

Every Impression Counts

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Executive Summary

Many marketing departments now measure campaign success using simple and highly focused performance metrics like cost-per-lead, cost-per-acquisition or simple, linear ROI models. While fine in principle, these metrics may lead to significant errors in establishing true campaign performance and value. In this two-part whitepaper, Just Media, Inc., discuss the advantages of the “Every Impression Counts” philosophy and some of the key ramifications on planning and measurement when this approach is applied to advertising campaigns.

This subject is tremendously important. In today’s increasingly monitored marketing world, the jury is still out on just how important each impression is and how much credit each activity should be given in creating the desired response. It is also vital to discuss now. Legal changes in the use of cookies and privacy laws may soon make indirect measurements all but impossible to generate.

Introduction

In the new world of media planning, buying, optimization and reporting; the only constant we have is the continued scramble for accountability. Terms like cost-per-acquisition, cost-per-click, click-rate and campaign ROI are still the most commonly used metrics. This data driven, performance mentality is a combination of a “Google” schooled marketing philosophy and a CFO driven need for proven ROI. But is it right?

Over the last few years, hard campaign data analytics and plain, old-fashioned gut instincts, have combined to tell us at Just Media, Inc., that the reality is very different. As a result, this agency preaches the marketing mantra “Every Impression Counts” and works to help clients focus on the bigger picture as to marketing cause and effect, rather than the simpler linear one. What does this mean?

Linear marketing and response.

Put simply, linear response is the one that sees and tracks an immediate cause and effect. For example, I was recently looking for a rare CD from an Argentinean Reggae singer (don’t ask!) and turned to the trusted Google search system. Within a few search clicks on the album name, I tracked down the disc to a particularly niche website – CDUniverse – and made my purchase. The transaction from search to purchase was direct and easy. The Google adwords advertising from the site was extremely cost effective and the performance (if tracked) would have been spectacular. What is more, the tracking codes used by the site within the URL would have effectively enabled the site to track back my activity to the exact keyword and helped optimize those search bids.

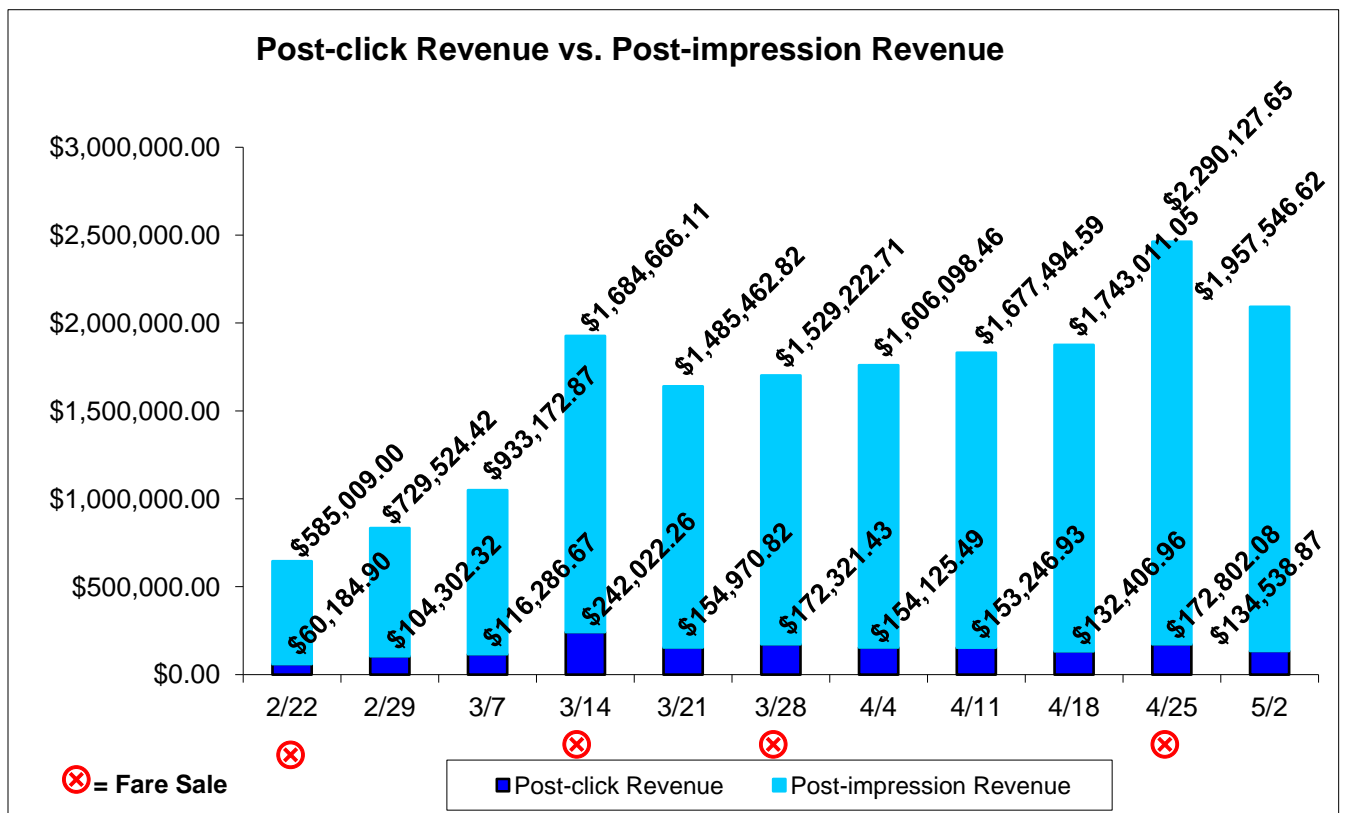
But is that truly the whole picture? No, obviously not. Firstly, my story did not start there. I heard one song on the radio in Costa Rica. We used the funky, song recognition software – SoundHound – on our iPhone to identify the track title. Then we searched the name of the album and artist to confirm the version was correct. Then we searched and listened to other songs to make sure the whole investment was worthwhile; we checked his Wikipedia entry and MySpace page; looked at photos on Flickr; watched video on YouTube; and read reviews on several music sites. It was anything but a linear buying process, so why does the marketing metric not reflect that fact? Because we have conditioned our campaigns to track linear processes, because that is what is demanded of us.

