



Evaluating the Effectiveness of The SUPERSTITIAL™



October 1999

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Dear Colleague,

We know from numerous studies we've conducted that online advertising banners work. In this spirit we're always looking for ways to help online advertisers get more out of each ad placement they make. That's why we were eager to work with Unicast, Hewlett-Packard, macys.com, Universal Pictures, Women.com Networks, CBS SportsLine, and Mplayer.com to test a new online advertising format called The SUPERSTITIAL. What we learned is that SUPERSTITIALS can be extremely effective – they are much more likely to grab a consumer's attention and much more successful than banners at communicating a message about the advertised product or service.

Given the success of this larger and richer experience, we also had to ask if there was a downside to The SUPERSTITIAL. We learned that the idea of an ad format that pops up over the content of a Web page is not well received in concept by consumers. However, consumers' reaction to a concept can often differ from their real-world reaction in the marketplace. What we found was that, in practice, irritation from The SUPERSTITIAL is fairly low. The more relevant the advertising is to the consumer, the more valuable the message and the less irritating. Of course, we have more to learn about online advertising. But we do know that The SUPERSTITIAL represents an opportunity for marketers to take their online marketing communications to a more effective level.

It is my hope that you will find this report useful in generating ideas to test. And with that testing will come greater insight and learning which will enable you to evolve your marketing strategies and tactics to produce better return-on-investment.

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I. Background

Unicast Communications, based in New York City with a west coast office in San Francisco, creates innovative advertising formats for the World Wide Web which are dedicated to increasing the opportunities for leading advertisers and Web sites while enhancing the end-user experience. Unicast supports its products with client- and design-related services to help Web sites, advertisers, and advertising agencies achieve their mutual Web marketing goals. Unicast was founded as a joint venture between The McManus Group (parent company of D'Arcy Masius Benton & Bowles - DMB&B), and BBN (now GTE Internetworking (NYSE: GTE)), and is funded by these companies as well as Grace Capital, Intel Corporation (NASDAQ: INTC), and a number of private investors.

Unicast launched The SUPERSTITIAL™ online advertising format in May 1999. According to Unicast, SUPERSTITIALs are non-banner rich media ads that can be any size (from a postage stamp to full-screen), up to 100K, and can be authored in almost any creative format -- including Macromedia Flash™ -- without requiring user plug-ins. SUPERSTITIALs are pre-loaded as opposed to streaming, and never play until fully loaded to ensure users get the complete advertising message. The result for Web sites and online advertisers is unprecedented creative flexibility without compromising the user experience.

Unicast contracted Millward Brown Interactive, the leader in measurement of online advertising and e-commerce, to conduct a brandimpact study on The SUPERSTITIAL advertising format. We measured advertisements for Universal Pictures (The Mummy) and macys.com on CBS SportsLine, Women.com on Women.com Networks, and Hewlett-Packard on HearMe's Mplayer.com™.

II. Objective

The objective of this study is to evaluate the performance and effectiveness of The SUPERSTITIAL advertising unit as an online advertising format, comparing it with banners and streaming interstitials.

To accomplish this objective, we begin by measuring the ability of each advertising format to affect ad and brand recall and awareness. This is done by comparing the performance of the three formats on key questions targeted to measure these metrics.

Additionally, we specifically analyze the pre-loaded SUPERSTITIAL versus streaming interstitials, comparing the ability of each format to affect user action. Since both formats are highly visible "pop-up" style advertising, the goal is to determine how the differing delivery systems behind these two formats directly affect user interaction and intent to purchase. (Metrics asked only of the respondents in the SUPERSTITIAL and interstitial groups are represented throughout this report with the following symbol (†)).

We also address the key concern of Web site publishers - user acceptance of a large and conspicuous ad format such as The SUPERSTITIAL. We accomplish this objective by closely analyzing key empathy metrics across the three ad formats. We address the aggregate branding and action metrics first, then explore the user acceptance issue.













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III. Measurement Approach

To meet the objective of evaluating the effectiveness of the Unicast SUPERSTITIAL format against other online advertising formats among general Web users, Millward Brown Interactive's nationally representative Voyager Panel was accessed. The study was conducted in a controlled environment between May and August 1999 on the following Web sites: CBS SportsLine (cbs.sportslines.com), Women.com, and HearMe's Mplayer.com. The brands tested were Universal Pictures (The Mummy), macys.com, Women.com, and Hewlett-Packard. A total sample of over 2,000 Voyager Panelists was split into one of four cells across each different ad. The four cells were comprised of the following: control banner, branded banner, Java-based streaming interstitial, and the pre-loaded Unicast SUPERSTITIAL. For each ad tested, it was necessary to randomly assign each respondent to one of four test cells. The control cell allows us to evaluate data for those that have not seen an advertisement for the tested brand in this study; the test cell represents those who saw a banner ad for the tested brand; the interstitial cell represents those who saw the streaming media Java ad; and The SUPERSTITIAL cell represents those who viewed the Unicast SUPERSTITIAL format. The diagram below shows the breakdown of sample size.

