

ONLINE BRANDING

Proof that online
ad engagement
drives better
brand results

Dwell on Branding: proof that online ad engagement drives better brand results

Microsoft Advertising has proven the importance of online advertising for brand advertisers by demonstrating a clear link between online ad engagement and measures of positive brand impacts, both online and offline. This report reveals how to achieve the best brand results through online advertising, and demonstrates the most meaningful measures for brand success online.

Creativity counts

Opinions on 'what makes a good ad' may be divided. However, the use of creativity in advertising always has the same goal: to stimulate a positive reaction towards a brand through attracting an effective level of attention or engagement. Until now, click-through rates and impressions have dominated digital measurement and evaluation, ignoring the mass of empirical evidence that proves the importance of creativity in building brands.

In order to show that more creative, engaging online ads lead to more successful brand campaigns, we require evidence of a positive correlation between the two. This is where Microsoft Advertising's Dwell on Branding research comes in, proving that there is a clear connection between the level of active engagement an online ad generates and its subsequent impact on the brand.

The Dwell On Branding study analyses the power of dwell scores¹ in the context of brand building campaigns. Dwell scores are an accepted measure of users' active engagement with advertising. The dwell score is achieved by multiplying the average time that users spend actively engaging with an ad (for example, through mousing over or expanding an ad, or playing a video), with the proportion of users engaging in this way. The study, which was conducted across twenty different online advertising campaigns in Europe over six months, explored the effect of dwell scores on consumer behaviour.

The results conclusively show that the higher the dwell score an online ad achieves, the more positive consumer's subsequent behaviour towards the brand will be. As far as online measures of brand engagement were concerned, higher dwell scores lead to:

- More branded searches.
- More traffic to the brand site.
- More engagement at the brand site.

An additional case study with a high profile Technology advertiser further demonstrated that a campaign with dwell scores 50% higher than average delivered significant uplifts in key offline brand metrics. The measures that showed increases included brand awareness, brand favourability and purchase intent.

"Creative is about 70% to 80% of the effectiveness of advertising."

Jon Gibs, VP Media Analytics, Nielsen

The limitations of click-throughs as measurement

Direct response campaigns evaluate their success on consumers' instantaneous uptake. A click-through rate is therefore a suitable measure for this type of campaign because it directly correlates to the objective. However, brand building campaigns are cumulative in nature and there is no observed correlation between display ad clicks and longer-term brand building metrics.

Numerous studies (including, for example, Dynamic Logic Market Norms) have demonstrated that exposure to online display ads generates awareness and interest in a brand, whether clicked on or not. Measurement that focuses on the click alone considers only a tiny fraction of the economic value of an online advertising campaign.

	Direct Response	Brand
Objective	Drive an immediate response	Build brand effects
Measurement	Click-through rates	Level of engagement/dwell

"Because of our direct response heritage (in the online advertising industry), we've toiled under the tyranny of the click for too long."

Randell Rothenberg, CEO,
Interactive Advertising Bureau US

Eyeblander Global averages (published Jul 09) show that consumers are 25 times more likely to spend meaningful time on a rich media ad than they are to click on it. The average time spent actively engaging is 53 seconds — the equivalent of watching almost two 30 second TV ads back to back. Click-throughs, which exclude a high proportion of actively engaging consumers, are therefore an inadequate measure of brand campaign success.

There is a clear requirement for online brand advertising to be measured differently from direct response. However, until now there has been no standard measure for evaluating brand campaign impact online. By demonstrating their positive link to brand effects, the Dwell on Branding research asserts that dwell scores should become a standard measure for online brand campaigns.

Let's dwell on branding

Dwell, in its most basic sense, is the level of active engagement with an ad. Many ad servers capture ad dwell (sometimes called interaction time and interaction rate) but for the purposes of this report, we are using the definition of Total Dwell, as defined by Eyeblaster.

Total Dwell	=	Dwell Rate	X	Dwell Time
		The number of impressions that were dwelled upon out of all impressions.		The average duration spent dwelling/actively engaging on the ad.

The advantage of using a total dwell score is that it incorporates both a quantitative measure and a measure of quality. It enables us to compare the effects of numerous variables and map this to brand effects (for example, a large proportion of impressions being dwelled upon for a short time as well as a small proportion of impressions being dwelled upon for a long time).

Dwell scores are limited to rich media advertising (such as video, audio or dynamic data ads) as these are the only form of online advertising with an interactive element that allows active engagement to

happen. According to Jupiter², rich media ads currently account for 30% of all display advertising in Western Europe and are increasingly the format of choice for brand advertising due to the richer experiences they provide. This is a trend we believe will continue as brand advertisers make full use of rich media capabilities, increasing the levels of consumer engagement and enjoying stronger brand benefits.



