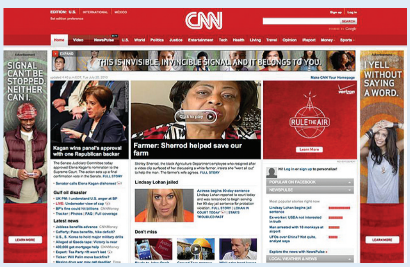
■ For consumer package goods with a brand extension, make sure the new product logo is not overshadowed by the parent company.

■ In automotive, strong presence of the vehicle name is needed, and its association to the parent brand.

■ Each frame of an ad should stand on its own in order to produce brand awareness; communicate message/benefits/ differentiation; communicate brand likeability/reason to purchase or call to action, depending on advertising goal.

■ Reveal formats—the teaser sort of ads that were very common in the early days of the internet—don't work in any ad category

■ Don't make people work to get the message. Viewers should never have to interact with the ad to see the brand or messaging.



NOT EFFECTIVE

Ads that surround content may not work for branding.

■ If the goal is persuasion, avoid highly obtrusive ad formats. Be considerate of the visitor's mindset and the site content; intrusive formats may work within certain site categories (i.e., online video marketing for theatrical releases on entertainment sites) but appear annoying on others (the same ads on news/information sites).

■ Online creative concepts that relate to offline reap the benefits of media synergy.

■ Use ads that do not frame site content. According to Dynamic Logic's Bill Havlena, ads that are placed in the middle of content tend to get most notice. Here's an instance where the best practice is clearly not observed as skyscrapers and leaderboards, and still running rampant, as illustrated by the CNN screen left.

■ When examining the top branding-related product categories, such as consumer package goods and pharmaceutical, inclusion of coupons/free trial offers did not differentiate performance on purchase intent. What did move the needle was a charity/donation message, which scored well on ad awareness/persuasion.

Excerpted with permission from Dynamic Logic's Online Creative Best Practices, August 2010.
http://www.dynamiclogic.com/na/research/CreativeBestPractices/

Note: the creative findings cited have been echoed by reports issued by Nielsen—especially about banners within rather than surrounding content—and Insight Express, especially about the significance of brand presence and about how "reveal ads" rarely work from a branding perspective.

CHART 21 Best practices in frequency.
Purchase intent peaks after 7-10 exposures

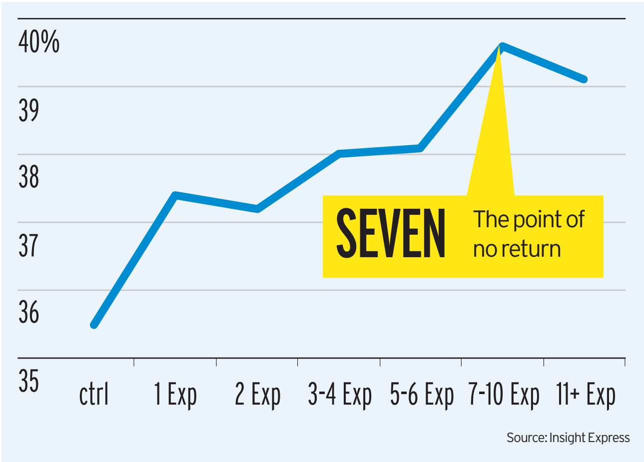
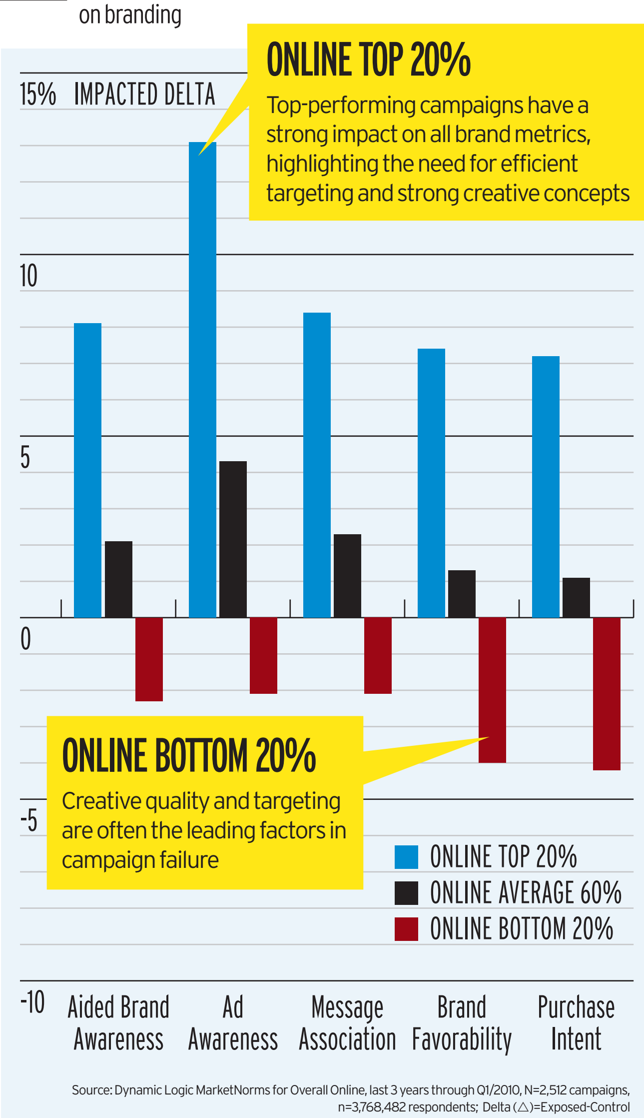