Caveat: It is Millward Brown Interactive's perspective that a "real world" test is preferable to a controlled environment where consumers are asked to view a particular Web site. The results may be indicative of what we would find if we had sampled Web site users after exposure to The SUPERSTITIAL ads as is customary in our brandimpact™ methodology. For this study, however, it was impractical to use our "real world" brandimpact methodology.

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	The Mummy	macys.com	Women.com	Hewlett-Packard	Base Size
Control Banner	Random assignment from ad inventory n=143	Random assignment from ad inventory n=100	Random assignment from ad inventory n=99	Random assignment from ad inventory n=133	n=475
Banner	 n=133	 n=103	 n=102	 n=112	n=450
Interstitial	Without sound Not cached  n=127	Without sound Not cached  n=114	Without sound Not cached  n=122	Without sound Not cached  n=110	n=473
SUPERSTITIAL¹	With sound Pre-cached  n=181	With sound Pre-cached  n=167	With sound Pre-cached  n=166	With sound Pre-cached  n=201	n=715
Total	n=584	n=484	n=489	n=556	N=2,113

¹ Ads shown are smaller than they appear. Actual ad dimensions are: The Mummy (555x480 pixels); macys.com (450x393 pixels); Women.com (380x330 pixels); Hewlett-Packard (545x370 pixels).

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IV. Findings

Millward Brown Interactive has measured an extensive number of online advertisements of different formats, shapes, and sizes, leveraging a variety of technologies. Although online advertisers continue their quest to constantly improve the effectiveness of their marketing communications, it can be difficult to estimate which ad formats will perform better than others. This is why quantitative measurement is a must. The following measurements show how The SUPERSTITIAL format compares to the interstitial and banner formats in an aggregate of all four ads tested.

Ad Awareness and Recall

In measuring The SUPERSTITIAL format against streaming interstitials and banner ads, we have found conclusively that advertising recall for those who viewed The SUPERSTITIAL format is much greater than recall of the other ad formats.

- **The advertising awareness of those who viewed The SUPERSTITIAL format was more than twice that of those who viewed the banner advertisements.**

Table: Ad Awareness²

	<u>Percentage</u>
Banner	32%
Interstitial	54%
SUPERSTITIAL	66%

The SUPERSTITIAL is 106% more effective than the banner and 22% more effective than the interstitial at creating ad awareness.

In fact, when prompted with The SUPERSTITIAL ad, 77% of The SUPERSTITIAL group recalled having seen it³.

When compared against a streaming interstitial format, the pre-loaded SUPERSTITIAL scored favorably.

- **93% of those who viewed The SUPERSTITIAL recalled seeing an advertisement play on the site they visited.**

Table: Recall Seeing Pop-up Ad[†]

	<u>Percentage</u>
Interstitial	79%
SUPERSTITIAL	93%

The SUPERSTITIAL is 18% more effective than the interstitial at creating ad recall.

² See Table 3 of the Appendix

³ See Table 2 of the Appendix

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Brand Awareness and Recall

The brands tested are all mainstream brands with significant offline marketing and advertising initiatives; thus, combined brand awareness for each of the tested ads was very high across all four cells; however, The SUPERSTITIAL still outscored all other test cells with an overall brand awareness level of 88%⁴.

Table: Brand Awareness

	<u>Percentage</u>
Control Banner	86%
Banner	84%
Interstitial	84%
SUPERSTITIAL	88%

The SUPERSTITIAL is 5% more effective than both the test banner and the interstitial at creating brand awareness.

- 55% of those who viewed The SUPERSTITIAL say they “couldn’t help but remember” the ad was for the brand tested or “the ad was pretty good” at making them remember it was for the ad tested.

Table: Prompted Likelihood of Recalling Brand (top 2 box score)

	<u>Percentage</u>
Control	34%
Banner	34%
Interstitial	43%
SUPERSTITIAL	55%

The SUPERSTITIAL is 62% more effective than the banner and 28% more effective than the interstitial at creating prompted brand-recall.

Interactivity

Measuring the differences between the interstitial and the SUPERSTITIAL specifically, the SUPERSTITIAL format created greater recall and awareness than the interstitial, and also created a higher level of interactivity among those who viewed it.

