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BUILDING BRANDS IN A CROSS-PLATFORM WORLD

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Building Brands in a Cross-Platform World

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Executive Summary

Reaching consumers wherever they are has become increasingly complicated with the proliferation of media platforms.

The online industry's continuing reliance on impressions, click-throughs and other metrics unique to the web has prevented true cross-platform comparisons. To-date, limited information has prevented marketers from understanding the audience exposed to their online ads, and an impression-based focus has allowed frequencies to reach levels that are causing waste and inefficiencies. Further to that, Nielsen research has shown that virtually no relationship exists between clicks and brand metrics or offline sales.

In this paper, we explore an in-depth case study on a campaign for a popular household product that demonstrates how new solutions like Nielsen Online Campaign Ratings™ and Nielsen Online Brand Effect are giving marketers and publishers tools to increase accountability in the online space.

As online grows, television continues to be a vibrant medium. However, the issue is not TV vs. digital, but rather how consumers are using both together. Thus far, the metrics allowing for this understanding have been missing. This paper shares Nielsen's vision of how cross-platform reach and frequency metrics, as well as cross-platform ad effectiveness optimization approaches are possible.

Throughout the paper, executives from Kimberly-Clark, RJ Palmer, TargetCast tcm and Triad Retail Media also share their views on the challenges they are facing in reaching consumers in a complicated media world, as well as some notable industry successes.

Introduction

One of the globe's most venerated brand marketers spoke at an online media conference in San Francisco in the fall of 1999. The first question he fielded was: "What needs to happen for advertisers to increase their online media focus?" The packed audience, many giddy with dot-com bubble zeal, was unprepared for his response: "I don't care and no one should care! Our job is to connect with our consumers wherever they are."

Twelve years later, we know digital media has transformed the world, and has connected marketers and their consumers in remarkable new ways. Nonetheless, brand marketers, who are increasing their reliance on digital, are frustrated that it is just not that easy to know if they are truly "connecting with consumers wherever they are."

Marc Rosenstock, Director of CRM and Digital Measurement for Kimberly-Clark, expresses the frustration of many by stating that while "there are a lot of companies that are doing one or two things right, very few (if any) have everything figured out." Advertisers simply don't have the tools they need to effectively choose between:

-  30 second spots on leading TV shows
-  banner ads on popular websites
-  video ads on streaming video sites
-  conversations on a friend's social media newsfeed
-  mobile ads on a smartphone
-  myriad of other advertising vehicles

Today, it is still not possible for an advertiser to know for sure who saw their online ads, something that is the basis for transactions in all other media. Yet advertisers still hope the promise of accountability possible with online advertising will be fulfilled. "I expect to get minimal waste in marketing messaging and a totality in data analysis from online media," explains James O'Neill, RJ Palmer's Director of Interactive Media. Current approaches to testing the resonance of online ads are fraught with methodological challenges, sending incorrect signals to marketers.

For many, trial and error is the name of the game, and marketers are floundering when it comes to building their brands in this cross-platform world.

Case study:

Product Category:
CPG/Household Goods

Campaign Objective:
Improve brand awareness among Women 25-54

Number of Impressions:
200 million across one women's interest web site and three ad networks.

Duration: 10 weeks

Deeper Clarity Into Online Campaigns

To gain greater insight into how an audience-based measurement framework can be used to provide a richer understanding of online advertising, Nielsen worked with a top CPG advertiser to analyze a recent campaign aimed at women 25-54 (Fig. 1).

The study found that the campaign reached its intended audience 27 percent of the time. While it's premature to compare these results to other campaigns, the advertiser was understandably concerned about the percentage of audience reached, and the disproportionate number of impressions delivered to older demographics and males.

In addition to reach, it's also important to look at the variability in frequency among the core demographic. High levels of frequency are considered to be drivers of wasted impressions. This study showed high frequency rates for older demographics, including both males and females.

Brand campaign results by site type vary. Looking at the on-target levels, there is a great deal of variability between the different media sellers (Fig. 2). There is an industry assumption that ad networks are positioned to serve the most addressable advertising to specific audiences. However, in this campaign, that may not be true. Most precision marketing is based on statistical models,

which always have some degree of error. Generally, the level of error is acceptable as long as it's understandable and quantifiable.