CHART 22 Poorly performing campaigns can have a negative impact on branding



draw digital expertise in-house and are using some of the same techniques used in TV with online creative. The company is in the midst of developing a roll-up of best practices from the tests it has done. One key finding: for online creative, the product must be an element of the story. To be effective, you have to simply communicate the message and link to the brand.

KEY INSIGHTS ACCORDING TO DAVID KAPLAN, SENIOR VP, NIELSEN IAG PRODUCT LEADERSHIP

■ For video ads, the viewing experience is so fundamentally different (and memorable) that a frequency of one is probably most effective. (Please take note, Hulu, and stop showing us multiple Adam Corolla Klondike ads or Lea Michelle ads for Dove haircare.)

■ Premium online video ads yield deeper engagement than corresponding TV ads on the basis of branding metrics—they define premium as full-length programming. Video shorts perform about as well as display ads.

■ Repurposed TV ads can work better than originally produced web ads during premium video, perhaps because TV ads are more likely to have been pre-tested or have higher production values.

BEST PRACTICE: DON'T OPTIMIZE CREATIVE TO THE CLICK

When the digital world talks about creative optimization, it typically means optimization to the click or the online conversion. Ad servers have automated tools where the highest-clicking creative goes into rotation most and separate companies like Teracent and Tumri perform similar functions. Researcher Rex Briggs offers an example of why this may not yield the audience desired. The creative for a Warner Brothers movie when released on DVD was optimized by clicks. A very complex movie, those who clicked tended to be familiar with the movie already and predisposed to purchase it. This left out all of those who had not seen the movie or were entirely unfamiliar with it.

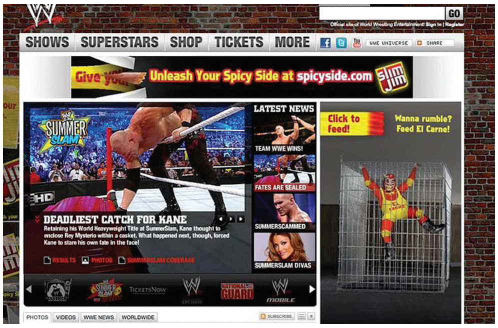
"By optimizing to the click, they only got the lower-funnel consumers," said Briggs.

For its next campaign, it measured with a brand-impact survey and optimized accordingly so that the studio reached the goal of drawing a new audience to the movie.

NEW CREATIVE OPTIONS

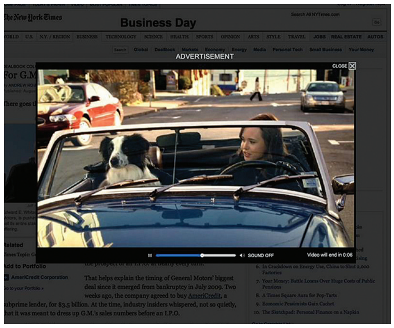
What is the best ad or most effective ad unit in online? Unlike TV or print, where this discussion hasn't happened for years, it rages in regard to online. Richy Glassberg, who 14 years ago led the IAB's first initiative to standardize creative units and the follow up that introduced the skyscraper and the leaderboard, now has different thoughts about ad creative and paths not taken. "You can't get a branding message in a standard unit," said Glassberg, now COO of MedHelp.org, an online health community. "There's a reason why in online there is search and everything else," he said. Glassberg's hindsight? "When we standardized units, we didn't go for full-size," he said. "What we're left with is trash and trinkets. Think of it: in both TV and print, ads interrupt the flow of content."