Table: Length of Interactivity[†]

<u>Length of Interactivity</u>	<u>Format</u>	<u>Percentage</u>
Did not interact with the ad:	Interstitial	55%
	SUPERSTITIAL	33%
Interacted 1 to 30 seconds:	Interstitial	42%
	SUPERSTITIAL	55%
Interacted more than 30 seconds:	Interstitial	5%
	SUPERSTITIAL	12%

The SUPERSTITIAL is 42% more effective than the interstitial at prompting ad interaction and 140% more effective at producing an interaction longer than 30 seconds.

⁴ See Table 1 of the Appendix

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Two-thirds (67%) of all respondents in The SUPERSTITIAL cell interacted with the ad for some period of time. In fact, 12% of those that viewed The SUPERSTITIAL interacted with it for more than 30 seconds, more than twice as many as the 5% of the interstitial cell respondents who make the same claim⁵.

Intent to Act/Purchase

We also measured how the two “pop-up” ad formats affected the user’s decision to purchase or act based on that ad. The SUPERSTITIAL format once again performed well compared to the interstitial. Nearly one-fourth of all respondents in the SUPERSTITIAL group expressed being more likely to purchase based on the ad they viewed. Also, those who viewed The SUPERSTITIAL were twice as likely to purchase based on the ad than those who viewed the interstitial.

- **The purchase intent for participants who viewed The SUPERSTITIAL was twice as great as it was for those who viewed the interstitial (22% compared to 11%).**

Table: Intent to Act/Purchase^{6†}

	Percentage
Interstitial	11%
SUPERSTITIAL	22%

The SUPERSTITIAL is 100% more effective than the interstitial at prompting intent to act/purchase.

User Acceptance

Across the four brands tested, respondents in each cell were given a list of four adjectives and asked to choose which best described the ad they viewed. Each adjective represents one of four standard “empathy” categories: active positive (“entertaining,” “compelling” or “involving”), active negative (“irritating,” “unpleasant” or “disturbing”), passive positive (“nice,” “soothing” or “mellow”) and passive negative (“boring,” “ordinary” or “weak”)⁷.

As the aggregate-results table and the corresponding bar graphs below illustrate, The SUPERSTITIAL is not only perceived as a more active and, therefore, more engaging advertising format, but users in fact rank SUPERSTITIALS with a positive adjective *more frequently* than both banners and interstitials:

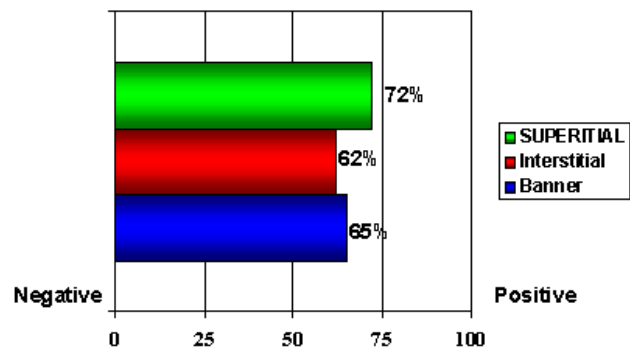
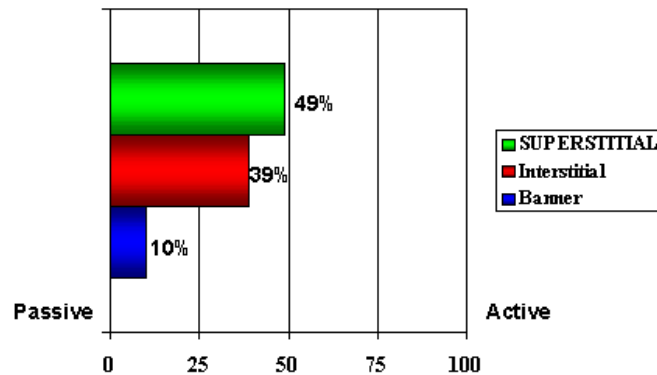
	SUPERSTITIAL	Interstitial	Banner
Average Active	49%	39%	10%
Average Passive	51%	61%	90%
	<i>= 100%</i>	<i>= 100%</i>	<i>= 100%</i>
Average Positive	72%	62%	65%
Average Negative	28%	38%	35%
	<i>= 100%</i>	<i>= 100%</i>	<i>= 100%</i>

⁵ See Table 6 of the Appendix

⁶ See Table 4 of the Appendix

⁷ See Table 9 of the Appendix

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In all, nearly 50% of respondents used active adjectives to describe The SUPERSTITIAL, and almost three-quarters (72%) of respondents used positive adjectives to describe the ad format.