“Every Impression Counts”.

In this philosophical approach the importance of the whole picture is given much greater emphasis, even though many of the constituent parts cannot be tracked. Lets take our next real life example from a campaign run a few years ago.

While working for a client in the travel industry, promoting sales via an online e-store, Just Media, Inc., was tasked to run the buys and tracking for online display advertising. We of course implemented tracking tags on the client site; including an all important sales data collection tag on the check out page thus enabling us to capture actual revenue data. We quickly collected the linear data showing an approximate 1-to-1 ratio of spend on banners to revenue generated. In each case a user had seen the ad for reservations, clicked and made a purchase. Cool.

But of more interest to all was the 10-to-1 ratio of post impression sales, based on those who were exposed to an advert (saw it on a webpage) but who did not click and yet still registered as a sale on the site.



This comparison of “post click” revenue to “post impression” revenue shows just

how important it is to give full credit or attribution to the effect the banners had in starting the awareness process. Let’s also consider the reality of this transaction. Most people, when seeing a cheap travel offer to a destination, are most likely to stop and contact friends or family first to ensure they are free before committing to a specific time and date. Since it’s almost impossible to do that and then come back

to click on the same ad, the obvious solution is to search for the vendor who's advert you have seen. Now, in the linear model, who gets the credit? Google. Is that fair representation of the cause and effect? Heck, no!

