



Get Smart Webinar Series

nielsen
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A woman with long dark hair, wearing a black dress covered in multi-colored sequins, is floating on her back in deep blue water. Her arms are extended upwards, and her head is tilted back, looking towards the sky. The water has a textured, rippling surface.

Consumers first

Best Practices for Creating
Engaging Ad Experiences

Aol.
Premium
Formats

December 8, 2011

nielsen
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The web is an advertiser-centric place





We know your target isn't clicking

16%

of all internet users click on one display ad per month

8%

of internet users account for 85% of all clicks

72%

of users are not comfortable clicking

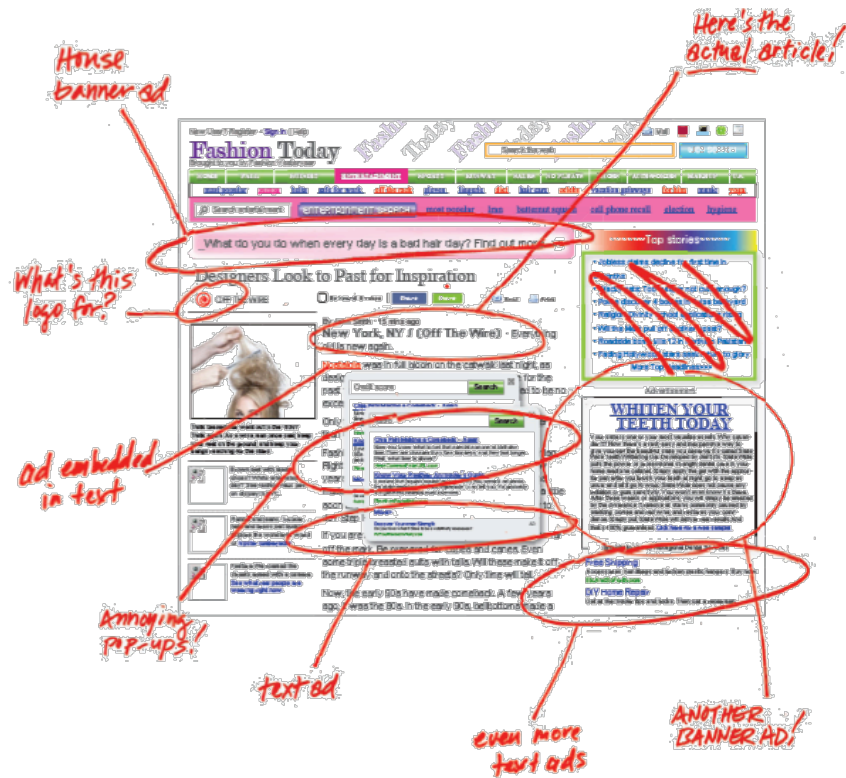
There is
no correlation
between clicks
and brand metrics

Source: comScore, Inc. custom analysis, Total US Online Population, XPC Persons Panel, July 2007 data period