Yet, it would be a mistake to assume that all ad networks or demographic models are created equal. As a result, it's critical to measure the efficacy of delivery using campaign reporting to ensure the tools and audience are aligned with the

premium pricing charged for that model.

In this campaign, the women's interest site, due to its audience composition, was most successful at delivering the intended audience. Based on this delivery data, while ad networks may be less expensive than the women's interest site, in the long run, the women's interest site may be more cost effective due to the significantly higher on-target level.

Figure 1: Brand Campaign Report

Brand Demographic Target: Women 25-54

Demo Group	US Pop (2+)	Unique Audience	Audience % Share	Impressions	Impr % Share	Audience Reach (%)	Average Frequency	GRP
Female 2-14	26,300,000	1,663,338	3.44%	5,085,574	2.84%	6.3%	3.06	19.34
Female 15-17	6,260,000	1,306,058	2.70%	4,697,815	2.62%	20.9%	3.60	75.05
Female 18-20	6,350,000	2,111,881	4.36%	7,394,136	4.13%	33.3%	3.50	116.44
Female 21-24	8,110,000	2,451,572	5.06%	8,955,245	5.00%	30.2%	3.65	110.42
Female 25-29	10,080,000	2,391,484	4.94%	8,858,812	4.94%	23.7%	3.70	87.88
Female 30-34	9,940,000	1,991,308	4.11%	7,281,501	4.06%	20.0%	3.66	73.25
Female 35-39	10,160,000	1,784,909	3.69%	6,933,928	3.87%	17.6%	3.89	68.25
Female 40-44	10,590,000	1,946,028	4.02%	7,681,632	4.29%	18.4%	3.95	72.54
Female 45-49	11,230,000	1,726,872	3.57%	7,073,088	3.95%	15.4%	4.10	62.98
Female 50-54	11,180,000	1,912,817	3.95%	8,658,347	4.83%	17.1%	4.53	77.45
Female 55-64	18,730,000	3,131,920	6.47%	15,014,209	8.38%	16.7%	4.79	80.16
Female 65+	22,440,000	2,257,975	4.66%	11,989,575	6.69%	10.1%	5.31	53.43
Female Total	151,370,000	24,676,162	50.96%	99,623,863	55.58%	16.3%	4.04	65.81
Male 2-14	27,540,000	1,728,906	3.57%	3,845,406	2.15%	6.3%	2.22	13.96
Male 15-17	6,510,000	1,092,894	2.26%	3,015,176	1.68%	16.8%	2.76	46.32
Male 18-20	6,450,000	1,620,120	3.35%	5,237,135	2.92%	25.1%	3.23	81.20
Male 21-24	8,260,000	2,525,633	5.22%	7,156,289	3.99%	30.6%	2.83	86.64
Male 25-29	10,210,000	2,937,916	6.07%	10,189,914	5.69%	28.8%	3.47	99.80
Male 30-34	9,990,000	2,037,849	4.21%	5,875,153	3.28%	20.4%	2.88	58.81
Male 35-39	10,070,000	1,729,831	3.57%	5,695,846	3.18%	17.2%	3.29	56.56
Male 40-44	10,350,000	1,941,241	4.01%	6,073,492	3.39%	18.8%	3.13	58.68
Male 45-49	10,840,000	1,500,182	3.10%	5,600,608	3.13%	13.8%	3.73	51.67
Male 50-54	10,650,000	1,778,859	3.67%	7,301,271	4.07%	16.7%	4.10	68.56
Male 55-64	17,370,000	2,729,867	5.64%	9,892,089	5.52%	15.7%	3.62	56.95
Male 65+	17,200,000	2,126,291	4.39%	9,731,846	5.43%	12.4%	4.58	56.58
Male Total	145,440,000	23,749,589	49.04%	79,614,224	44.42%	16.3%	3.35	54.74
Campaign Total	296,810,000	48,425,751	100.00%	179,238,087	100.00%	16.3%	3.70	60.39

On-Target:
27.39%

Target Rating Points								
Demo Group	US Pop (2+)	Unique Audience	Audience % Share	Impressions	Impr % Share	Audience Reach (%)	Average Frequency	GRP
W 25-54	63,180,000	11,855,384	24.51%	49,096,485	27.39%	18.76%	4.14	77.71