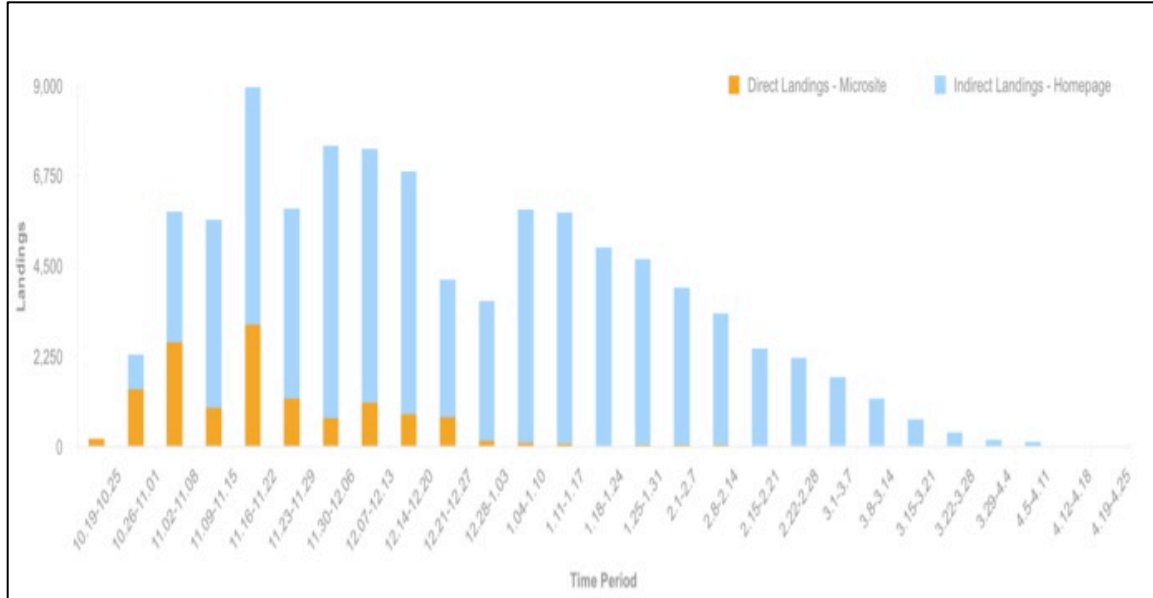
Most importantly, in this case study the campaign ROI for display media changed from a basic "a dollar in for a dollar spent", to a huge 1000% ROI on the investment and resultant huge reinvestment of media dollars into online display.

B2B marketing impact.

In B2B, the effects of this type of non-linear response are even more important. Business buying processes are simply never linear unless the unit price is so insignificant that individuals can make the buy themselves. In 99% of cases, the process involves multiple steps and seeing marketing messages that address a particular pain point along the way is part of the role campaigns play. The audience does some due diligence, which probably involves multiple other stake holders, then garners approval and finally comes back into the process to make a purchase. Where in all that is the click metric? And we wonder why banner click rates have never really improved (*overall CTR for flash ads in the B2B space hasn't come out of the 0.08% range for the last three years according to 'Google DoubleClick' benchmarks*) and display media never gets a positive ROI!

Again though, we need to be fair to display and what it is doing. In most cases it's a touch point, a manner to engage and inform; ultimately a manner in which to attract further investigation.

Let's look at another example. In 2007 a major technology advertiser with a decent base level of brand awareness asked us to help with a branding campaign to address it's position in the market verses the competition. Integrated with a traditional print media buy was a decent online display investment. Below is the results graph:



View-through response (blue) massively exceeds clicks (orange)

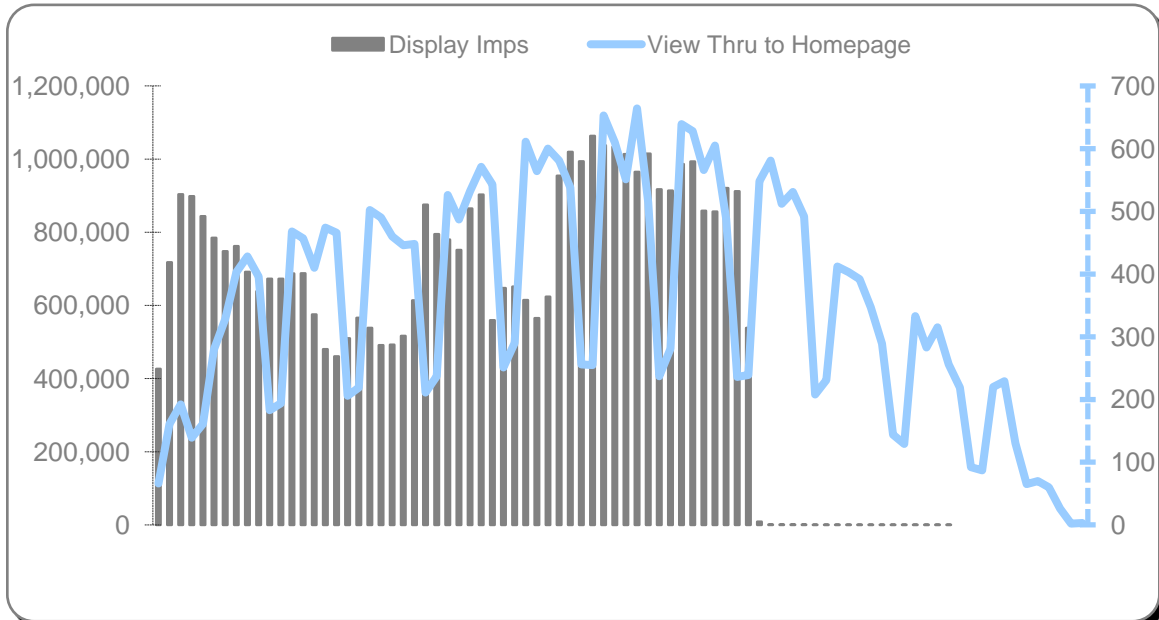
As can be seen, the direct response “clicks” on ads accounts for less than 10% of the overall response to the campaign. The other 90% did not choose to click on the ads but instead, came through the client’s home page and they investigated on their own terms and volition.