In Glassberg's mind, the best ads online are video ads. But he believes video ads are priced too high, a point echoed by Amanda Richman of MediaVest: "We don't have the research to back up



EYE WONDER RICH MEDIA UNIT

The above ad tied into wrestling content on the WWE site.



SHORTTAIL MEDIA

Cisco interstitial video on NYTimes.com.

DOUBLECLICK

Rich media ads pull relevant content from YouTube.

that the CPMs should be that much higher than on TV."

Stacey Deziel of MEC is a big fan of video for branding, as "it's the entry point or experience that draws people into a brand." She also see online as providing "greater depth to tell a story," as the latest forms of rich media enable consumers to go into layers of information like retail locators without having to leave the content environment.

Is bigger better? Is it disruptive? Should an ad flash? Research reviewed for this paper from comScore, IAG, ARS, Dynamic Logic, Insight Express and Nielsen shows that video is probably the most effective format, but video doesn't make sense everywhere online. Online can never seem to get enough of the new and novel. While TV has its simple :30, online doesn't have one killer format that appeals to brand marketers. At the annual IAB Mixx conference Sept. 27, a competition was announced for new creative units, and winning submissions will earn a place in the IAB standardized fold. According to the IAB, 80% of all units in the market are standard format. The new units have to appeal from a user experience, work well across an array of sites and give room for brand marketers to tell a story. Finalists will be chosen by the end of 2010, and after testing in market, winners will be made standard by the end of 2011.

Given that online does allow for so much "palette expansion," here are some creative types noted by those interviewed:

■ The interstitial video

David Payne, founder of ShortTail Media, formerly an ad network and now a video-ad platform, also favors video formats. After a couple of years of fruitlessly "selling the value of context to agencies," he about-faced his company to focus on "the only really good inventory out there to provide value on a brand basis: video." As a user on a top publisher site calls up a specific page of content (for example, a reader on the site of The New York Times, looking for Tom Friedman's column), the screen is grayed out and a full-screen video appears in front of the article. "It's completely about the video," Payne said. And better yet, "the ads are just repurposed from TV, so no creative cost. It's a scalable way to run TV creative online."

Sites such as NYTimes.com, Travel & Leisure, Weather.com, Marketwatch, Reuters and EW.com typically use video ads to monetize specific content areas, he said. How do the publishers prevent these full-screen ads from annoying consumers? "Publishers frequency cap, and some do them only upon first view," said Payne. He notes that 30% to 50% of people watch the entire ad as the value exchange of desired content for an ad view is reinforced. The price charged is similar to that for pre-roll video.

■ Me!Box

MEC's Deziel favors these ads as they are "looking at video in a non-linear way." Mike Emerson, Me!Box's head of sales, said brand marketers are using it to "make video more quantifiable—to engage, pull consumers in on what is most interesting." Me!Box layers interactivity on top of any video so that the user can get related information without leaving the video player. It can link to professional content or user-generated content. "You take existing assets and put bookends, add inserts, utility and interactivity with one unit," explained Emerson. Major brand creative executions launch this fall.

■ eyeWonder

Launched in 1999, this early leader in the rich-media space has continued to innovate. It works with the unique capabilities of online and develops units that are playful and often relate to the content where they are placed. A Red Bull sponsorship of an air show initiates out of a newsy looking banner on a newspaper homepage and then literally explodes through the content. A Slim Jim creative execution on the WWE site enables the user to feed a wrestler a Slim Jim. When fed, the wrestler initiates a microsite that offers various branded games. While executions like this would not work for all brands, they clearly appeal to the target audience for these products and make a powerful connection with the content in which they are placed. A elegant execution for InterContinental Hotels & Resorts is an exercise in contrast: a rotating cube enables the user to get more information on properties in specific cities.

■ Google/DoubleClick Rich Media

Google and DoubleClick are focusing on dynamic ad creation that pulls in assets from key properties like YouTube. The ad unit, produced for Ford, dynamically changes with the site content. If the user was reading about technology, green-related topics or about hybrids, the ad automatically brings in the most relevant videos or articles on these topics from the Ford site or YouTube Ford channel.