Research methodology

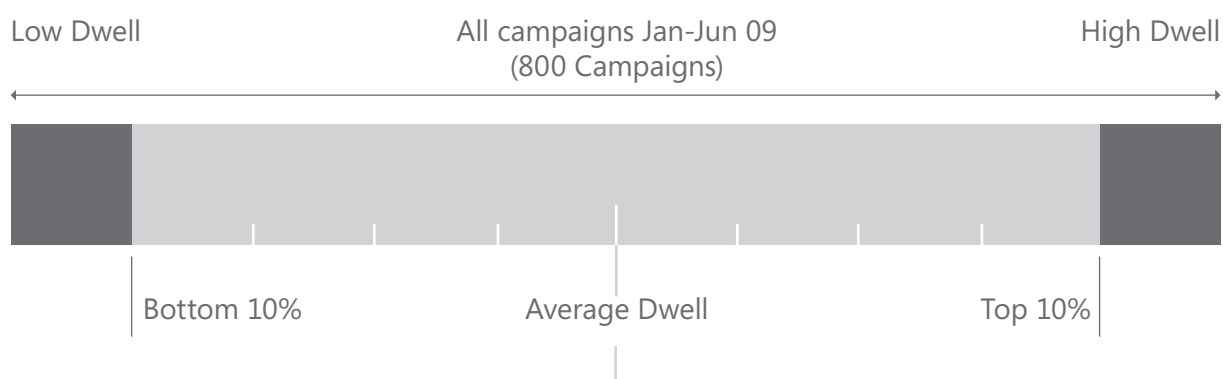
To understand the impact of dwell on branding, we partnered with ad serving experts Eyeblaster and measurement specialists comScore. In simple terms, we took a sample of high dwell campaigns and a sample of low dwell campaigns and compared their brand effects. The robust methodology ensured any positive brand uplift observed was due exclusively to the increase in dwell.

Selecting the Campaigns

As a base, we looked at all rich media campaigns served by Eyeblaster that ran exclusively on Microsoft Advertising properties in four countries (UK, FR, IT & NL) over a six month period (Jan-Jun 09). This gave us a pool of 800 campaigns that we ranked in terms of their total dwell scores. To ensure a distinct difference between high and low dwell we chose to analyse campaigns that fell in the top and bottom 10% of the dwell scale.

We ran our analysis on 10 campaigns from the low dwell group and 10 campaigns from the high dwell group. These 20 were selected for having the largest number of impressions, ensuring the biggest sample sizes for our analysis (over 6,500 panellists). The campaigns covered eight industry verticals.

Selecting the Campaigns



The average dwell across all 800 campaigns was 4.6, equal to the global average observed by Eyeblaster over the same period, suggesting our sample was broadly representative of all rich media activity.

Analysing the campaigns

For each of the 20 campaigns, we partnered with comScore to identify users who had been exposed to the ads. ComScore measured those panellists' subsequent online behaviour across a four week period and compared this to the online behaviour of unexposed panellists. These groups were pair matched, meaning that the exposed and unexposed consumers were equal in all respects other than exposure to the ads. Groups were matched to ensure equality according to specific demographic and online behavioural variables including:

- Age, gender, income and region.
- Historical online surfing behaviour.
- Historical visits to sites where the ads were displayed.
- Historical visits to brand sites.
- Online search behaviour.

The uplift between unexposed and exposed was averaged for the 10 low dwell and 10 high dwell campaigns. We then compared these averages to evaluate the impact that increased dwell has on subsequent brand effects.

Findings

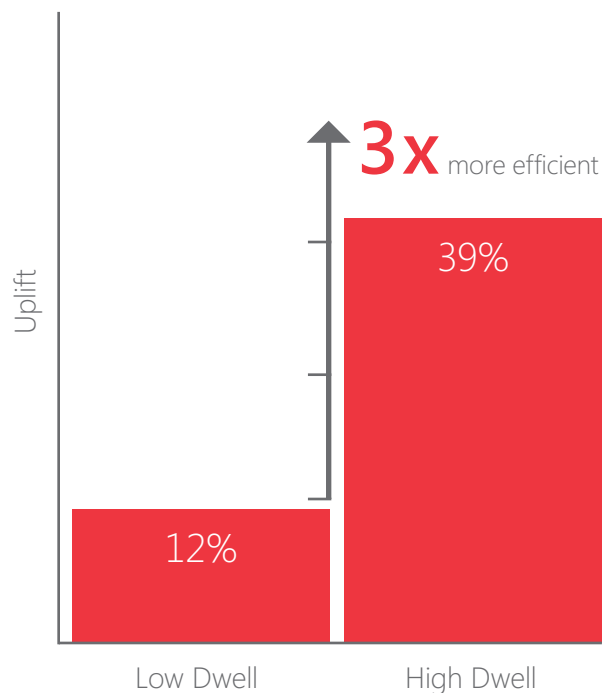
By tracking post-exposure behaviour, we were able to measure various online responses including what search terms people use, what sites they visit and what they do while visiting a site. All analysis covered a four week period following exposure. This length of time ensured the longer-term effects of a brand campaign were captured, rather than just immediate responses.