Source: Nielsen Online Campaign Ratings; campaign dates 2/9/2011-4/24/2011

Figure 2: Summary of Brand Campaign Results by Site Type

Site	Reach (US Pop.)	Average Frequency	GRPs	Sample Coverage %	On-Target %
TOTAL	16.29%	3.71	60.38	39.2%	27.4%
Ad Network 1	3.03%	3.33	10.09	32.1%	21.5%
Ad Network 2	6.99%	3.64	25.46	44.8%	22.6%
Ad Network 3	5.52%	2.41	13.32	29.9%	26.7%
Women's Interest	2.89%	3.99	11.52	43.89%	43.89%

The on-target % was consistently in the 20-30% range for Ad Networks, but reached 44% on the women's interests focused site.

Source: Nielsen Online Campaign Ratings; campaign dates 2/9/2011-4/24/2011

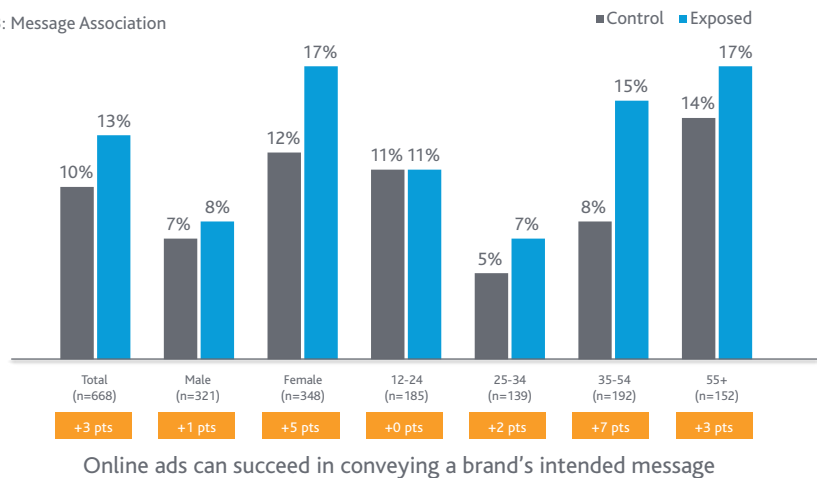
Lift in message association. Nielsen also analyzed the brand impact of the campaign to gain a holistic view of the campaign's success. Message association (Fig. 3), or the degree to which a respondent can associate a campaign message with the advertised brand, is often a challenge due to clutter. Yet across the board, the campaign performed well on this metric, particularly in its core demographic, indicating effective creative.

Purchase consideration improves most in women 25-34. Purchase consideration (Fig. 4) was impacted less than message association, but this is fairly common since purchase intent is further down the sales funnel, and requires an actual change in thinking or behavior. Additionally, advertising is only one influencing factor in a consumer's desire to buy a product. Despite the challenges of influencing purchase intent, in the core demo of 25-34, there is still significant impact, with a seven-point increase. Clearly the brand and campaign resonated most with this specific sub-segment of the intended group.

Measuring number of people impacted. Traditionally, in online marketing, advertisers focus mainly on two questions: how many impressions were served and how impactful was the campaign? Ultimately, these two inquiries support one larger, critical question: how many people had their minds changed about the brand? By combining the audience delivery with impact data, we can begin to fully assess this question (Fig. 5). Within the core sub-demographic of women 25-34, over 4.5 million women were exposed to the ad. Additionally, layering on the brand impact data, 6 percent of that audience was impacted by message association metrics and 7 percent by purchase consideration. Multiplying these two data sets, advertisers can get a clear sense of the total number of people impacted by the campaign. In this case, the message association of 271,614 women was influenced by the campaign. Likewise, the campaign influenced 316,883 women's purchase consideration.

