

IAB ISSUES NEW RESEARCH FROM NIELSEN//NETRATINGS ON BRANDING VALUE OF SPONSORED TEXT ADVERTISING

Top Position Text Ads Lift Unaided Brand Awareness by 27 Percent

New York, NY-July 14, 2004—IAB and Nielsen//NetRatings today presented innovative research that demonstrated the effectiveness of sponsored text advertising in moving brand marketing metrics within the online advertising environment. The IAB Search Engine Effectiveness Committee commissioned Nielsen//NetRatings' "Internet Search Brand Effectiveness Research," project, which studied brand impact of text and search advertising for leading brands from the Health, Auto, Beverage, Electronics, Retail and Finance industries. The research was presented at the first IAB Search Road Show stop in Los Angeles

The study demonstrated that sponsored text advertising in the search environment works for an array of branding objectives. Sponsored text ads, much like the standard image based ad, had their biggest impact on "unaided brand awareness," especially where a brand held the top position on search results pages. On average, when respondents were asked to name a specific leading brand within a tested industry, they were 27 percent more likely to name the brand displayed in the top spot compared to a control group not exposed to the ad. For the articles pages (pages containing contextually targeted text advertising), the text ad caused a 23 percent lift among respondents that saw the ads.

The research findings, as analyzed by Nielsen//NetRatings, reported that there is a significant difference on core brand metrics movement depending on the placement of the text ad. Ads appearing in the top position on a search engine increased an aggregate of all the brand metrics by an average of 14 percent across the six industries, in stark comparison to results from ads in the fifth position, which only showed a minor directional lift on brand measures. Search articles pages generated an aggregate lift of all brand metrics by 15 percent.

"Brand advertisers, who are not yet placing search advertising, may be missing out on a share of voice opportunity for keywords relevant to their categories," said Marc Ryan, Senior Director, Analysis, Nielsen//NetRatings. "This research suggests that the optimal media mix includes search and display ads, a combination which allows advertisers to take advantage of the push/pull dynamics of the web while still delivering on core branding metrics."

"This latest IAB study provides more evidence that sponsored search is an integral part of a successful online marketing campaign. Additionally, the research highlights the effectiveness of integrating sponsored search, contextual ads and banners for marketers to achieve their brand awareness objectives," said Eric Rasmussen, Chair, IAB Search Engine Marketing Subcommittee.

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Methodology

The methodology for this research used a controlled experimental design study with over 10,500 participants recruited from Survey Sample International. In the study, five types of sponsored text-based advertising were tested to determine their impact on brand metrics. Two of the ad types displayed search results on a brand-neutral "Internet Search" website and three were displayed on article pages for a brand-neutral news site or "contextual listing." The text ads were evaluated based on their position among the search results and placement on the article pages. The test group viewed Web pages containing the advertising for specific leading brands participating in the study, and the control group was exposed to public service announcements. Survey participants completed the study online and were unaware that the study concerned advertising.

The study was sponsored by Ask Jeeves, Google, ING, Lycos Search and Overture and was spearheaded by the IAB Search Engine Committee, which is chaired by Tim Armstrong, VP Advertising Sales, Google and David Karnstedt, SVP, Direct Business, Overture. Committee members include: 360 Traffic, Advertising.com, AOL, Ask Jeeves, Beyond ROI, BizRate, Business.com, CNET Networks, Commission Junction, comScore, Conducive, Did-it.com, Digital Grit, Doubleclick, Edmunds, Fathom Online, FindWhat.com, Google, Hitwise, iCrossing, iProspect, Kanoodle, Kontera Technologies, LookSmart, Marchex, Modem Media, Morningstar.com, MSN, Overture, Performics, Prospectiv Direct, Rhino Internet Solutions, Search123, Terra Lycos, United Virtualities, USWeb, Vibrant Media, Wahlstrom Interactive and Yahoo!

The IAB Search and XMOS Road Show will stop in the following additional cities: San Francisco (July 15) Dallas (July 20) New York (July 27) Detroit (August 10) and Chicago (August 12).

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About IAB

Founded in 1996, the Interactive Advertising Bureau (IAB) represents leading interactive companies that are actively engaged in, and support the sale of interactive advertising. IAB members are responsible for selling over 86% of online advertising in the United States. IAB member companies include: AOL, CNET Networks, DoubleClick, Forbes.com, Google, MSN, The Wall Street Journal Online, The Walt Disney Internet Group, Yahoo! and over 180 others. On behalf of its members, the IAB evaluates and recommends standards and practices, fields interactive effectiveness research and educates the advertising industry regarding the use of interactive advertising. For more information please visit www.iab.net.

About Nielsen//NetRatings

Nielsen//NetRatings is the global standard for Internet audience measurement and analysis and is the industry's premier source for online advertising intelligence with its NetView, AdRelevance, @Plan, WebRF, LemonAd, MegaPanel and SiteCensus services. Covering 70 percent of the world's Internet usage, the Nielsen//NetRatings services offer syndicated Internet and digital media research reports and custom-tailored data to help companies gain valuable insight into their business. For more information, please visit www.nielsen-netratings.com.