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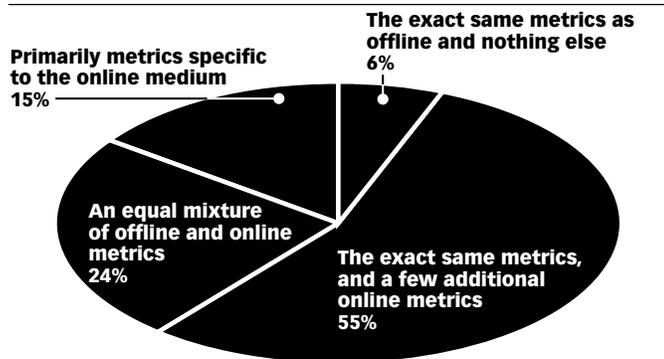
Quantifying Digital Brand Ad Effectiveness:

Finding the Right Mix of Meaningful Metrics

Executive Summary: As companies invest a greater portion of their branding dollars in digital advertising, marketers are facing increased pressure to prove digital’s branding effect both as a single channel and as a subset of a larger branding campaign. Many have been quick to discover this is no easy task.

Preferred Metrics Used to Calculate Online Marketing ROI According to Brand Marketers in North America, Dec 2011

% of respondents



Source: DiGiDAY, "Online Brand Advertising" commissioned by Vizu, Jan 6, 2012

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Digital’s legacy of direct-response metrics has caused many to fall back on measures that drove the first wave of online advertising—clickthrough rate and pageview. But these metrics are both problematic and inaccurate for quantifying digital branding effects, especially when considering internet users click on less than 1% of display ads and are never in view of about a third of all ad impressions served in the US.

Others are attempting to roll digital into the larger branding picture by importing traditional offline count metrics such as the gross rating point. By focusing on traditional brand health metrics that span across all channels and by incorporating digital measures of engagement specific to each ad format, marketers can best measure the true branding effects of their digital ad efforts.

Key Questions

- What are some common mistakes made in measuring ad effectiveness?
- What traditional brand health measures should marketers apply to digital?
- Which digital engagement metrics are being used for online video and mobile ads?



The eMarketer View

As brand advertising dollars steadily shift to digital, marketers must prove the positive effects of their digital branding investments. But quantifying digital branding effectiveness is a complex task.

Faced with such difficulty, many marketers turn either to traditional metrics, like the gross rating point (GRP), or to native digital metrics, like clickthrough rate (CTR).

Though both uses stem from a larger desire to analyze digital's branding performance against common benchmarks, neither metric allows marketers to accurately capture the breadth of digital's branding performance. The GRP can help marketers roll the digital channel into the larger branding set, but it does little to describe digital's impact on brand lift or sales. Conversely, legacy direct-response metrics so common to digital—the clickthrough rate and pageview—contextualize a branding campaign within the larger online set, yet they hardly align to traditional brand health metrics.

There is no foolproof set of metrics for best quantifying digital branding effect, but the savviest marketers understand the best recipe for success calls for both traditional brand lift measures and digital-specific engagement metrics. By mixing both, marketers can substantiate their campaign effectiveness within digital and the larger branding context. In some cases, sales-related metrics obtained through purchase data and customer loyalty data can—and should—be incorporated to provide companies a 360-degree performance view.

For the list of industry experts interviewed for this report, see the eMarketer Interviews section.

Growing Ad Spend, Increased Measurement Demand

eMarketer predicts US online ad spending will reach \$62 billion by 2016. Of that total, ad dollars devoted to branding efforts will account for \$26.66 billion, or 43%.

However, this number—which puts search, email, classified and lead generation ad dollars into the direct-response bucket and display ad spending into the branding bucket—is becoming more irrelevant and outdated as the lines between ad format and ad objective blur. Marketers increasingly turn to display tactics like search retargeting to achieve direct-response objectives. And as brand advertisers realize the importance of search and social media—the latter omitted from this calculation—it becomes much more difficult to quantify true digital branding investment, both in financial and performance terms.

In fact, North American brand marketers would spend more if measuring online return on investment (ROI) were easier, according to a December 2011 survey by DIGIDAY.

Factors that Would Lead Brand Marketers in North America to Increase Online Brand Ad Spending, Dec 2011

% of respondents

Improved clarity around ROI

68%

Ability to verify impact of advertising (e.g., increased awareness)

56%

Ability to use the same performance metrics online as are used offline

53%

Purchasing efficiency (e.g., ability to reach audience through fewer outlets)

50%

Ability to verify delivery of advertising to target audience

38%

Source: DIGIDAY, "Online Brand Advertising" commissioned by Vizu, Jan 6, 2012

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Quantifying digital branding ROI is certainly a complex task, considering that digital—though a single channel—comprises multiple subchannels and ad formats each with its own unique measures of effectiveness. A common reflex is to oversimplify this measurement process by using a single metric—often the clickthrough or GRP. But in the end, relying on a single metric leads to confusion and unreliable measures of digital branding success.