Time lag or “brand effect”.

One other vital component in the “Every Impression Counts” philosophy is the effect that an ad has that is not immediate. Look again at the graph above. Once the orange “click data” stops, because the campaign is no longer delivering ads, the blue view-through data continues. This brand effect shows that audience continues to be influenced and reacting even after the campaign has ended. We know this but here we can actually measure it. We can also see how that effect dies off over time (although some of that effect is accelerated by the timing out of tracking cookies).

Here in lies the true value of these impressions. The audience is not reacting on the spur of the moment; the effects are lasting, effecting behavior days, weeks, even months after the initial ad exposure. Again, the effect of measuring all the response on calculating the ROI is massive.

In another recent example for a technology advertiser targeting consumers, we ran a display campaign and tracked the performance of the campaign both via direct clicks and also view-through data to the website home page. The graphic results of the view-through metrics can be seen below:



View-through continue after ad impressions end

Once again the view-through to the home page are seen to build over time as the impressions grow and more importantly continue after the impressions stop at the end of the campaign. Again, the drop off is not instant and the positive effects of the ad impressions continue to be seen long after the campaign ends. Perhaps most importantly the users, by coming through the home page, are more inclined to investigate other solutions not even being promoted by the ads. It also shows why it is so important to have an obvious link on the home page that leads to specific campaign information.

Optimization in an Impression Counts based model.

The examples shown are based on campaign level data. The results are impressive but alone don't enable much optimization. However all this data is available to us for each media outlet or audience segment. With it comes the opportunity to effectively optimize.

(NOTE: DATA USED IS ILLUSTRATIVE ONLY):

In the example, two media vendors are used (let's say Yahoo and MSN), each running \$50K banners with almost identical CPM's. Our campaign objective is to drive users to our site for less that \$2.00 or the campaign will be axed by the CFO. We see click through rates (CTR) are very close and do the resulting linear analysis:

Site	CPM	Impressions	Clicks	CTR	CPC
Yahoo	\$4.28	11,666,666	17,500	0.15%	\$2.85
MSN	\$4.25	11,764,700	20,000	0.17%	\$2.50

Our optimization review here tells us to increase spend on MSN. But unfortunately before that happens the CFO sees the results and shuts down the program!

Now rethinking the metrics to add in the view data and combine with the click data to produce a “cost per response” (CPR) number ($CPR = \text{budget} / (\text{clicks} + \text{view-throughs})$)

Site	Clicks	CPC	View-throughs	Cost-per-response
Yahoo	17,500	\$2.85	30,000	\$1.05
MSN	20,000	\$2.50	22,000	\$1.19

Now the optimization review tells us to increase spend on Yahoo. Most importantly for the marketer, the ROI effectiveness on both sites is increased and comes in below target, so a buoyant CFO has just tripled the marketing budget for the next quarter!

Social Media in an 'Impression Counts' world.