Adding CPM's to assess ROI. As illustrated above, combining the findings

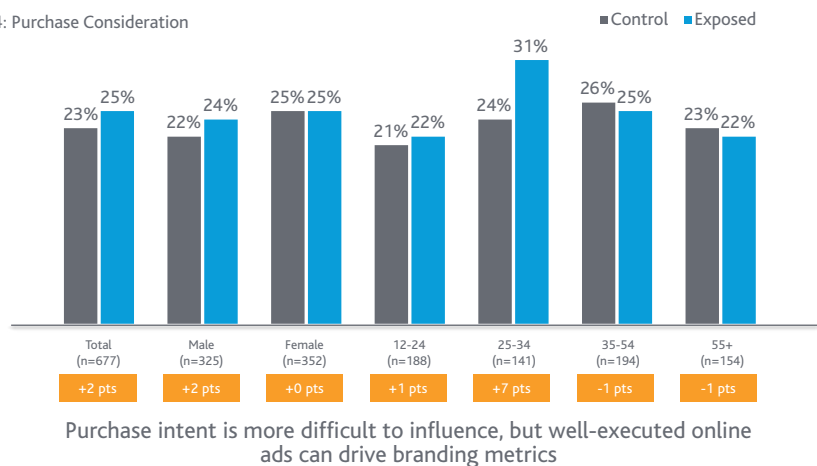
Figure 3: Message Association



Online ads can succeed in conveying a brand's intended message

Source: Nielsen Online Brand Effect; campaign dates 2/9/2011-4/24/2011

Figure 4: Purchase Consideration



Purchase intent is more difficult to influence, but well-executed online ads can drive branding metrics

Source: Nielsen Online Brand Effect; campaign dates 2/9/2011-4/24/2011

Figure 5: Measuring The Number of People Impacted

		Total	P25-34	W25-34
Audience	Nielsen Online Campaign Ratings	48,361,337	9,446,446	4,526,902
Percent Impact	Message Association	3%	2%	6%
	Purchase Consideration	2%	7%	7%
Audience Impact	Message Association	1,450,840	188,929	271,614
	Purchase Consideration	967,227	661,251	316,883

Source: Nielsen Online Campaign Ratings and Nielsen Online Brand Effect; campaign dates 2/9/2011-4/24/2011

from Nielsen Online Campaign Ratings and Nielsen Online Brand Effect allows advertisers to get a more accurate view of the impact of their campaigns. However, there is one more component necessary to understand the ROI of the marketing investment – cost. In this case study, Nielsen added hypothetical costs to better understand the impact of the campaign's

ad spend. In this case, the overall CPM is \$5.50. Adding in demographics such as women and consumers 25-34 costs \$8.50. The sub-demographic of women 25-34 is the most expensive at \$10.50.

Measuring cost per person impacted. Taking the CPM's and the impressions delivered, we can calculate the costs

of reaching these consumers (Fig. 6). Additionally, taking the audience impact data calculated previously, we can assess the costs in a more granular way. By dividing the cost by the number of people who were impacted by the campaign, we can calculate the cost per person who had their mind changed by the ads.

One of the more enlightening findings is that the cost per person within the higher CPM sub-demographic of women 25-34 is actually less expensive than the demos outside of the intended audience. This is likely due to the quality of the creative itself and its ability to impact the intended audience. Additionally, this finding shows the increased frequency to the non-core demographics is even more wasteful than previously thought. Each impression served outside of the core demographic has a higher cost per person.

This data also suggests that the “cheap” inventory provided by ad networks is more expensive than initially believed. For this campaign, this finding is even more critical since so much of the delivered impressions fell outside of the intended audience, especially on the ad networks, while the women’s interest site did a better job at delivering the inventory to the desired group.

Balancing frequency and value. For the most part, online advertising has been overly focused on impressions, at the expense of understanding reach. As a result, marketers tend to miss the moment when their media plans are only delivering incremental frequency and has reached everyone in the desired audience (Fig. 7). When this happens, marketers are either adding frequency or reaching consumers outside the intended consumers. In both of these cases, advertisers need to layer impact on the delivery data to understand the cost of their waste and how it relates to their actual media budget.