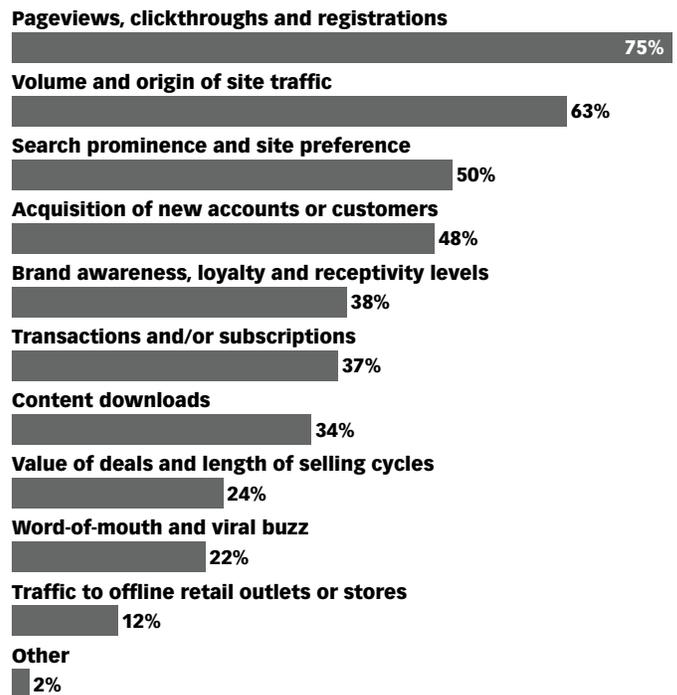
“Big brands don’t buy any media in isolation. They want to invest wisely and well in digital media, but they’re blocked because they don’t understand the metrics that are currently used and don’t always find them applicable to what they’re trying to accomplish.” —Sherrill Mane, senior vice president of research, analytics and measurement at the Interactive Advertising Bureau (IAB), in an interview with eMarketer, February 23, 2012

Online’s Direct Response Legacy: CTR and Pageviews

According to display advertising solutions provider Collective, 56% of US agencies listed brand recall and intent to purchase as the most important measures of online success. But when it comes down to it, what marketers say and do to measure digital branding effects are inconsistent.

CMO Council found most marketers fall back on native digital metrics like clickthrough rate and pageviews to measure success, even for branding, which 69% of respondents had some level of oversight or authority for at their company.

Metrics/Measurements Used to Track Online Marketing/Ad Campaigns According to Marketing Executives Worldwide, May 2011 % of respondents



Note: respondents were asked to choose their top 5
Source: CMO Council, "The 2011 State of Marketing" sponsored by Deloitte and Openet, July 17, 2011

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On the surface, clickthrough rate and pageview appear to offer a unified measure of digital branding success that applies to display, search, social and even online and mobile campaigns. But relying on pageview or impression counts as a proxy for brand awareness, and clickthrough rate for interest or purchase intent, is problematic.

For one, not all pageviews are true impression views. Ad verification solution provider DoubleVerify found 47% of online display ads were delivered below-the-fold for campaigns running in the first half of 2011, and December 2011 data from comScore showed 31% of US display ad impressions are never actually seen by consumers. Reliance on pageviews can greatly overinflate awareness measures. Another concern with relying on CTR as a measure of branding effect is how few internet or mobile users actually click on digital ads.

"At present, and even back in 1999 when we first started measuring the branding impact of campaigns, the clickthrough rate was still only about 1%," said Michelle Eule, vice president of digital ad solutions for digital branding measurement firm Dynamic Logic, [in a February 2012 interview with eMarketer](#). "But what about the other 99%?" Eule went on to emphasize that display advertising's primary effect is branding, and marketers need to have a measure that accurately reflects that objective.

Digital brand ad measurement provider Vizu's chief marketing officer, Jeff Smith, said he has seen a reliance on CTR correlate negatively with brand lift. This observation has also been noted by others, including Jim Spanfeller, CEO of The Spanfeller Media Group.

"The web got pigeon-holed as a place for direct-response, and the vast majority of metrics in common use today are all about that...often to the detriment of branding."

—Jim Spanfeller, CEO of The Spanfeller Media Group, in a DIGIDAY article, October 11, 2011

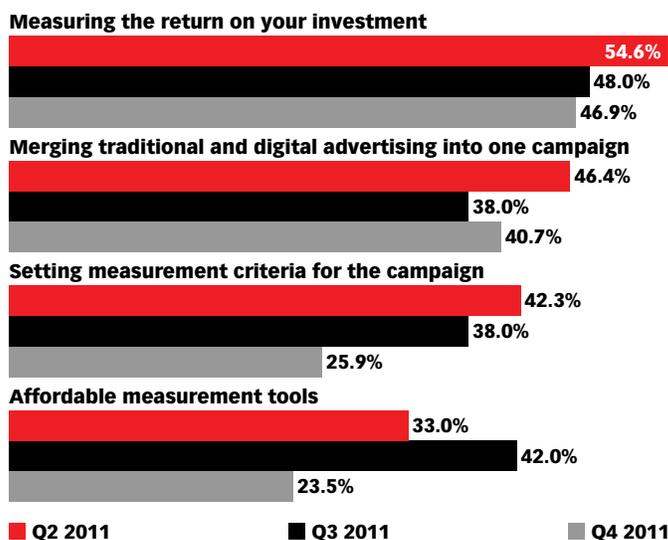
Measurement from the Traditional End: The GRP

On the other end of the digital branding measurement spectrum sits a group of marketers drawn instead to traditional brand measures like the GRP.

The industrywide push to incorporate the GRP into digital is evidence of marketers' growing frustration with aligning digital branding performance with traditional ad campaigns and their desire to simplify this process through the use of familiar branding metrics. Media buying solutions provider STRATA showed 40.7% of US ad agencies reported trouble with merging traditional and digital advertising into one campaign.

Challenges When Measuring Ad Campaigns According to US Ad Agencies, Q2-Q4 2011

% of respondents



Source: STRATA, "4th Quarter 2011 STRATA Agency Forecast Survey," Jan 25, 2012

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Industry partnerships like those of Nielsen and Tremor Video and Nielsen and TubeMogul provide evidence of the industry's push toward the standardized GRP metric. Tremor Video's December 2011 announcement launched a partnership with Nielsen designed to incorporate the GRP into its video advertising metrics portfolio, the same aim of TubeMogul's partnership announced in March 2012. Both video providers aim to give brand marketers a more standardized metric between their TV and digital video ad campaigns by translating digital video ad reach and frequency measures into TV's comparable GRP.