Display advertising needed to be revolutionized

THE WEB YESTERDAY

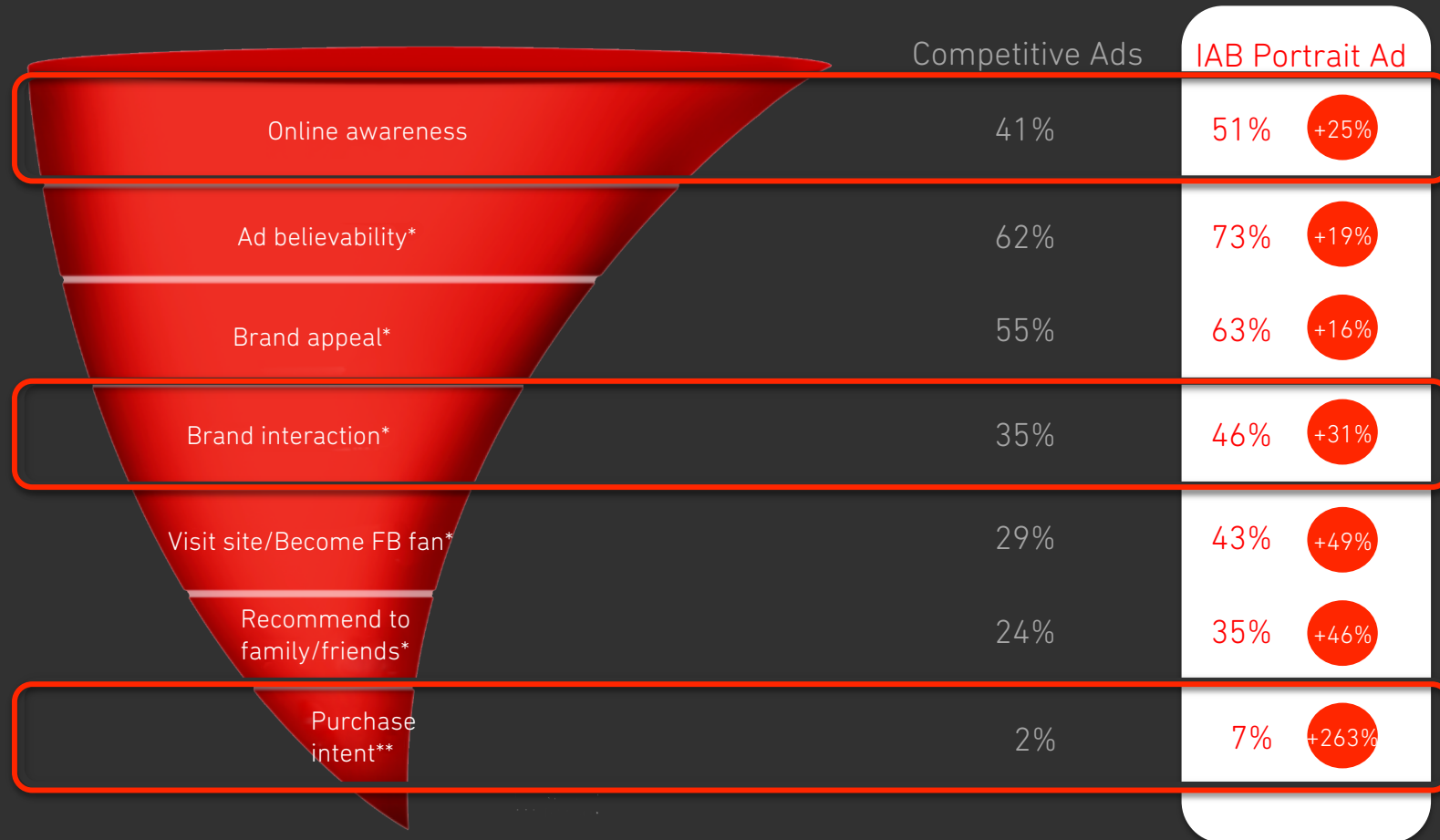
THE WEB TODAY



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Positive impact on the purchase funnel

IAB Portrait generates higher ad effectiveness at every level of the purchase funnel