The reality of social media is that it follows the models described previously just as much, if not more. Let’s take Facebook. In a users personal page there are subtle yet highly visible ads displayed on the page. More critically, these feature in real estate that is the users own content. This is not some random article – it is their own page, filled everywhere else with messages and content that they themselves created or have had posted by recognized friends. As such, the impact of these messages is even more dramatic. Imagine this like someone standing quietly in the corner of your living room with a sandwich board advert! Don’t believe me?

In a recent campaign we ran for an internet security company – paid for on a CPC basis – we tracked sales conversions from these clicks and found a 30 cents on the dollar return from that investment.

However, we also tracked the impressions served to get those clicks and tracked the revenue from those view-through impressions too. 96% of the revenue generated overall was indirect.

Again, this should not come as a surprise. Many Facebook ads are seriously dubious and most well-versed Internet users are unlikely to click on them. However, the simple fact the brand was displayed in such a personal environment, with high dwell time and avid attention, will certainly have led many users to investigate the company's product further – eventually resulting in a sale.

Note: In order to confirm these ad impressions really did help with driving conversions and were not just a statistical anomaly, we ran a test using ads for another client mixed into the campaign. Almost zero view-through purchases occurred on these control impressions, proving without doubt that the clients' adverts did indeed drive sales.

Many B2B brands see similar experiences with LinkedIn display campaigns. The fact that brands can infiltrate such personal environments, often with smart and highly relevant ads, makes these impressions especially valuable if correctly measured.

Impact on campaign planning.

As all the examples in Part 1 of this whitepaper have shown, the direct response model used by most marketers in planning a campaign is one that has some significant flaws. In most cases, banners are created with specific calls to action; linked to pages that are buried in sites, or even hosted externally. In most cases, users who do not click have no chance of ever finding the offer they may have seen. We see this consistently with our data. Users simply fail to navigate to the client's costly campaign micro-site.

In a model where “Every Impressions Counts”, marketers need to refocus on thinking about the path a user would have to take if responding indirectly. How easy is it to get information about the offer? Is an easy pathway available? Does the home page have campaign elements to help tie the awareness together? Are the messages even consistent? (A particular challenge for companies that have both consumer and business products within one site or a variety of vertical targets that they service). Does it even matter? Are there opportunities to resell other products or services to the users who respond?

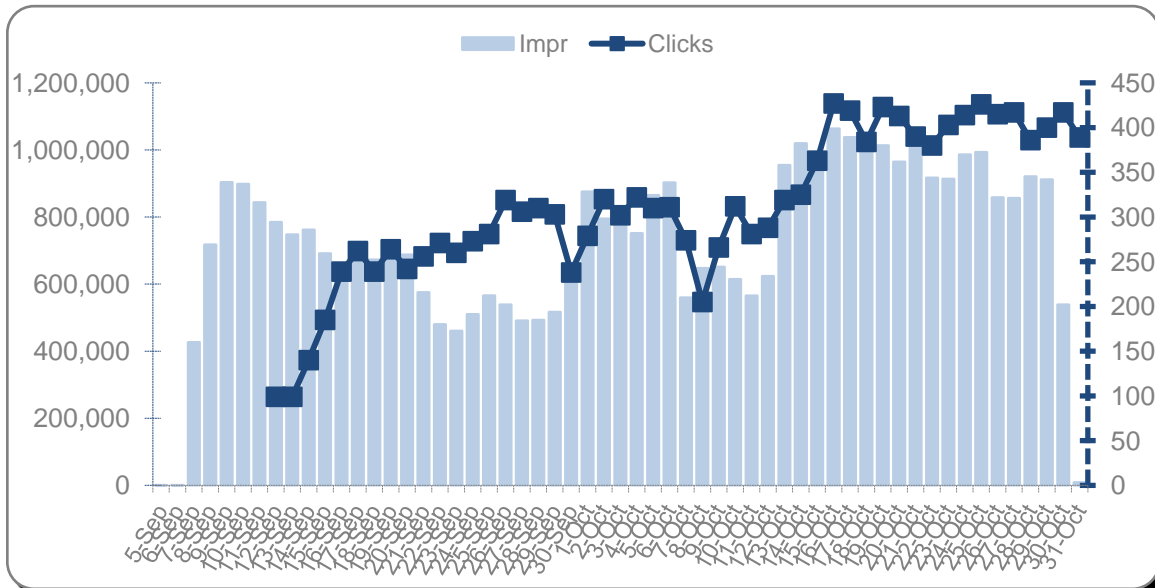
Beyond these obvious questions are the more challenging ones: If most users respond indirectly, how can we make that process easier? What is the impact on search strategy? How many campaigns have an associated and clearly defined search component? In our humble experience, these two disciplines often exist in mutually exclusive buckets. Clearly this needs a re-think.