"Most of the people from the brand world look at [online] as a totally different beast, even though it's not. It's just another marketing channel. For that reason, you're seeing metrics from the offline world moving into the online world to better simplify the language." —Jeff Smith, CMO of Vizu, in an interview with eMarketer, February 23, 2012

These efforts are in response to a key industry partnership, Making Measurement Make Sense (3Ms), formed to make digital brand measurement an easier and more standardized task. Its members include leading industry organizations the Interactive Advertising Bureau (IAB), the Association of National Advertisers (ANA) and the American Association of Advertising Agencies (4As).

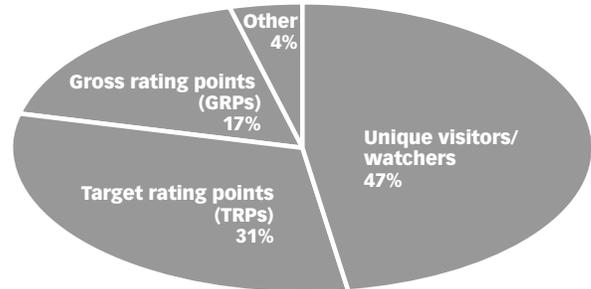
But already, marketers are recognizing some of the limitations of the GRP within digital, most notably its inability to do much more than serve as a general count metric for brand awareness.

Because of this, comScore is advocating for the use of a "validated" GRP (vGRP) and a target rating point (TRP) metric for digital. The vGRP looks at those impressions delivered in view (e.g., above the fold, etc.) within the specified geography (e.g., domestic vs. international) and within brand-safe environments. And the TRP helps marketers gauge how effective they are in reaching their true target audience—a growing and trending desire among brand marketers.

"These are the traditional metrics that marketers use to assess their branding reach and input into their market mix models offline, and these are the measures that we're giving them in digital, but we're validating it," said Anne Hunter, vice president of ad effectiveness at comScore, in a February 2012 interview with eMarketer.

ANA and Forrester TV found 31% of US marketers believe the TRP will eventually become the standard metric for cross-platform ad measurement.

Future Industry Standard for Cross-Platform Audience Measurement According to US Marketers, 2012
% of respondents



Note: n=70; numbers may not add up to 100% due to rounding
Source: Association of National Advertisers (ANA) and Forrester Research, "2012 TV & Everything Video Survey," March 20, 2012

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The data also highlighted a greater desire to measure audience reach using a single count of unique visitors or watchers—and a digital one at that. Almost half (47%) of US marketers expect to use unique visitors or watchers as the eventual industry standard for cross-platform ad measurement.

September 2011 data from AT&T AdWorks revealed marketers' anticipation and eagerness for this scenario: 18% of marketers said the greatest effect the convergence of digital and Internet Protocol television (IPTV) will have on TV ads is the ability to plan and evaluate TV based on online metrics, with 16% expecting greater accountability and engagement metrics. It is these engagement metrics that are in fact instrumental to understanding the true branding effect of marketers' digital campaigns.

Q&A: How do you feel about incorporating the GRP into digital?

Overall, marketers and industry players believe standardization of the GRP across media will make it easier to buy digital media. But they see it as little more than a count metric—hardly a catch-all for quantifying true branding effects.

Michelle Eule

Vice President of Digital Solutions

Dynamic Logic

“Online, it’s important to understand reach and frequency, but the GRP is sort of a weird metric that just lumps the two together. At the same time though, the industry is demanding it.”

Anne Hunter

Vice President of Ad Effectiveness

comScore

“The GRP alone gives marketers huge understanding in terms of online branding metrics. But what’s most important is to look at whether the ad actually appeared on the screen so that the user had the opportunity to see it, so validated GRPs and TRPs are increasingly important for digital.”

Michael McVeigh

Senior Vice President, Strategic Services

Zeta Interactive

“Some of the most powerful decision-makers who control the purse strings have a better understanding of the GRP, so it’s kind of the lowest common denominator that ranges across all media. But you must dig deeper than that. Online already has so many more powerful measurement capabilities, so [the GRP] is not adding a lot of value in terms of how we track online media.”

Scott Schiller

Executive Vice President of Digital Media Sales

NBCUniversal

“At a high level, the push for a GRP across all media is certainly admirable. But I think that you’re never going to have one metric that addresses awareness, reach and effectiveness.”

The Making ‘Measurement Make Sense’ Initiative

To address the growing cross-channel concerns of brand marketers, some of the largest organizations in the digital advertising industry teamed up to create the “Making Measurement Make Sense” (3Ms) initiative. Under a partnership driven by the Interactive Advertising Bureau (IAB), the Association of National Advertisers (ANA) and the American Association of Advertising Agencies (4As), the group currently seeks to address these five principles of digital measurement:

1. Create a “viewable impressions” standard that counts real exposures online—for example, a validated measure of impressions and ad delivery.
2. Move online advertising to a “viewable impression” metric instead of gross impressions to measure and sell ads more efficiently.
3. Create a transparent classification system for all ad unit sizes.
4. Determine “metrics that matter” for brand marketers to allow brand marketers to evaluate online’s contribution to brand building.
5. Create uniform measurement metrics that can be compared and integrated across digital and traditional media—like the GRP.