Comparing the aggregate statistics, The SUPERSTITIAL is found to be:

- 26% more “active” and 16% more “positive” than the interstitial format
- 390% more “active” and 11% more “positive” than the banner format

Thus, the statistics show SUPERSTITIALS on the whole are perceived more positively and received more actively than the other formats in the study. At the same time, a comparison of the raw empathy statistics shows that The SUPERSTITIAL format – while described as “entertaining,” “compelling,” or “involving” far more frequently than banners and interstitials – also is perceived as “irritating,” “unpleasant” and “disturbing” by a higher percentage of respondents than the other formats (10% compared to 9% for the interstitial and 10% compared to 5% for the banner).

	SUPERSTITIAL	Interstitial	Banner
Active-Positive	39%	30%	5%
Active-Negative	10%	9%	5%

Yet, to look at the raw active-negative percentages and conclude that users overall are less accepting of The SUPERSTITIAL format would be getting less than the whole picture.

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On the contrary, analysis shows that:

- Compared with banner ads, The SUPERSTITIAL format effects a 34 percentage-point increase (39% vs. 5%) in total users describing the ads as “entertaining,” “compelling” or “involving,” while causing only a five percentage-point increase (10% verses 5%) in total users describing the ad as “irritating,” “disturbing” or “unpleasant.”
- Compared with streaming interstitials, The SUPERSTITIAL effects a nine percentage-point increase in total users producing an active-positive response (39% verses 30%), while causing a one percentage-point increase in active-negative responses (10% vs. 9%).

Next we explore how these active empathy statistics relate to one another to derive true “user acceptance” information. In a ratio comparing the percentage of active-positive adjectives chosen to active-negative adjectives chosen within each cell, The SUPERSTITIAL format actually proves to be described with an active negative adjective *less* frequently than the other formats:

ACTIVE METRICS	SUPERSTITIAL	Interstitial	Banner
Positive-to-Negative Response Ratio	4.1 to 1	3.3 to 1	1 to 1

The table above shows that,

- *For every one viewer who used an active negative adjective (“irritating,” “unpleasant” or “disturbing”) to describe The SUPERSTITIAL ad, more than four viewers used an active positive adjective (“entertaining,” “compelling,” or “involving”) to describe that same ad.*
- *Interestingly, for every one respondent describing the banner in the active negative, only one person described that ad in the active positive.*

V. Conclusions

Our analysis indicates that Web users see SUPERSTITIALs as far more actively engaging than banners. They are more than four times as likely to describe SUPERSTITIALs with active attributes (entertaining, compelling, etc). While banners can be and often are effective, they are fairly passive communicators of a brand message. SUPERSTITIALs, on the other hand, are active communicators, capable of delivering much more compelling messages, and thus resulting in more effective returns for the advertiser.

As already shown,

- Ad awareness for those exposed to The SUPERSTITIAL is 22% higher than it is for those who viewed the interstitial and 106% higher for those that viewed the banner ad⁸.
- Brand recall for The SUPERSTITIAL group is 28% higher than for the interstitial group and 62% higher than for those who viewed the banner⁹.
- More than two-thirds of The SUPERSTITIAL group interacted with the ad (*42% more respondents than the interstitial*), and 12% of these users interacted with The SUPERSTITIAL for over 30 seconds (*140% more respondents than the interstitial*).

⁸ See Table 3 of the Appendix

⁹ See Table 2 of the Appendix

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- Intent to purchase¹⁰ doubled when comparing The SUPERSTITIAL format results to the interstitial group.
- Thirty-nine percent of The SUPERSTITIAL group felt “entertained,” “compelled” and “involved” with The SUPERSTITIAL ad – nearly *eight times* the active-positive response rate of the banner group and 30% greater than the active-positive response rate of the interstitial group.

Is it acceptable for an advertising format to create a negative impact on a relatively small percentage of users to produce a much more positive impact on a greater number of users? And, what is the acceptable return on a slight increase in irritation versus greater noticeability and effectiveness of an ad? Based on the findings of this study, The SUPERSTITIAL format presents a very reasonable balance between these concerns.

Although SUPERSTITIALs elicit an actively negative response on a higher percentage of users than traditional banners (10% compared to 5%) and a negligible percentage more users than streaming interstitials (10% compared to 9%), The SUPERSTITIAL format produces a much higher increase in users feeling entertained, compelled and involved with the ad. Furthermore, The SUPERSTITIAL continually produces significantly greater recall and awareness than both banners and interstitials, as well as greater interactivity and intent to purchase results than interstitials.