Search

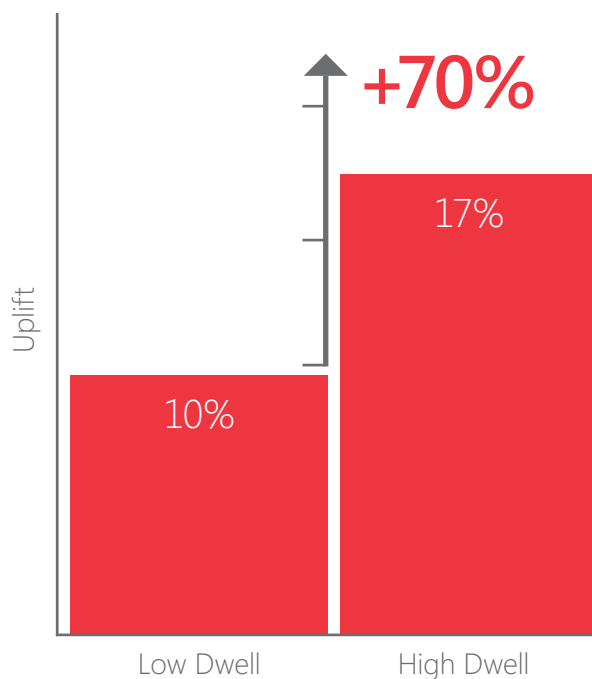
High dwell campaigns are **three times** more efficient at stimulating branded search.

More Dwell = More Search

While those exposed to low dwell campaigns were 12% more likely to use branded search terms, for high dwell campaigns that number rose to 39%, more than three times the uplift.



+70%



Site visits

High dwell campaigns are circa **70% more likely** to attract visits to the brand site.

More Dwell = More Traffic

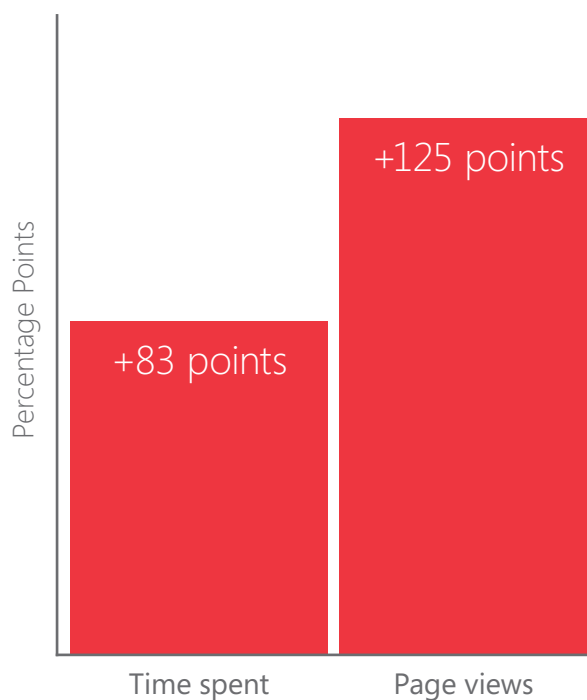
Low dwell campaigns caused a 10% uplift in visits to brand sites between unexposed and exposed, while high dwell campaigns delivered a 17% uplift, an increase of 70%.

Engagement

High dwell campaigns drive **more traffic** and **more engaged** users.

More Dwell = More Engagement

High dwell campaigns drove a 125 percentage point positive swing in page views per visitor and an 83 percentage point swing in minutes per visitor.



Using dwell for campaign success

With these findings we have shown that dwell provides a valuable metric in evaluating the success of brand campaigns. So how can these findings help you deliver higher dwell scores for your campaigns?

