



BASEMENT.COM & SUGARSHOTS

The Background

Marketing agency Basement.com recently completed a 12 week online campaign for its client Sugarshots, a company that offers a new liquid cane sugar product. Basement.com's Doug Schumacher, who chronicled the campaign on iMediaconnection.com, designed it to test a number of different online marketing strategies.

The campaign ran across the 24/7 Web Alliance network of 850 Web sites. The campaign was divided into four phases, in which the effectiveness of different core messages, market segments, media unit sizes, emotional tones, visual creatives, animation and optimization were progressively explored. 24/7 Real Media helped determine the most responsive audience segments, and assessed the effectiveness of campaign optimization.

The Approach

1. Testing the targets: In week one, audience response was tested to two different Sugarshots value propositions ("strategic positions"). The next week the targeting test was conducted on the identical strategies using a combination of four of the 24/7 Web Alliance's 16 content channels (Health, Entertainment, Male Interest and Female Interest) overlaid with two behavioral targeting (BT) segments using 24/7 Real Media's behavioral targeting solution. The BT segments chosen were Health and Women's Interest, to which was added a control group named "Static" that received no behavioral targeting. Impressions were, to the extent possible, split evenly across content channels, and then evenly across

behavioral targeting segments within the channels, producing results from twelve equal-sized categories for each strategic position. The key metrics used were: Visits per 1000 impressions; click-through rates; site visits; visits to purchase page; and product purchases.

2. Assessing optimization: Optimization was carried out in the final stages of the campaign, after all its other elements had been tested. Unlike in the earlier stages of the campaign, when creative, media sizes, etc. were compared, at this stage identical ads were served in what were, effectively, two parallel campaigns - one with, and one without, optimization. The optimization employed tools built into 24/7 Real Media's integrated ad serving platform, Open AdStream®, which draws on 8+ years of accumulated historical data to apply a combination of automated and decision support processes to parameters such as Click-Through and Conversion rates (or any other criteria specified by the client), shifting impressions to increase performance.

The Results

1. Targeting: Because only a few Health and Woman's Interest BT segment members were found on the Health and Men's Interest content channels, the campaign was unable to serve equal numbers of impressions to all segment/channel combinations. As a result, the Entertainment and Women's Interest channels, which received a full count of impressions across all three BT segments, received far more impressions overall than the Health and Men's Interest Channels.

"The effectiveness of 24/7 Real Media's technology was clear in both tests. Behavioral targeting generated a remarkable leap in responsiveness over standard targeting methods. 24/7 also helped us gain broader insights on target audience and brand strategy issues."

- Doug Schumacher,
President & Creative
Director
Basement.com





BASEMENT.COM & SUGARSHOTS

2. Optimization: CTRs were 55% higher and Clicks were 76% higher for the optimized impressions than for the un-optimized impressions. All optimized targets – whether behavioral segments or content channels – outperformed their non-optimized counterparts, with the single exception of a category that received a statistically insignificant number of impressions.

The Meaning of the Results

1. Targeting: While the Women's Interest content channel was the worst performer of all, the Women's Interest BT segment performed well. It showed an overall significant performance gain over the Static BT segment, and in particular when targeted on the Entertainment channel. This illustrates a phenomenon that has been observed in other BT campaigns – consumers are more receptive to advertising campaigns on sites whose editorial content is not endemic to the advertising content. The only way to reach users where this applies is with behavioral targeting.

2. Optimization: Optimization is an essential tool for any online advertiser wanting to achieve the best return on its investment. It is particularly effective when based on a particular action goal, rather than on reaching a specific target audience, and even more so when tied to a network the size of the 24/7 Web Alliance. Optimization works best when campaigns start out directed at a broad audience, narrowing down once a representative data sample becomes available. The 24/7 Web Alliance yields large samples so quickly that this can usually take place on the first day.

The click-through percentages for the content channels:

Channel	Clicks per 1000 imp.
Entertainment	0.30
Health	0.29
Men's Interest	0.13
Women's Interest	0.07

The click-through percentages for the BT segments:

Segment	Clicks per 1000 imp.
Health	0.23
Women's Interest	0.22
Static (control)	0.16

The combined results:

Channel/Segment	Clicks per 1000 imp.
Entertainment/Health	0.41
Entertainment/Women's Interest	0.39
Entertainment/Static	0.11
Health/Static	0.29
Women/Health	0.05
Women/Static	0.10
Women/Women	0.06

About 24/7 Real Media, Inc.

24/7 Real Media, Inc. is a leading global digital marketing company, empowering advertisers and publishers to engage their target audiences with greater precision, and to achieve transparency, and greater ROI. Using its award winning ad serving, targeting, tracking, and analytics platform, powerful search marketing capabilities and global network of specialized Web sites, the company has turned the art of reaching audiences across virtually any digital medium into a measurable science. The company is headquartered in New York, with 20 offices in 12 countries throughout North America, Europe and Asia. 24/7 Real Media:

24/7 Real Media:
The Science of Digital Marketing.