Search marketing implications.

No-one should doubt at this stage of search maturity that the best performing keywords in any search program are those that are directly linked to the brand. These can be company name variations or any owned terms associated directly with a product or service. Users who search these branded terms are already “brand aware” and have a greater propensity to respond, buy and be more valuable customers.

As ad impressions hit the market we have consistently seen a direct link to increases in search traffic on branded keywords. This effect is important and one that confirms the need for search and display campaigns to be well coordinated. This is not just about selecting a few product names, it’s about creating ad copy and response pathways that help users find information they want quickly and efficiently. Remember: Branded keyword searches are more often “navigations” rather than pure searches. The user is already engaged; knows what they want; and is looking for the search result to facilitate their route to the solution they seek.

In the following example the advertising campaign activity was tracked both by ad impressions and the search clicks on campaign related keywords. The impact on search volumes is obvious as the impressions grow and the momentum of the campaign builds.



Ad impressions create increased search clicks

Other planning implications for digital media.

As we have seen, the adjustments in planning for a campaign that takes into account the value of every impression are significant; but it does not end with response path

dynamics, website design and search program management; it also delves into a broader consideration of other tactics.

Retargeting is perhaps one of the most obvious. Consider for a moment the large number of first time users being brought to the site for their first impression of a company. It's entirely possible they will dip in a toe, explore a few pages and leave. Making a purchase, particularly in a B2B scenario, is not that likely. Most users need to be re-engaged as quickly and efficiently as possible. Setting up retargeting is an obvious and valuable addition to any campaign.

Frequency is another interesting consideration. In a pure performance model it's more often than not better to keep ad impression frequency low for each unique user. If they don't click on the first couple of ad views, more than likely they won't click at all. But in an "Every Impression Counts" model, the ad frequency arguments of old become more relevant. Recognition of a campaign typically increases recall and increases the users' awareness and the likelihood of independently visiting of the site later. How many times have you seen an ad, but forgotten too quickly what it was for and never again been able to respond? Higher frequency exposure helps prevent that, particularly for brands with low base awareness levels.

Creative importance is also shifted in the "Every Impression Counts" plan. In most cases, campaigns come with limited creative executions and even when there are multiple creatives, the client or agency team will be looking to rotate out low click rate ads as quickly as possible. This is often a mistake. Audiences can be given more information in a multiple exposure model and so tricks like sequential messaging or heightened emphasis on key marketing terms that link with search terms can be explored. The variations to test messages actually grow and more time should be given for creative results to be measured beyond just simple click rates.

Beyond digital: "Every Impression Counts", too.

Most brand advertisers (or those that work with more traditional media like print or Out-of-Home) understand the value of every impression, even if they have trouble quantifying it. Let's be honest here, no full-page advert in the Wall Street Journal has ever matched the CPC rates one gets from a Google search campaign. But that is not what that advert is about. The industry accepts the value of that ad impression is significant and tells the audience many things beyond just the advert content itself.

Here lies the challenge. In a digitally driven, metrics centric world, what is a marketer to do about evangelizing the value of traditional media with limitations on tracking? Just Media, Inc., has initiated several metrics plans that have helped justify the campaign value and given alternative metrics to our clients.

Brand tracking studies – these initiatives do pay off for the bigger advertising investors. As an example; in 2011, one of our more significant advertisers saw awareness levels double in EMEA after a significant investment in airport advertising across many major European travel hubs. Although not isolated in terms of marketing initiatives; the jump was such that it was very obviously driven by the campaign, particularly given that previous years with the regular campaign activity saw little movement in the same metric. Sometimes, one just has to accept gaps exist in data but look at the bigger picture and overall trends.

Website traffic tracking is another great tool for giving value to other media impressions. In 2006, when we helped launch a major tech brand through print media advertising, the client tracked their site traffic before, during and after the campaign. By eliminating the “background noise” of traffic that tended to be on the site naturally, we established approximately 300,000 new users had visited the site over the specific advertising campaign period. Taking that data even further, we used budget and user numbers to calculate a cost-per-response and discovered our print campaign was actually more cost effective than previous online initiatives at driving traffic to the site!