Industry averages

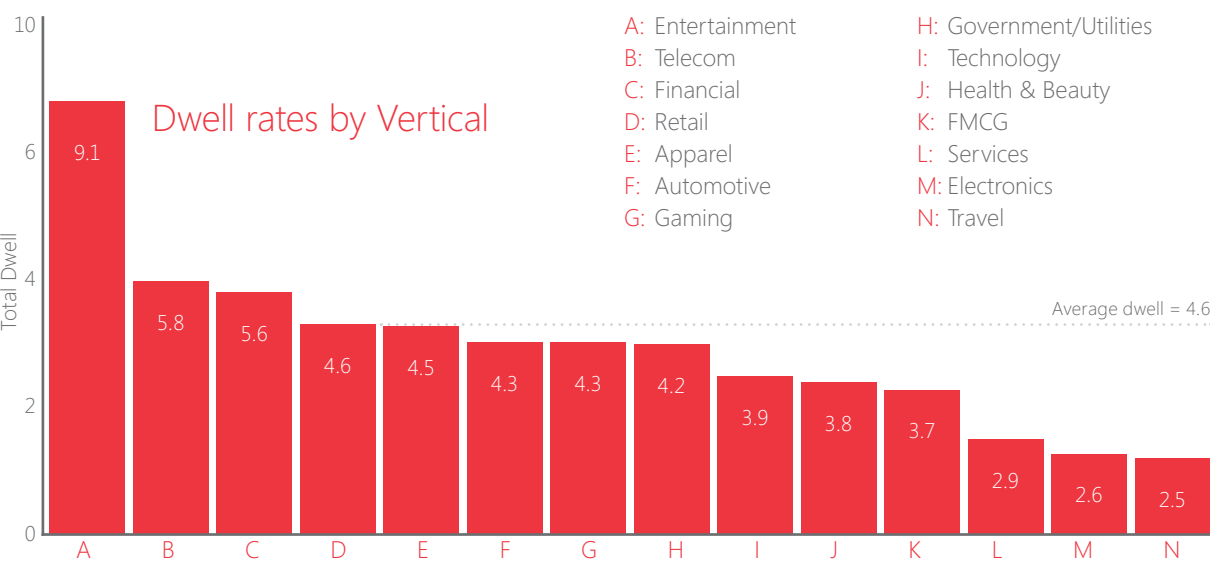
The global average dwell across all ads served by Eyeblaster during the same period as this study is shown below:

Total Dwell	Dwell Rate	Dwell Time
4.6	8.7%	53 seconds

4.6 is the average dwell score. According to Eyeblaster data, anything above 4.6 can be considered high dwell and is a target to aim for with every campaign. It is possible to be more relevant though, by looking at dwell scores by industry vertical.

Dwell rates by Vertical

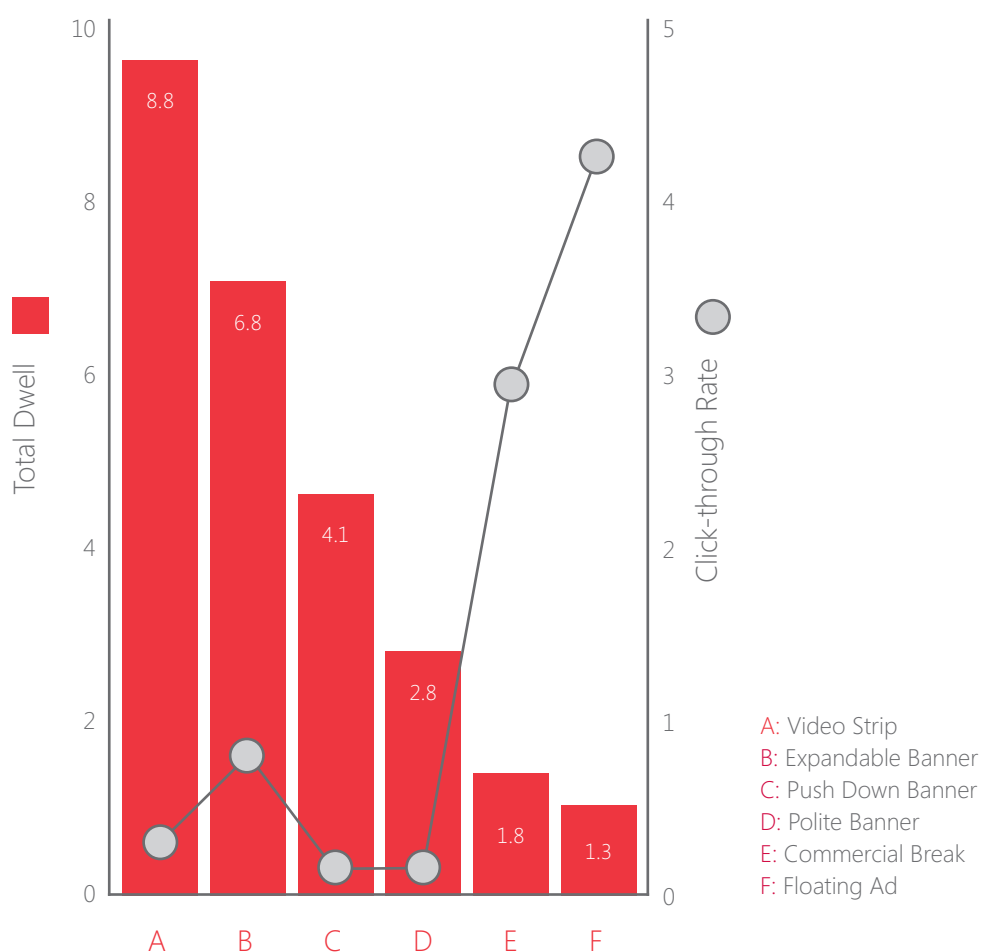
While there are many verticals that fall below the average of 4.6, it doesn't mean that they are unable to achieve high dwell scores. While it is perhaps unsurprising to see Entertainment achieving the highest scores (thanks to engaging creative assets such as film trailers), it may be more surprising to see Finance in third place. The performance of Finance campaigns demonstrates that it is possible for any vertical to create engaging ad campaigns. Large Finance clients have embraced online advertising, using it as a vehicle to communicate to their young consumers through a variety of creative online techniques.