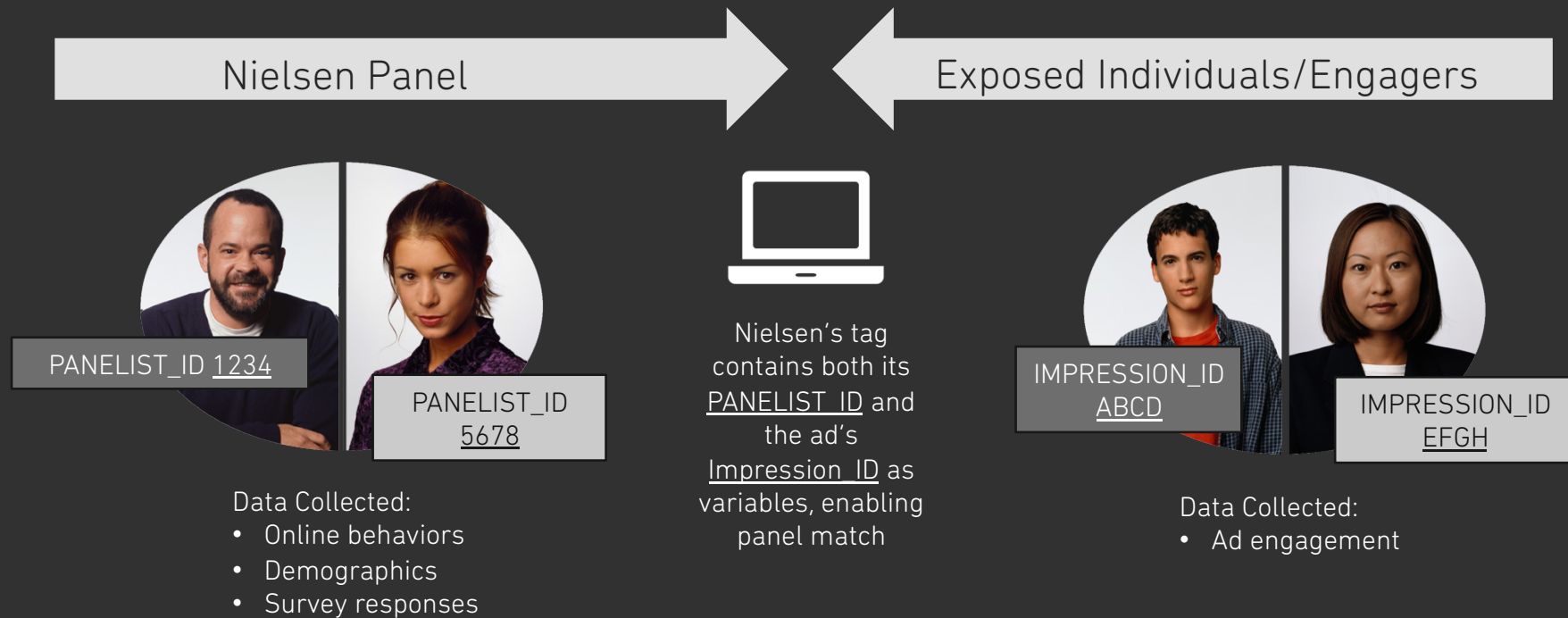


We know premium advertising works

But still had unanswered questions

- 1 Who engages with online advertising?
- 2 What gets them interacting with display ads?
- 3 Can these people be targeted?
- 4 How can advertisers drive stronger engagement?

We set out to answer those questions



Two great sets of data were brought together – AOL's wealth of information about interactions on Premium Formats and Nielsen's online panel

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Match Panel n=10,629; Engagers n=595
Survey Respondents Non-engagers n=945; Engagers n=52

Our first finding...

59% of users say
they dislike online
advertising

42% say they dislike TV ads
19% of users say they dislike Print ads

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Source: Nielsen Custom Study, August 2011
Q: In general, how do you feel about advertising that you see online /
in print/on TV? (top/bottom2 box)

Here's why they don't like online ads today

77%

do not think online ads are creative

86%

do not find display ads relevant to their needs

68%

find online advertising disruptive

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Source: Nielsen Custom Study, August 2011

But we know people are engaging...

14.7M

Premium Formats interactions
in three months

Who are these people?

Engagers.

Users who actively, intentionally interact with an ad unit.

Engagers and Non-Engagers have the same demographic profile, however Engagers are more likely to...

58%

more likely to watch
online video

33%

own a
smart phone

87%

made an online
purchase within the
last year

10%

more likely to utilize
social media

40%

own a
gaming console

65%

of Engagers say they dislike online ads...

but they are engaging
with Premium Formats

Perception isn't reality

Why Engagers dislike advertising

68%

are concerned an ad might be spam or may infect their machine

40%

feel online ads are misleading

73%

feel websites have too many, conflicting advertisements



Engagers aren't born...

they're made

A photograph of a dense forest with a dirt path leading through it. The path is dark brown and appears to be made of soil and fallen leaves. The forest is filled with tall, thin trees and a thick canopy of green leaves. The ground is covered in a layer of green ferns and other low-lying plants. The overall scene is a serene and natural setting.