These are just some techniques. As an agency, Just Media, Inc., has developed even more interesting research programs to show clients the value of branding. A further whitepaper on that should follow soon.

Beyond advertising: Every Impression has always counted.

Advertising is not the be all and end all of a brand experience. Far from it. The philosophy of “Every Impression Counts” should be a philosophy applied across the entire business. The way someone answers the phone; the way the product looks and feels; it’s functionality; the ease of purchase; the manner in which complaints are handled; the layout and design of a building or store; the website experience; everything related to a company’s interaction with a customer leaves an impression.

With this knowledge and approach, every employee understands that what they do really does matter and has a direct impact on the entire company. Never more so than today through both the positive and negative impressions of a company or product found across social media platforms. Indeed the scores and reviews garnered on services like Yelp, Amazon shopping, eBay, Best Buy, etc., are now routinely factored into employee performance, franchise support and even pay structure and bonuses.

Conclusions.



“Every Impression Counts” is a philosophical approach that has its roots based firmly in proven analytics. This is not a whimsical justification for poor click rates. It is a sound business rationale for changing the way marketers plan and execute media campaigns. In some ways, it’s a return to old school marketing practices, but with a dose of 21st century accountability.

The real takeaway is that marketing is now even more complex than it has ever been in the past, but that some basic principles of old still apply. When we present an advertisement message in front of our audience we are attempting to influence and create a behavioral change. Be it a direct purchase, a recall of message, a changed perception or a shift down the buying funnel the goal of our campaigns is rarely linear. Our approach to planning and metrics should reflect that too.



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Appendix #1 Not all Impressions are real or equal

Sadly as all digital marketers will tell you, the reality of any ad impression count is somewhat questionable. In tracking solutions an impression count occurs when the ad file has been called and served by the ad tag on a web page. The reality though is that the advert may be below or above the area being viewed or in the case of traditional media, completely missed. Impression counts will therefore always over-estimate the amount of advertising being seen.

This in itself is not a major problem. The goal in most post impression tracking is to gauge the trends and not be overly concerned with empirical numbers. No tracking is perfect.

It's also important to remember that not all impressions are equal. Different pages on sites have more or less "clutter" and so messages may be lost in the noise or "pop" off the page well. This is why the same creative may perform quite differently depending upon where on a page it appears and how much it is competing for the users' attention.

Finally, any marketing or creative professional will agree that no two media types deliver an equal impression. The ad environment, ad type, format and experience differ so much, that no impression is equal. Standardized terms like "ad impression" need clarification and defining for each campaign.

Appendix #2 View-through limitations and privacy

View-through data is typically collected via the use of third party cookies, delivered onto a users' cache when they load a webpage that includes an advertisement. Some users have browser settings that inhibit cookies or others may clear cookies at the end of each session.

The net result of this (some speculate it might effect up to 50% of web users although we feel it's more likely to be in the 20-30% range) is that even the view-through numbers collected now are under reporting the view-through effect. In essence, the performance of the campaign is actually even better than the data we have generally been able to collect. So while we always note the results in actual raw numbers, trending and like-for-like comparisons are the most powerful application of this philosophy, particularly when making optimization recommendations.

As privacy laws adjust to political demands, the use of cookies may become much more restricted. We hope others will join us in supporting the retention of cookie technology for campaign evaluation.



Just Media, Inc., is an independently owned media buying agency based in Emeryville, California, founded in 1996. We work with national and international, blue chip technology clients in categories ranging from healthcare to education, financial to travel, and more recent sectors such as solar and green tech. Our guiding principle is that the only results that truly matter are what we provide for your brand, today. Our more experienced approach to media evaluation provides consistently stronger results. Our expertise is creating media strategies and developing Lead Generation & Branding campaigns in all media formats including; digital, search, print, out-of-home and TV.

Notable current clients include: Autonomy, EMC, Fujitsu, Hitachi Data Systems, Juniper Networks, Lumension, Motorola, Nvidia, Parallels, Salesforce.com, Seagate and YouSENDIt.

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