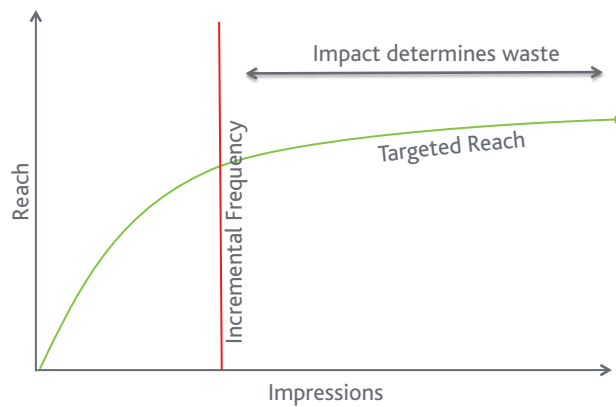
In the case of this campaign, frequencies were somewhat high at nearly 4 for the desired demographic and 3.7 overall. For consumers over the age of 65, both male and female, frequencies were even higher – over 5. If the advertiser optimized the campaign with a higher number of impressions in its intended demo and lower frequency, we can begin to eliminate some of the waste (Fig. 8).

Figure 6: Measuring The Cost Per People Impacted

	Total	P25-34	W25-34
Impressions	179,228,368	31,077,515	14,632,261
Hypothetical CPM	\$5.50	\$8.50	\$10.50
Cost	\$985,756	\$264,159	\$153,639
People Associating Message	1,450,840	188,929	271,614
People Considering Purchase	967,227	661,251	316,883
Cost Per Association	\$.68	\$1.40	\$.57
Cost Per Consideration	\$1.02	\$.40	\$.48

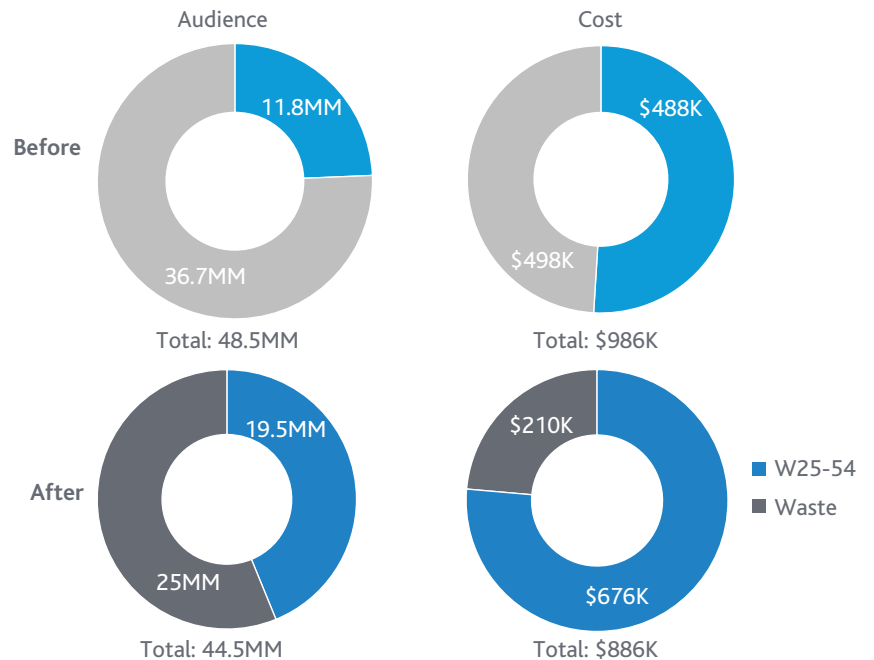
Source: Nielsen Online Campaign Ratings and Nielsen Online Brand Effect; campaign dates 2/9/2011-4/24/2011

Figure 7: Balancing Frequency And Value to Understand Waste



Source: Nielsen

Figure 8: Campaign Report “Before” and “After”



Source: Nielsen Online Campaign Ratings; campaign dates 2/9/2011-4/24/2011

In this scenario, the total audience reached declined nearly 8 percent, and the total number of impressions declined 29 percent. Yet despite the lower impressions, the on-target delivery percentage in the core demographic almost doubled to 51 percent while frequencies declined from 3.7 overall to 2.85. As a result the total cost of the campaign declined 12 percent. With greater insight into the campaign and better optimization, advertisers can achieve increased efficiency at the same time costs are lowered.

This case study demonstrates how we can begin to answer challenges in today's online media world.