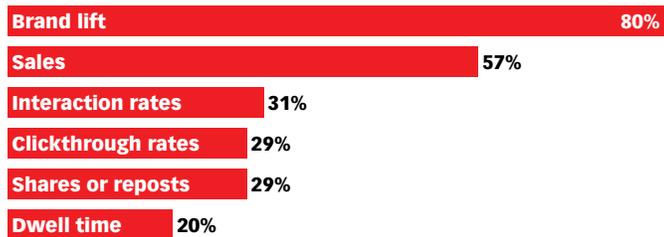
The 3Ms group has already pushed toward the digitization of the GRP across all display ad units and is starting pilot tests to validate viewable impressions and classify ad units. In a February 2012 interview with eMarketer, Sherrill Mane, senior vice president, research, analytics and measurement at the IAB and one of the leaders of the 3Ms team, said the group hopes to bring similar structure to mobile, with efforts expected to start later this year.

Offline Legacy Metrics in the Mix

One of the most basic—and essential—measures of digital branding impact is the traditional brand health survey, used to calculate brand lift. Four in five North American brand marketers used brand lift to measure online branding, according to a December 2011 DIGIDAY/Vizu survey.

Metrics Used by Brand Marketers in North America to Determine Effectiveness of Online Brand Ads, Dec 2011

% of respondents



Source: DIGIDAY, "Online Brand Advertising" commissioned by Vizu, Jan 6, 2012

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Brand health surveys allow marketers to quantify the behavioral impact of their digital ad campaigns on brand measures like purchase consideration and favorability that are nearly impossible to approximate without directly asking consumers their opinions.

For more about the different methodologies and metrics including survey-based, panel-based or server-based measures, please see Appendix: Digital Branding Measurement Methodologies at the end of this report.

These surveys can be deployed directly within a digital ad, on a website or within an online consumer panel. Brand health surveys include a standard set of questions aimed at measuring brand lift in regard to ad recall, brand awareness, message association, purchase consideration and brand favorability.

Many of the current digital brand health survey providers are also panel-based measurement companies, including comScore, Nielsen, Dynamic Logic, InsightExpress and SSI, to name a few.

Do brand health surveys themselves increase purchase intent? Yes, according to one survey. A January 2012 study from loyalty marketing provider Cint found that 62% of consumers worldwide were more likely to purchase from a brand that had surveyed them for their opinion.

Most panel measurement providers incorporate digital measures of ad engagement—and sometimes even actual purchase data—into their analysis to ensure consumers' reported behaviors and actual behaviors tell a similar story. As part of their participation, panelists may also be asked to download tracking software to measure server-based metrics and activity, which allow providers to measure branding effects using traditional and digital metrics.

"It's frustrating when I see brands asking consumers, 'Does this ad make you more likely to buy our product?' That's a question people simply can't answer. Do brands really think consumers are going to go out and buy a car because they liked the ad?" —Ron Sellers, president of Grey Matter Research and Consulting, in an interview with eMarketer, February 16, 2012

For instance, comScore mixes traditional brand health surveys with digital measures to quantify purchase intent more accurately. At the end of a survey, internet users are entered into a simulated shopping experience to calculate what comScore calls a Share of Choice metric.

"Putting consumers into this simulated shopping experience allows us to compare whether people exposed to the ads really do change their behavior when faced with competitive options," said comScore's Hunter. "Share of choice is a metric that's been used in TV for a long time, and it has correlated incredibly well to actual in-store sales for the past 40 years."

comScore then has the ability to align the server-based exposure, or impression data, to these brand lift measures to properly determine the true effects of digital ad exposure on purchase intent.

A Quick Supplement to Brand Surveys: Net Promoter Score

Traditional brand health surveys may take days, weeks or even months before marketers can get an accurate read on their digital branding performance. A Net Promoter Score survey offers marketers a quick read by asking consumers to answer one question using a 10-point scale: "How likely are you to recommend our company to a friend or colleague?"

A higher score indicates higher brand satisfaction. These surveys can be used across all digital channels and formats, and can be aligned to customer satisfaction data commonly obtained in the offline world.

The Net Promoter Score can be a useful way to cut through the complexities of social media measurement, yet Duke University's Fuqua School of Business found just 6.8% of US CMOs were using it to measure their social media efforts in August 2011.

Vizu sees many of its clients using this score to simplify the measurement of branding effects within social media. "We can use that single question on a regular basis to test brand health and allow the brand marketer to see that score moving up and down as external events hit," said Vizu's Smith.

Smith used the BP Gulf of Mexico oil spill as a prime example of when Net Promoter Score would be of value. Daily, BP could watch its score to see what digital advertising, public relations or social media messaging helped to push that score back up among consumers.

Beyond CTR: Meaningful Digital Engagement Measures

Not all brand marketers can work with panel-based measurement providers to identify the right mix of traditional brand health and digital engagement metrics. Often, companies must decide on their own digital measures of branding success.

Display, which includes banners, sponsorships, rich media and video, has long been the largest benefactor of online branding ad dollars. Yet when it comes to measuring branding effects, findings from publisher solutions provider Maxifier showed little favoritism for any one online display advertising metric. Measured increase in brand awareness, conversion rate and cost per conversion or order were all rated the most important, but only slightly higher than metrics like clickthrough rate or brand engagement.

Online Display Ad Metrics Their Clients Would Like to See Reported on* According to UK and US Ad Agencies, Q4 2011

scale 1-12**

	UK	US
Cost per conversion/order	3.4	5.0
Count of new business leads/signups	4.7	5.9
Conversion rate	4.7	5.0
Measured increase in brand awareness	5.1	5.0
Clickthrough rate	5.5	5.8
eCPM	6.2	5.2
Measured brand engagement	6.2	5.7
Effective cost (eCPM, eCPA, eCPC)	6.3	6.6
Total impression delivery	6.7	6.2
On time delivery of impressions	7.3	6.4

Note: *in an end-of-campaign report; **average where 1=most important and 12=least important

Source: Maxifier, "Optimization Research," Feb 14, 2012

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As marketers and industry leaders look to leave behind the clickthrough, many are advocating for the adoption of the viewthrough, which looks to measure not just whether an ad impression was served but whether it was actually viewed by an internet user. Viewthrough rate is a percentage calculated by dividing the number of ad impressions actually viewed by the total number of ad impressions.