Achieving high dwell

Knowing what to aim for and how to judge success using dwell is the first step. The difficulty is in adapting campaigns to achieve these high scores. While creativity is key, ad format also plays a role in helping to give good creative the impact it deserves.

The chart below shows dwell scores and click-through rates for various creative formats. It shows that there is no correlation between the two measures. That is to say, a format that is good at driving click-throughs is not necessarily good at driving dwell. The message for brand advertisers is to maintain focus on employing the correct tools and tactics to deliver higher levels of engagement, not necessarily an instant response.



Case study: the online and offline brand effect of dwell

Using a case study, we are able to assess the impact of a high dwell campaign both on subsequent online behaviour and on offline perceptions in a live environment. The case study was run with a large Technology advertiser whose campaign achieved a high dwell score of 5.9 — 50% higher than the Technology vertical average of 3.9, and over 25% higher than the global average of 4.6.

The campaign incorporated a variety of ad formats, led by a highly interactive homepage takeover, comprising of wallpaper and an expanding banner.

Using the same methodology as the Dwell on Branding study, we discovered that this high dwell campaign delivered equally impressive results:

Search

- Exposed panellists were 14% more likely to search for the brand.

Site Visits

- Exposed panellists were 3.75 times more likely to visit the brand site.

The main benefit of testing a live campaign was that we were able to run a simultaneous brand uplift survey, asking questions about the advertising and the brand to groups of exposed and unexposed respondents. The offline brand perception survey revealed the following significant impacts for the campaign:

Ad Recall

- **61% of exposed respondents recalled seeing the campaign.**

Awareness

- **Brand awareness increased by 7 percentage points** among exposed respondents, rising from 40% to 47%.

Favourability

- **Brand favourability more than doubled**, from 15% for unexposed to 34% for exposed.

Intent

- **Purchase intent for the brand increased by 3 percentage points** from 67% to 70%.

These are impressive results and highlight the branding power of a high dwell campaign. The level of active engagement has positively affected two measures that are notoriously hard to shift for a big brand: awareness and purchase intent. For purchase intent to have risen from an already high base of 67% is a significant result. These results show that dwell can make a real difference to brand success.

Conclusions and actions

The results of this study are conclusive:

Higher online ad engagement leads to better brand effects.

The findings give brand advertisers a new set of rules:

- ✓ Online brand advertising should be planned and executed distinctly from direct response.
- ✓ Focus on creativity in advertising to drive engagement and build brand.
- ✓ Use rich media to make full use of the creative opportunities available online.
- ✓ Use dwell scores instead of click-throughs to measure brand campaign success.

For more information, please contact:

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Footnotes

1. Dwell scores are calculated by multiplying the amount of time a user spends actively engaging with an advert with the rate of engagement. Active engagement includes positioning the mouse over an ad, user-initiated videos, user-initiated expansion and custom interaction. Actions lasting less than one second are excluded as deemed unintentional.
2. Jupiter Research Internet Advertising Model W. Europe Q4 2008

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