We can change attitudes toward display ads

Brands can change paths from advertiser-centric ads to consumer-centric ads

Give them a reason to interact

75%

prefer to interact
with ads on the
publisher page

53%

prefer ads
with coupons

35%

enjoy seeing recipes
in online ads

26%

like to take polls
and quizzes

22%

enjoy informational,
how-to videos

Not everyone interacts the same way

Three different targets, three sets of online interests

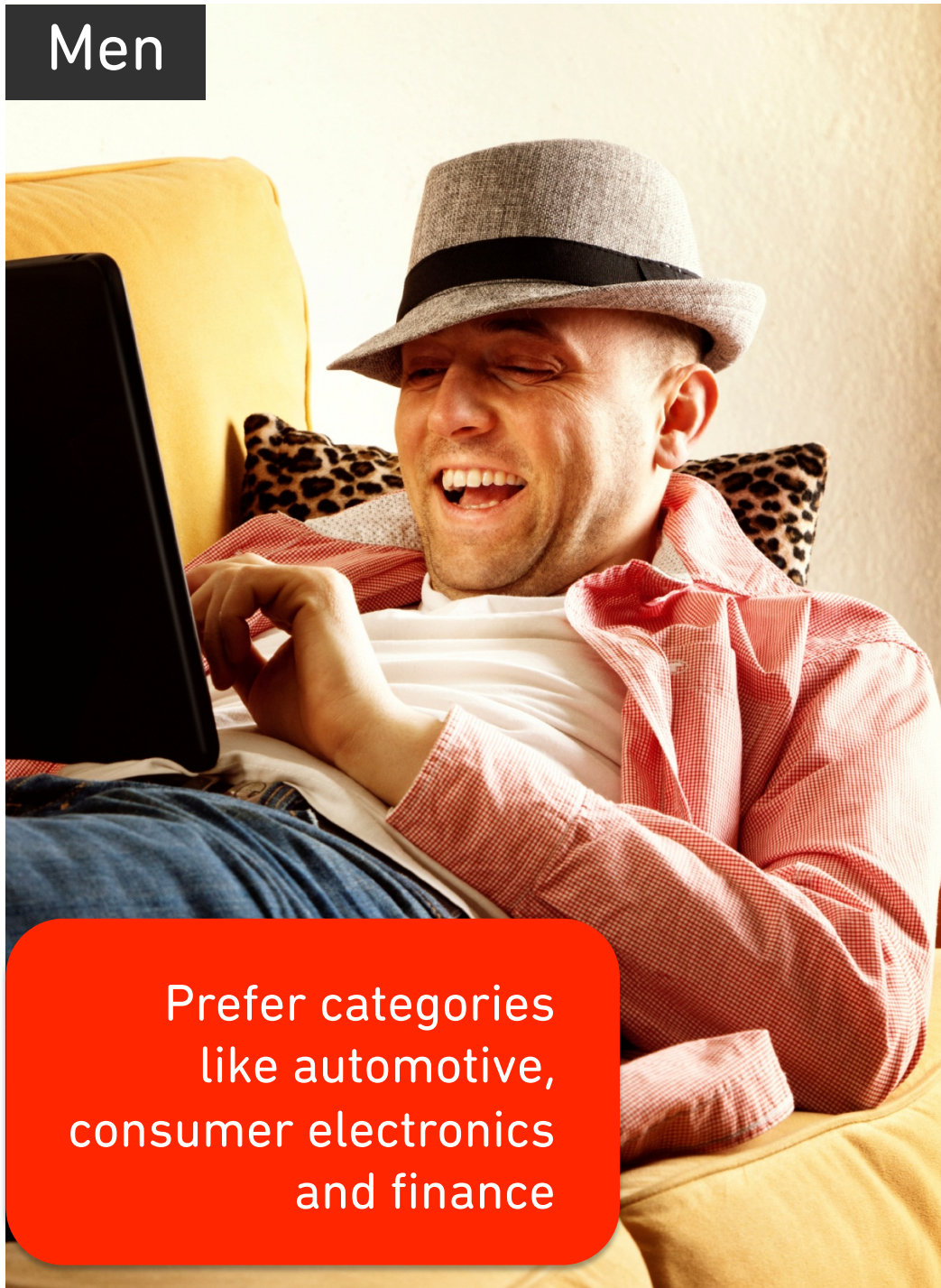
Men

Women

Millenials



Men



Prefer categories
like automotive,
consumer electronics
and finance

26%

more likely to believe they have
their intelligence insulted by
online ads

62%

more likely to view
online ads as relevant

75%

more likely to enjoy
high-def visuals

Source: Nielsen Custom Study, August 2011

Reaching Men

Help men gain information
or learn something new

Ads that help accomplish
a task are favored

Don't insult their intelligence

Men like to be targeted

Men will respond best to:

- Video
- Content feeds
- Store locators
- Product showcases



Source: Nielsen Custom Study, August 2011

A woman with blonde hair is shown in profile, looking down at a laptop screen. She is wearing a white top. The background is a bright, out-of-focus window.