CONCLUSION

INTERACTIVE HAS HAD only 15 years to develop, and for most of that time, marketers have been trying to fit it into the "containers of the past," as cited by Rishad Tobaccowala. Is online a mass medium? Is it a targeting play? The power of interactive is about the intersection of the two.

Too much separation has always existed between Silicon Valley and Madison Avenue. One believes in the power of technology—the other in the power of words and images. There's a positive sort of exchange program going on now. As technology companies continue to enter the media space, they will likely bring the process, and the speed in which they excel, with them. And as their own products become further commoditized, technology companies are embracing the religion of marketing. At the same time, interactive practices and automation techniques are creating new expectations about the operations and capabilities of "old" media. The future of television may lie in the data locked within set-top boxes. It will likely take years to get to the point of ad serving for television and dynamically generated advertising that addresses specific households. But that day will come.

On a more micro level, those in "new media" are migrating to "old" rather than the other way around. Ari Paparo, a former product director at Google who initially ran the company's rich-media development group, is now an exec VP at Nielsen in charge of development of interactive research. Rex Briggs, eponymous online researcher, has joined forces with Telmar, one of the leading modelers of data for television, to bring a cross-media tool to the market. Gerard Broussard, former senior partner and director of media analytics at WPP's mOne/MindShare, now serves as VP-research and analytics at Canoe, the consortium that is working to make television addressable. Dave Morgan, the father of behavioral targeting, is now applying these concepts to optimizing television ads through his startup Simulmedia. Breaking down barriers between disciplines is a step in the right direction.

FINDING THE MAGIC

But in this technologically and data-driven media world, there's still a place for storytelling and connecting values with products and services. "Magic" is a word once most commonly associated with entertainment colossus Disney. It has been resurrected and co-opted by Apple's Steve Jobs. First with the iPhone, then the iPad, Jobs brought excitement to a world weary from economic pressures and overwhelmed with information. Tablets are merely smaller computers with touchscreens—but to many, they are magical, even transforming.

In the day-to-day jobs of most marketers, we have become overrun with the minutia and lost something of the excitement of change that fueled the last two decades. Interactive advertising took the concept of "TMI" to a whole new level. Among so many of those interviewed for this white paper, there is a world-weariness—especially among those who've endured boom after bust, billing discrepancies, and endless streams of data with little insight. As Rishad Tobaccowala puts it, "We came in with dreams, but we're run with spreadsheets."

Current trends in interactive—an overemphasis on data at the expense of creative—has led to a misunderstanding of what media are, and can be. We now have two-way communication between people and companies, and new ways to build trust and sell products better tailored to consumer needs, and that can support free media. But the core of that has to be great products and powerful messages about them. Tobaccowala dreams of a marketing revival. "We're supposed be an industry based on imagination, but we're lacking in it," he said. "The Renaissance brought about the invention of perspective in paintings. We now have an amazing palette. By aligning with people through real marketing, we're going to get there."

Who does this kind of marketing today? Tobaccowala singles out companies like Apple, Google and Nike. "A company like Nike is a religion built around sports," he said. "People want godlike power, and they will reward companies who give it to them. We want to control time and space, not just media messages."

He sees the fact that both Google and Apple have made significant investment in the brand-advertising business as a positive sign. "Why did Apple develop the iAd and Google make a commitment to display advertising?" he asks. Diversify revenues? No. "They have imagination."

Kathryn Koegel is a media and marketing consultant who has worked in online, print, TV and now mobile. She wrote the Ad Age Insights white paper: "What You Need to Know About Mobile Marketing," published in May 2010. At the height of the dot-com era, she was VP-marketing for one of the first brand-focused ad networks, Phase2Media. She was the director-research & industry development for DoubleClick and created its first industry-trend reports. In her consultancy, Primary Impact, she works with media and interactive-marketing companies to turn their data into industry insights. Her primary research work has been accepted and published by the ARF and ESOMAR. She can be reached at kathryn@primaryimpact.com.

Talk about a fashion statement.

Macy's wanted to make a splash over Memorial Day weekend, so they came to Yahoo! to connect and engage with female shoppers. The effort went well beyond established targeting, using Yahoo!'s advanced Smart Ads capabilities to tailor each message to a consumer's specific shopping habits and locate nearby stores. That's the power of SCIENCE + ART + SCALE. Find out more at **advertising.yahoo.com/SAS**

Y! SCIENCE+ART+SCALE™