The ultimate goal of using viewthrough rate is to more accurately depict viewers' display engagement and give proper credit to display advertising in order to move away from a last-click attribution model. But marketers disagree about multiple factors that make up the measurement, including the minimum number of seconds that should be considered a view and the appropriate conversion window marketers should leave open to measure the number of viewthroughs that resulted in conversions. Timeframes can range anywhere from 30 to 90 days, which could be an appropriate length for a complex sales cycle.

“What hurts the industry is when we call a metric by the same name, but the measurement process differs.” —Roger Wood, vice president of digital media at iCrossing, in an interview with eMarketer, February 23, 2012

Standardizing digital branding metrics like the viewthrough is one of the many items on the to-do list for 3Ms. However, not all marketers are confident in this metric's accuracy in quantifying branding effect for display advertising. Common arguments against the use of the viewthrough center around the inability to verify that a viewable impression resulted in an actual view. Skeptics would seem to prefer a more direct measure of engagement.

Unfortunately, there is no silver bullet for capturing engagement. This point was emphasized in eMarketer's February 2011 eMarketer report, **“7 Trends for Video Advertising Engagement,”** which aptly laid out the complexity of defining engagement for video—which includes everything from time spent with video to interactivity, sharing, commenting and mentions. Couple this diverse definition with digital's other ad formats and channels such as banners, search and social media, and marketers have a laundry list of engagement metrics at their disposal.

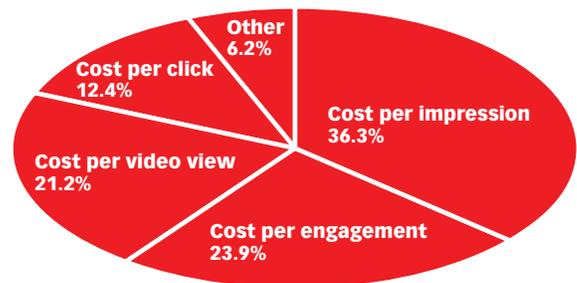
Yet marketers consider engagement—however murky in definition—the proper measure of digital branding effectiveness. DIGIDAY and Adap.tv found 68% of North American advertisers planned to measure their online video advertising objectives this year against brand engagement, up from 18% last year.

Engagement is also a trending mobile ad metric. December 2011 data from digital ad agency ValueClick Media showed 54% of US marketers measured the performance of their mobile ad campaigns by brand engagement.

One telling video ad engagement metric is completion rate. Unlike GRPs or impressions—which only describe the potential for ad exposure—completion rate is a more accurate measure of consumer attention and interest in a brand's message. Of course, completion rate is only a valid indicator of audience attention when video completion is in fact voluntary, which is not always the case for in-stream video ads.

Publishers like YouTube are already embracing this metric as a way for brands to both measure and pay for ad performance. Its TrueView product gives advertisers the ability to purchase video ads on a completion-rate model. According to video ad network BrightRoll, cost per video view was the metric upon which 21.2% of US ad agencies were most likely to base their online video ad spending. A higher percentage preferred to base ad spending on the more general metric of cost per engagement (23.9%).

Metric on Which US Ad Agencies Are Most Likely to Base Their Online Video Ad Spending, Q1 2011
% of respondents



Note: n=113
Source: BrightRoll, "Video Advertising Report, Q1 2011," May 3, 2011
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Moving away from video, share of search and of social media are two additional engagement measures that can be telling of brand awareness, consideration and even purchase intent.

“Search is very much part of the binding connective tissue of digital media, and it is strategically placed in terms of cause and effect,” said Michael McVeigh, senior vice president of strategic services at Zeta Interactive, in a [February 2012 interview with eMarketer](#). “When people want to know more about something or experience something, they search for it. Even if it's a digital video, many people still go to Google search and type in, “Toyota Super Bowl Ad YouTube” to navigate to see that video. On mobile apps, consumers are searching to see if other people liked something, reviewed it or found it useful.”

Marketers like Aaron Magness, vice president of marketing for online eyeglass and sunglass retailer Coastal.com, use branded search share to measure awareness from both online and offline advertising and marketing efforts.

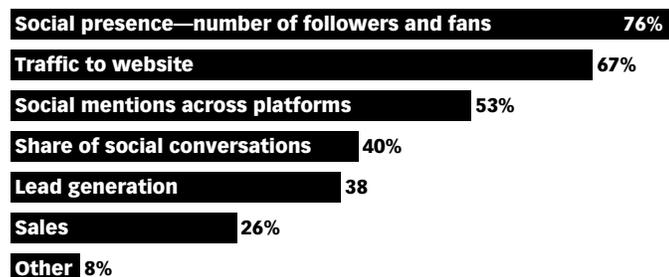
“When you’re on ‘Good Morning America,’ your awareness level jumps, and that’s directly reflected in branded search activity,” said Magness in a February 2012 interview with eMarketer. “The awareness level of Coastal.com is very much reflected in that search activity.”

Marketers should look to capture and analyze branded search activity not just on their own website but across the web to more accurately assess their true digital branding impact. “Not every branded search a consumer conducts results in a website visit,” McVeigh said. “If someone hears about a great new recipe that uses Cheerios, they’re not necessarily going to go to the Cheerios website. They may Google it and end up on a site like Epicurious.com. That activity wouldn’t be measured in someone’s web analytics.”