Women

Prefer ads in the baby care, toys, fashion, cosmetics, food and beverage categories

11%

more likely to see online ads as disruptive or distracting

2x

more comfortable buying immediately after seeing an ad

46%

more likely to interact with ads that offer discounts

Source: Nielsen Custom Study, August 2011

Reaching Women

Utilize user-initiated video –
don't distract them with audio

Use apps that let them share, shop,
and accomplish everyday tasks

Give them the opportunity to buy
after they see the product

Women respond well to:

- Video
- Quizzes
- Polls
- Coupons
- Social media feeds
- Window Shopper



Source: Nielsen Custom Study, August 2011

Millenials



56%

more likely to feel connected to brands they see advertised online

32%

more likely to feel that online ads encourage interaction with the brand

Regularly make online purchases in entertainment, fashion, food, beverage and baby care categories

Source: Nielsen Custom Study, August 2011
Note: Millenials is 18-34 years old in this study

Reaching Millennials

Choose applications that encourage users to interact

Let them share information and shop within ad units

Tell your brand's story within the ad units – don't focus on direct response

Millennials respond best to apps like:

- Video
- Quizzes
- Polls
- Coupons
- Social media feeds



Source: Nielsen Custom Study, August 2011

Engagers aren't born, they're made

Who

- Engagers span all demographic groups, including age, gender and income
- They say they dislike online advertising, but will engage with **high-quality** experiences

What

- Engagers consume a lot of online media, especially **online video**
- More likely to **base purchase decisions on online advertising** than non-engagers
- **Interest and connection with the brand** is more important than getting Engagers to click

How

- Create **highly engaging** ads, they feel **comfortable** engaging with, not ads that disrupt the user experience

Thank you!

Questions?

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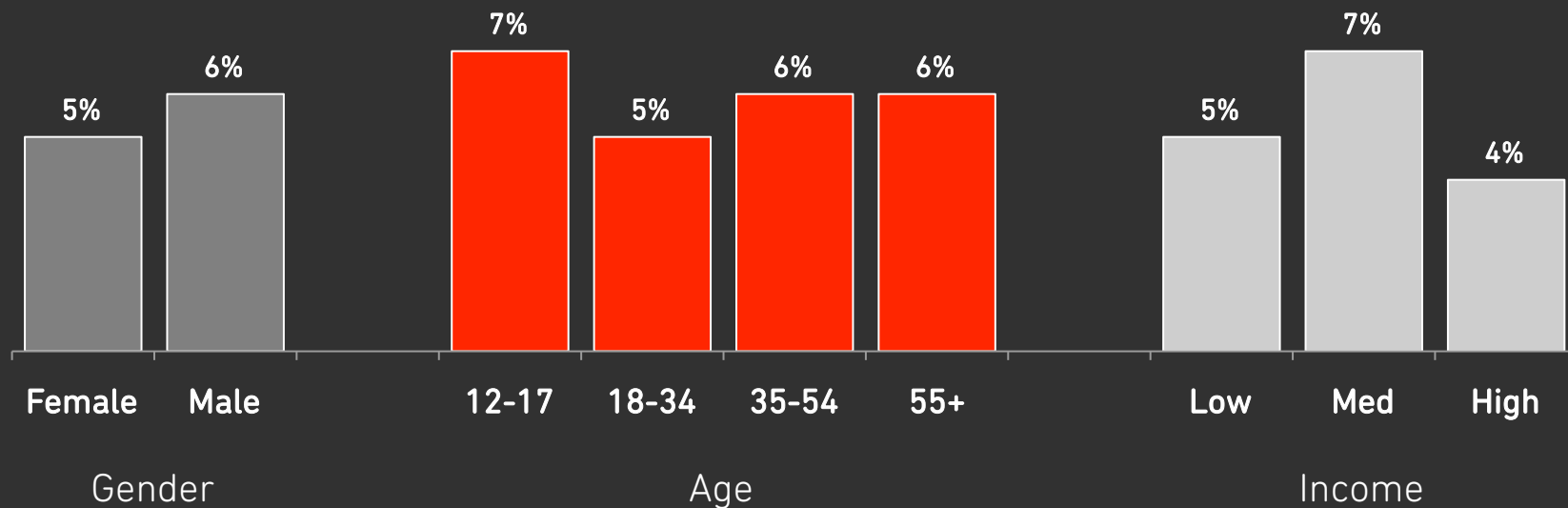
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Appendix