1. Advertisers can now begin to gain clarity on the audience exposed to their online ad.
2. Campaigns with a relatively narrow audience (that is, one gender or less than 20 year age span) tracked by Nielsen Online Campaign Ratings to-date indicate that only 35 percent of the campaign impressions are reaching the desired group. While the promise of delivering a highly precise audience is often overstated, now advertisers can gain insight into what portion of the desired group is being reached.
3. We can now begin to understand advertising waste or the cost of missing the intended audience. Not only are media dollars being spent on the wrong demographic groups, but Nielsen Online Campaign Ratings and Nielsen Online Brand Effect corroborate that it is often much less cost effective to reach an undesired audience with ads that are tailored to maximize breakthrough and attitudinal impact to the desired consumers.
4. Measuring the Internet via impressions and buying low cost "targeted" inventory is a potential driver of ineffective frequency which can be best measured by applying impact scoring.

The Cross-Platform Opportunity

The above case study demonstrates how new tools addressing the current inadequacies in the online space are successfully pushing the industry a step closer to understanding the reach and resonance of a digital audience. However, this is just the first step in helping connect marketers to their consumers.

According to Kimberly-Clark's Rosenstock, one of the biggest challenges his company is facing in online media is comparable ROI calculations. "It is very difficult to stack various types of media against each other," says Rosenstock. "Measurement systems are optimized for specific types of media and marketing models. Very few enable you to cleanly compare offline and online media tactics."

With decades of rich experience in television, Nielsen is uniquely qualified to create metrics that demonstrate how TV and digital work together in today's branded advertising campaigns. In fact, for the first time, Nielsen Online Campaign Ratings provides the opportunity to compare delivery across the web and television on the same metric. (Fig. 9)

Metrics for reach, frequency and effectiveness can and should be extended to the combined digital and television audience – increasing the potential for marketers to engage with their consumers. The opportunity presented

with cross-platform measurement, and some of the most valuable potential insights for marketers, can be uncovered by answering:

1. **Consistent metrics** – Why do we need consistent metrics between digital and television?
2. **Cross-platform reach and frequency** – What insights can marketers glean from a single view of their audience across media types?
3. **Optimizing cross-platform effectiveness** – What is the potential for marketers to optimize their efforts and spending across media types?

Consistent metrics. Digital advertising has often been viewed as a competitor to television advertising. However, given the reality of today's consumers and their cross-platform habits, the two forms should be viewed as complementary rather than competing. Nearly all major branded advertising campaigns include both a television and digital component. While those campaigns are measured and scrutinized independently with a vast array of measurement techniques and metrics, there has yet to be a single consistent metric which the industry has adopted for use across media. For the past decade and a half, marketers have felt stymied by inconsistent metrics between platforms. "The traditional media metrics of demographic impressions, gross rating points, reach and frequency were not part of the original lexicon for digital," says Audrey Siegel, TargetCast's

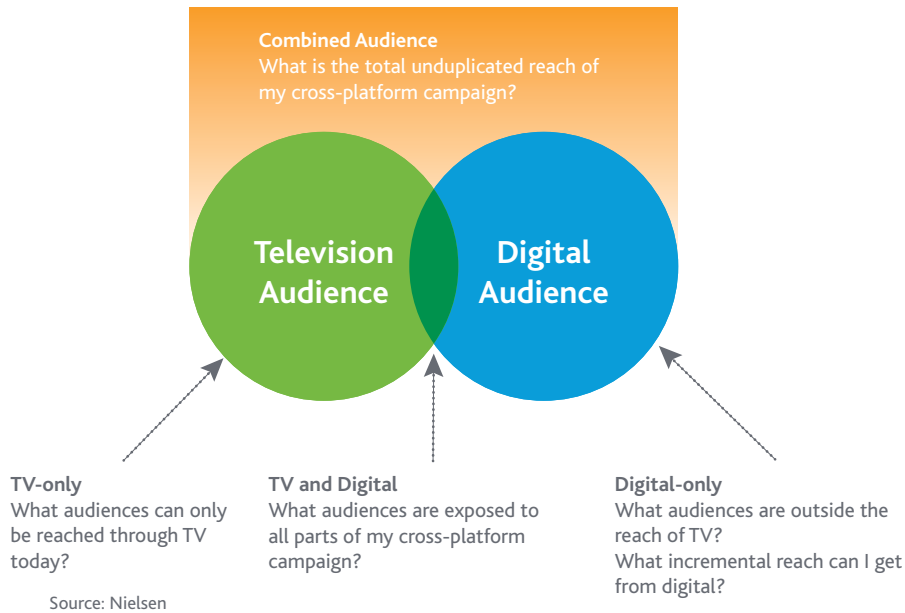
Figure 9: Comparing TV and Online Audience Delivery

	Impression Reach Percentage	
	Online*	American Idol
Broad Audience (e.g. Adults 18-54)	72%	55%
Narrow Audience (e.g. Women 18-34)	35%	11%

Early findings show the web can deliver audiences more efficiently than some TV programs.