“Reach and frequency measure how effective your shouting is. Share of voice and social sharing measure how effectively you are engaging.” —Dean McRobie, chief technology officer at annalect, in an AdExchanger.com article, July 20, 2011

The idea of calculating brand share can also be ported over into social media, where share of social conversations can be measured using social media monitoring tools. Awareness Inc. found in December 2011 that 40% of US marketers were using share of social conversations to benchmark their search effects, with general count metrics such as friends and followers a leading metric for 76% of respondents.

Leading Social Media Marketing ROI Metrics According to US Marketers, Dec 2011
% of respondents



Note: n=297
Source: Awareness Inc., “State of Social Media Marketing: Top Areas For Social Marketing Investment and Biggest Social Marketing Challenges in 2012,” Jan 11, 2012

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Because social media is built on the premise of engagement and interaction, its portfolio of engagement metrics is the most robust of any other digital channel or online ad format. This can often lead to confusion on the part of marketers looking to uncover the true value of their social media campaigns.

For a more in-depth look at how marketers are measuring social media, see the December 2011 eMarketer report, “Social Media Measurement: Getting to the Metrics That Matter.”

Two methods for more strategically approaching the selection of social media engagement metrics that marketers appear to be using are mapping corresponding engagement metrics to the stages of the branding funnel and leveraging social media monitoring or sentiment analysis tools.

For instance, Eule said Dynamic Logic currently has a model in place that maps key social media metrics to the phases of the traditional purchase funnel, from awareness to brand favorability and purchase intent. Under this model, Dynamic Logic employs the following mapping for Twitter-based activity:

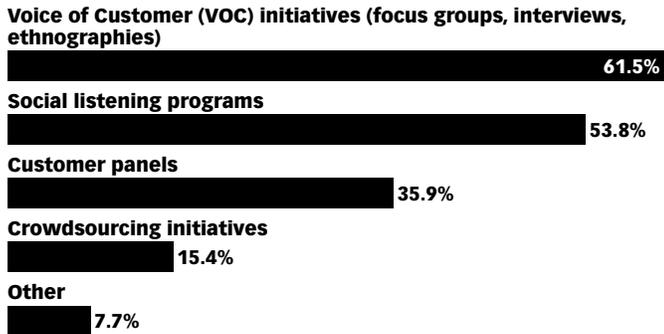
- Brand awareness: Number of brand mentions
- Message association: Number of mentions for specific campaign creative
- Brand favorability: Sentiment analysis (positive, negative or neutral)
- Purchase intent: intensity or frequency with which people are tweeting about the brand

“There is no one universal value for a social media engagement. But if brands can correlate it to the lifecycle of their customer, they can start to better quantify those actions.”—Michael McVeigh, senior vice president of strategic services at Zeta Interactive, in an interview with eMarketer, February 12, 2012

The use of social monitoring or sentiment analysis tools for measuring brand favorability is gaining in popularity. December 2011 data from the Society of Digital Agencies showed 53.8% of brand marketers used a social listening tool.

Initiatives Their Company Has Implemented as Part of Their Marketing Strategy According to Brand Marketers* Worldwide, Dec 2011

% of respondents



Note: *client-side

Source: Society of Digital Agencies (SoDA), "Q1 2012 Digital Marketing Outlook" conducted by Econsultancy, Feb 20, 2012

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Social media monitoring and sentiment analysis are particularly powerful in their ability to go beyond standard "like"-counting metrics to understand exactly what consumers are "liking" and responding to. For example, "liking" a post about kittens does little to show purchase intent compared to "liking" a post with the direct purpose of activating a 15% off coupon.

Though social scraping tools and sentiment analyzers certainly shed insight on brand-related social activity, marketers should not substitute them for traditional brand health surveys. Given the low number of social network users who express their opinions and attitudes toward brands online, sentiment analysis tools often report on a sliver of the US population. For instance, Jack Morton Worldwide found just 23% of US social network users "like" a brand they care about, and fewer (11%) use social networks to voice brand experiences and information.

"Is measuring sentiment important? It's neat, but really reading and understanding what people are saying, that is what is important. We read every Facebook post, tweet and comment in forums. We want to understand what people are really saying, instead of just looking at a dashboard that tells us we have 74% positive sentiment."

—Aaron Magness, vice president of marketing at Coastal.com, in an interview with eMarketer, February 23, 2012

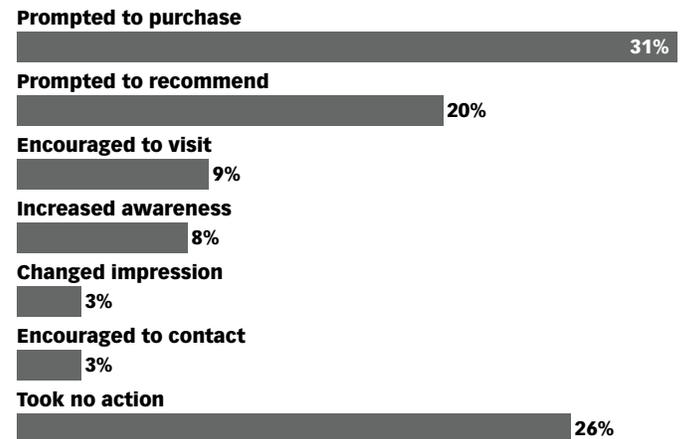
But even as unrepresentative samples of a general target audience, social data can still yield valuable real-time information on potential public relations crises or early sentiment toward initial branding campaigns—for example, a video that goes viral on YouTube.

Sales Metrics

Sales metrics can be excellent indicators—and substantiators—of digital branding purchase intent or consideration. Measuring digital branding performance against sales metrics is certainly warranted: M Booth and Beyond found 74% of US internet users were compelled to complete some type of action after interacting with a brand online. The greatest number, (31%) of US internet users, were prompted to purchase.