As evidenced by the numbers, with compelling creative execution, consumers are more entertained and they respond. The more relevant the advertising content, and the more entertaining and engaging the creative, the more the advertisement is embraced by consumers. The SUPERSTITIAL format allows this level of targeted creativity while keeping the negative impact on the end user to a minimum.

The results of this study suggest a very healthy user acceptance level for The SUPERSTITIAL format and make a strong case for the format’s ability to generate positive returns for Web sites and advertisers. We believe that Web publishers would be well served to implement The SUPERSTITIAL format on their sites.

For Web publishers who may still be concerned about levels of user acceptance of The SUPERSTITIAL, based upon our findings, it is the belief of Millward Brown Interactive that a program for implementation which begins with using SUPERSTITIALs to cross-promote relevant Web site content and that evolves to use the format for non-Web site content advertising is a prudent approach. Through this approach, we believe SUPERSTITIALs will be embraced by Web users and become a productive and powerful tool for both publisher and advertiser.

¹⁰ See Table 4 of the Appendix

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VI. Appendix

Aggregate Findings:

Table 1:
Aided Brand Recall

Question Text: Which of the following *category/brand* have you heard of? (*Percentage represents those that recognized the tested brand*)

	<u>Percentage</u>
Control Banner	86%
Banner	84%
Interstitial	84%
SUPERSTITIAL	88%

Table 2:
Prompted Likelihood of Recalling Brand (top 2 box score)

Question Text: There are some ads that people remember but never know what they are for. Which of these phrases applies to this ad? (*Percentage represents those said they “couldn’t help but remember the ad was for the tested brand” or “the ad was pretty good at making them remember it was for the tested brand”*)

	<u>Percentage</u>
Control	34%
Banner	34%
Interstitial	43%
SUPERSTITIAL	55%

Table 3:
Ad Awareness

Question Text: Which of the following *category/brand* have you seen advertised on the Web recently? (*Percentage represents those that recognized the tested brand*)

	<u>Percentage</u>
Control Banner	27%
Banner	32%
Interstitial	54%
SUPERSTITIAL	66%

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Table 4:
Intent to Act/Purchase†

Question Text: What was your intent to act/purchase based on the ad?

	<u>Percentage</u>
More likely to purchase:	
Interstitial	11%
SUPERSTITIAL	22%
Ad did not influence intent purchase:	
Interstitial	86%
SUPERSTITIAL	76%
Less likely to purchase	
Interstitial	3%
SUPERSTITIAL	2%

Table 5:
Length of Interactivity†

Question Text: How long did you interact with the ad?

<u>Length of Interactivity</u>	<u>Percentage</u>
Did not interact with the ad:	
Interstitial	55%
SUPERSTITIAL	33%
Interacted 1 to 30 seconds:	
Interstitial	42%
SUPERSTITIAL	55%
Interacted more than 30 seconds:	
Interstitial	5%
SUPERSTITIAL	12%

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**Table 6:
Prompted Ad Awareness**

Question Text: Have you seen the following ad¹¹? *(Percentage that said Yes)*

	<u>Percentage</u>
SUPERSTITIAL	77%

**Table 7:
Recall Seeing Pop-up Ad†**

Question Text: While you were browsing around the *site* did you see an ad pop up on the screen?
(Percentage that said Yes)

	<u>Percentage</u>
Interstitial	79%
SUPERSTITIAL	93%

**Table 8:
Watched the Entire Ad†**

Question Text: Did you watch the entire ad? *(Percentage that said Yes)*

	<u>Percentage</u>
Interstitial	27%
SUPERSTITIAL	34%

¹¹ Because all respondents were shown the SUPERSTITIAL style ad in the questionnaire, only data from the SUPERSTITIAL cell is represented.

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Table 9:
Empathy Metric

Question Text: Below are three lists of words that might apply to the advertisement shown above. In each case I would like you to pick one word from each list that you think most applies to the ad.

Active Positive (Entertaining, Compelling, Involving)	
Banner	5%
Interstitial	30%
SUPERSTITIAL	39%
Active Negative (Irritating, Unpleasant, Disturbing)	
Banner	5%
Interstitial	9%
SUPERSTITIAL	10%
Passive Positive (Nice, Soothing, Mellow)	
Banner	60%
Interstitial	31%
SUPERSTITIAL	33%
Passive Negative (Boring, Ordinary, Weak)	
Banner	31%
Interstitial	28%
SUPERSTITIAL	19%

† To gauge the impact that pop-up style ads have on Web users, this question was only asked of those that viewed either the interstitial or SUPERSTITIAL style ad format.