With the right ads, users will engage

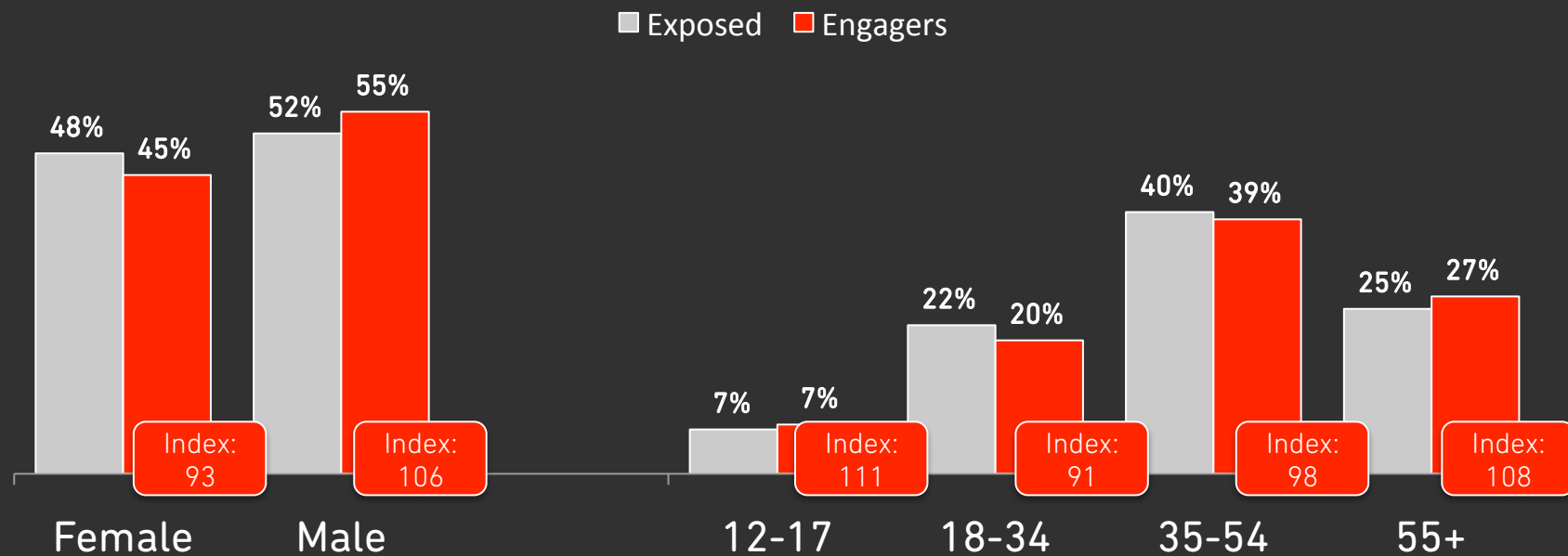
Percent of Segment Engaging with Ads



No one is born an engager

Engagers and non-engagers have relatively the same demographic profile

Engagers vs. Non-Engagers (Audience Composition Percent)



Engagers consume more online media

10% more likely to utilize social media

58% more likely to watch online video

17% more likely to use search

35% more likely to play games online

Engagers are regular, viable and modern consumers

87% made an online purchase within the last year

1/3 own a smart phone

50% watch at least 21 hours of television per week

40% of engagers own a gaming console