Actions that US Internet Users Have Taken After Researching a Brand Online, Aug 2011

% of respondents



Source: M Booth and Beyond, "The Science of Social Sharing," Oct 26, 2011

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One of the methods brand marketers are currently using to tie their offline sales revenues back to their digital branding campaigns is through the incorporation of loyalty data or other purchase data into their data management platforms or customer relationship management systems. And marketers should expect to see more of these capabilities as panel-based measurement firms increasingly partner with sales data providers such as third-party grocery loyalty card databases. These partnerships allow providers to anonymously match behavioral data back to server- or survey-based data to better quantify brand lift for ad-exposed vs. non-exposed consumers.

For example, Dynamic Logic's partnership with SymphonyIRI allowed a large-scale consumer packaged goods (CPG) advertiser to more accurately measure the effectiveness of its digital ad campaign for a new flavor launch.

According to Dynamic Logic's Eule, initial branding campaign analysis showed a boost in sales for the CPG advertiser. However, after deploying a brand health survey tied back to actual purchase data, Dynamic Logic discovered that though sales volume increased, penetration did not. Most of the sales were in fact coming from consumers who were already aware of the brand and interested in trying the new flavor—something that would have been difficult to prove without an actual connection between brand health measures and purchase data.

Brands lacking access to or ownership of customer loyalty or purchase data are using other digital touchpoints, such as coupon downloads and QR code scans, to build a 360-degree view of their branding efforts.

"Already we're seeing traditional retailers trying to graft the digital consumer engagement cycle into their store experience through the use of things like QR codes," said Steve Kazanjian, vice president of global creative at packaging solutions company MWV [in a February 2012 interview with eMarketer](#). "I think the trend toward QR codes foreshadows other things to come, but I don't necessarily think it's where it needs to be yet."

Vizu's Smith agreed with Kazanjian's assessment of QR code maturation. But for now, he said it is one of the few measures of cross-channel brand engagement available to marketers. "[The smartphone] represents an opportunity to start doing digital measurement for TV advertising even before TV becomes more internet-connected," he said.

Conclusions

Learning to effectively measure digital brand advertising takes time and practice. Marketers must break old habits of using single measures of success—be it traditional count metrics such as the GRP or native digital measures such as clickthrough or pageview. Instead, they must look to uncover the right mix of traditional brand health metrics and select digital measures of engagement.

But old habits aren't entirely to blame: The digital ad industry itself is still wrestling with identifying and defining the best digital engagement metrics for brand marketers. Initiatives such as Making Measurement Make Sense hope to offer clearer guidelines and standards, and efforts are under way to address the murkiness surrounding current digital measures of branding success.

Until then, marketers must take care to select the engagement measures that best match their campaign's brand health objectives in each digital ad format or channel. From using share of search as an indicator of brand awareness lift to using social media comments and sentiment analysis to diagnose favorability—and even purchase data to corroborate purchase intent—marketers have a variety of methods and metrics for quantifying brand engagement among digital consumers. But regardless of which digital engagement measures they choose, they must remember the importance of using these metrics in combination with traditional brand lift measures for a full-picture view of digital branding success.

"2012 is not going to be the year of measurement. It is going to be the start of a decade of measurement." —Anne Hunter, vice president of ad effectiveness at comScore, in an interview with eMarketer, February 15, 2012

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Dynamic Logic on the Growing Demand for a 360-Degree View of Digital Branding Success



Michelle Eule

Vice President of Digital Solutions

Dynamic Logic

Interview conducted on February 14, 2012

Designing Product Packaging That Speaks to the Digital Shopper



Steve Kazanjian

Vice President of Global Creative

MWV

Interview conducted on February 15, 2012

Measuring Branding Effectiveness in an Increasingly Complex—and Demanding—Digital Ecosystem



Jackie Lorch

Vice President of Global Knowledge Management

SSI

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Michael McVeigh

Senior Vice President, Strategic Services

Zeta Interactive

Interview conducted on February 21, 2012

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CMO

Vizu

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Yoav Arnstein

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Legolas Media

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comScore

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Executive Vice President of Digital Media Sales

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President

Grey Matter Research and Consulting

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Roger Wood

Vice President, Digital Media

iCrossing

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Appendix: Digital Branding Measurement Methodologies

Server-Based Measurement

Server-based measurement is the most common digital campaign tracking tactic, with web analytics (48%) and email marketing software (47%) the most common types US marketers use to measure online marketing success, according to Ifbyphone.

Standard web analytics or ad-serving solutions such as Google Analytics, Omniture, DoubleClick or Webtrends let advertisers measure any online user activity that occurs across a variety of ad formats including search, social and display. Common server-based metrics that advertisers track include impressions, site visits, ad-serving frequency, clicks, conversions, viewthroughs, pageviews, search queries, shares, forwards and more.

Benefits to using this form of measurement include:

- Access to a robust set of metrics across a variety of online ad formats, including search, social and display.
- Ability to track actual online user behavior to see sites visited, ads clicked and purchases made.
- Capability for competitive benchmarking, especially when evaluating search share or share of voice.
- Possible verification of ad placement, page location and user geography.
- Attribution analysis or predictive modeling to identify cross-channel or multiple influencers might be included for premium web analytics tools.

Marketers that use server-based measurement tools should keep in mind:

- Solutions are largely cookie-based. Cookie deletion could inflate overall traffic numbers and improperly attribute individual user behavior. Also, solutions cannot account for a single user logging on to multiple devices, especially mobile devices, which do not rely on cookies. As a result marketers looking to measure across multiple devices may have to rely on two or more analytics solutions to accomplish this task.
- Though these tools are often used to approximate awareness (e.g., share of branded search, website traffic, etc.) they cannot quantify opinions, preferences or purchase intent.