Source: National People Meter, based on all telecasts of American Idol (1/19 - 5/25/11) - L+7 data stream; Nielsen Online Campaign Ratings. *Based on Nielsen Online Campaign Ratings campaigns run during the period 8/15/11 through 9/13/11. Online results exclude Facebook campaigns.

Figure 10: Consistent Cross-Platform Metrics will Highlight New Insights for Marketers and Help Optimize Spending



President & Director of Client Services.
"Without standardized metrics we face the challenge of evaluating media plans which have different investment levels by medium, both online and offline."

Emerging measurement players have entered the market with highly specialized metrics for each new medium, without addressing the basics. Nielsen believes that consistent, simple, and familiar cross-platform metrics are the basics – which form the foundation of any sophisticated marketing insight and analysis (Fig. 10).

Cross-platform reach and frequency.
Unduplicated¹ reach and frequency measurement is the basis for cross-platform insights. Success in delivering to a precise audience can be identified for three cross-platform segments, TV-only, TV+ digital, and digital-only audiences. This allows the marketer to understand the quality of the media buy, and the balance of messaging between the media and exposure to cross-platform messaging. When focusing on the TV and digital-only audiences, a marketer can also understand which publishers and

¹ Unduplicated reach identifies the size of the audience which was exposed to both media, so that total cross-platform reach is reduced by the size of that audience

programs deliver their audiences best – as some digital publishers can access unique audiences which are poorly represented on TV (and vice versa for certain programs and networks).

Optimizing cross-platform effectiveness.
Marketers can unlock even more value from their campaigns by combining TV ad effectiveness with digital ad effectiveness on the cross-platform segments to fully optimize spending and impact on a marketer's key consumers. Cost per association and consideration could be calculated for each media and the impact for dual exposure could also be highlighted. Finally, individual cross-platform campaign effectiveness measurement could be used to optimize media mix modeling and offer a wider range of marketing options for planners and buyers.

Cross-platform measurement presents a substantial opportunity for marketers. "Online should simply be a bigger part of the mix for marketers. While we should not expect online's percentage of media spend to exactly match that of media consumption, we see many marketers who are in a state of inertia with traditional media," says Brian Quinn, Triad Retail Media's Chief

Revenue Officer. Consistent metrics for cross-platform reach and resonance will highlight new insights for marketers and optimize spend.

Conclusion

Knowing if they are truly "connecting with consumers wherever they are" is what all marketers are aspiring to do and some are making great headway.

But the marketer's reality on any given day is marked by choices that are far from obvious. Media budgets can only be spread so far, and marketers are receiving surprisingly little information on who their online advertisements are reaching, how consumers are responding, and the combined impact of their cross-platform efforts.

Throughout this paper we spoke often about how combined reach and resonance metrics provide better insights into marketers' return on their investment. One of the keys to successfully combining the two metrics is weighting Nielsen Online Brand Effect tests to Nielsen Online Campaign Ratings: weighting the survey results back to the actual population provides a more realistic view of the campaign's impact. Ultimately, combining reach and resonance uncovers the true cost of waste, helping advertisers spend their budgets more efficiently.

As the industry adapts to the evolving digital reality, best practices must be employed. Cross-platform measurement presents a substantial new opportunity for marketers, as consistent metrics for cross-platform reach and resonance uncover new consumer insights, making media buying and selling more efficient. Nielsen believes that the marketplace must have consistent and reliable measurement as well as a method to create a bridge between television and digital media measurement and will continue to work towards that goal.

About This White Paper

The data and insights in this white paper are compiled from a range of Nielsen resources. For more information, contact your Nielsen representative.

About Nielsen

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence, mobile measurement, trade shows and related properties.

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