Survey-Based Measurement

Survey-based measures are typically used in digital to measure brand lift and gather more robust data on consumer attitudes, opinions or sentiments than server-based metrics can provide.

Typical brand health questions include:

- Ad Recall: “Do you recall seeing an ad online for product X in the past 7 days?”
- Brand Awareness: “Have you heard of brand X?”
- Message Association: “Which brand do you most associate with the message X?”
- Purchase Consideration: “Will you purchase brand X in the next month?”
- Brand Favorability: “What is your opinion of brand X?”

Many marketers are using surveys to determine a company’s Net Promoter Score, which is a 10-point scale indication of brand favorability calculated from responses to the question, “How likely are you to recommend our brand to a friend or colleague?” The higher the score, the greater the favorability.

Benefits to using this form of measurement include:

- The ability to measure brand lift for awareness, message recall, consideration, favorability and purchase intent.
- Often a more scientific approach to survey construction and question ordering than a more ad-hoc measurement approach such as social media monitoring.
- A more diverse, random sampling of the online population, depending on the type of survey. For example, river samples, which are often randomly served to site visitors or ad viewers through display ads, are much more akin to the telephone days of random-digit dialing. This is a more representative sample than a survey blast to an email list.
- A greater brand effect. Marketers that employ surveys alongside their digital campaigns aren’t only gaining insight into brand lift. They may also be increasing purchase intent. Marketing survey provider Cint found 62% of consumers worldwide were more likely to purchase from a brand that had asked their opinion in a study.

Marketers that use server-based measurement tools should keep in mind:

- Surveys tap into participant recall, which can be faulty, particularly online, where a user may visit hundreds of sites in a week or month’s time.
- Shorter is better. Additional data from Cint showed that the majority (69.3%) of consumers worldwide said the average survey should be no longer than 10 minutes in length.
- Survey-takers want something in return. Cint also found consumers worldwide said the primary motivations behind taking surveys include financial incentives like money (55%) or free products (34%). Marketers need to consider respondents’ motives and whether they conflict with the ability to give truthful answers.

Panel-Based Measurement

Panel-based methods of online measurement often include aspects of both survey- and server-based methods that allow companies to ask about as well as track web activity across a representative sample of the online population. Providers such as comScore, Nielsen, Dynamic Logic and SSI offer companies access to thousands of online users across a variety of demographics, behaviors and more. Panelists are typically recruited and incentivized to provide the demographic and behavioral information required for companies to identify their key target audiences or representative audiences through these panels. As part of their participation, panelists are also often asked to download tracking software to measure server-based activity.

Benefits to using this form of measurement include:

- The most detailed account of audience demographics and purchase behaviors and the ability to balance the sample population with these demographics
- Ability to administer brand health surveys and collect server-based metrics to build a more comprehensive picture of online branding effect
- The potential for greater insight into purchase data and sales impact, both online and offline. Dynamic Logic’s recent partnership with SymphonyIRI for customer reward and loyalty purchase data is one example.
- Increasing ability to assess cross-channel or cross-platform performance. Companies such as Nielsen—with their TV and online panels—can help advertisers get a better picture of their combined advertising impact on their target audience. comScore and AT&T’s recently announced partnership is designed to take that concept across all three screens: mobile, online and TV. InsightExpress similarly announced plans to measure digital branding effects on tablet users in December 2011.

Marketers that use server-based measurement tools should keep in mind:

- Some providers may bombard panelists with surveys. A 2012 report on the top online panel providers from Grey Matter Research and Consulting found some panelists asked to complete 50 or more surveys a month.
- Panelists may belong to multiple panels—a point both Ron Sellers, president of Grey Matter Research and Consulting and Jackie Lorch, vice president of global knowledge management at SSI, expressed [in February 2012 interviews with eMarketer](#). “In the beginning of the internet, it was a huge novelty to take surveys,” said Lorch. “Now there are so many opportunities to take surveys, and we have to work harder to build our own brand loyalty to make sure people know our panel and trust us.”

Social Media Monitoring

Usage of social media monitoring or sentiment analysis tools is gaining among brand marketers. Yet with the dozens of available tools on the market—ranging from free solutions to enterprise-level tracking tools—what brands have the ability to quantify varies greatly. Most tools measure standard count metrics (e.g., number of tweets, followers, mentions, etc.) or sentiment (e.g., negative posts, positive tweets, etc.). Some tools do both.

These tools do not offer traditional brand health measures, but marketers are increasingly using social media monitoring solutions to approximate such metrics. Count metrics might be used as a proxy for awareness, or sentiment analysis for brand favorability or purchase intent. Though these can be useful diagnostics, they should never supplement brand health metrics, given the often unrepresentative sample social networks such as Twitter comprise.

Benefits to using this form of measurement include:

- Its efficiency at allowing marketers to measure the pulse of the social universe and identify potential public relations crises or trending opinions.
- Its effectiveness at identifying key brand influencers and other brand advocates that can be tapped to raise awareness and brand image.

Marketers that use server-based measurement tools should keep in mind:

- Don't assume social sentiment is reflective of the total population. Case in point: eMarketer estimates just 12% of the total US internet population will be Twitter users by the end of 2012.
- Commit to ongoing measurement. If brands plan to monitor the Twittersphere or any other social network, ongoing measurement is a must for seeing the larger picture. “If you're taking a snapshot on just one day when there might have been a news event, you could get a completely different impression,” said SSI's Lorch.
- To take a human eye to sentiment analysis. Most social scraping tools or sentiment analysis solutions are automated and prone to interpretation error. Like any machine-generated metric, marketers need to take the time to comb through results to ensure they are in fact accurate representations of what is really being said.

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