Accurately Measure the Offline Impact of Your Online Advertising Campaigns

Nielsen NetEffect

As consumers spend more time online, brand and CPG marketers know that traditional media placement alone doesn't cut it when targeting their core audiences. Shifting dollars to include online advertising is a critical component of any successful media plan.

Consumer packaged goods (CPG) manufacturers have historically lagged behind other advertisers in fully integrating online into their media mix—due to both limited online sales and the lack of concrete evidence demonstrating the ROI of online marketing tactics.

To bridge the gap between online ad expenditures and offline purchasing activity, Nielsen developed Nielsen NetEffect—a powerful measurement tool combined with custom analysis that leverages Nielsen’s insights in online audiences and advertising with its unrivaled ability to measure offline consumer purchase behavior.

Nielsen NetEffect identifies households exposed to online ad campaigns and compares their offline purchasing behavior with those who were not exposed to the campaign.

Proprietary measurement tools deliver unrivaled measurement of online activity and offline sales impact.

Nielsen NetEffect Online and Offline Measurement

- Nielsen NetEffect Leverages Online and Homescan Panel Data
- Nielsen Monitors PC & Internet Activity
- Panelist Exposed to Online Ad Campaign
- Nielsen NetEffect Links Online Ad Exposure to Offline CPG Purchases

Nielsen Homescan® Monitors Store Shopping Habits

Panelist Purchases Advertised Product
Nielsen NetEffect: Reliably Track and Measure the True Offline Impact and ROI of Your Online Marketing Campaigns

Research Methodology:
How We Do It

Through the combination of Nielsen's SiteCensus data and metered online panel, and Nielsen's Homescan panel tools, Nielsen NetEffect measures and analyzes the impact of online marketing campaigns on consumer purchasing behaviors:

1. Identify and Measure Exposed Households
   Through collaboration with the advertiser or its agency, Nielsen's proprietary Nielsen SiteCensus tracking code is embedded into an online ad campaign. This enables the profiling of the audience exposed to the online ad campaign and the measurement of actual offline purchase activity among online exposed households.

2. Evaluate Offline Sales
   We measure the impact on sales by identifying exposed households that are also reporting offline purchase activity via Nielsen's Homescan panel.

3. Measure ROI
   We provide custom analysis that measures your entire ad campaign across all sites, including:
   - Offline sales impact
   - Incremental sales generated by the campaign
   - Underlying drivers of sales
   - Buying occasion and purchase size
   - Brand halo effects

Measuring Offline Sales Impact and Incremental Sales

<table>
<thead>
<tr>
<th>“Short-Term” Incremental Sales</th>
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</thead>
<tbody>
<tr>
<td>How many were exposed?</td>
</tr>
<tr>
<td>Percent of Panel Reached</td>
</tr>
<tr>
<td>8.8% × 72,000,000 = 6,336,000 hhlds</td>
</tr>
</tbody>
</table>

per household incremental $ = incremental dollars per household attributable to online advertising campaign

Sample data for illustrative purposes

Did exposed households purchase more of the advertised and total brand?

<table>
<thead>
<tr>
<th>Unexposed</th>
<th>Exposed</th>
</tr>
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<tbody>
<tr>
<td>$0.33*</td>
<td>$0.45*</td>
</tr>
<tr>
<td>Advertised Brand</td>
<td>Total Brand</td>
</tr>
<tr>
<td>$1.10*</td>
<td>$1.36*</td>
</tr>
</tbody>
</table>

Difference: +$0.12 +$0.27
Percent Difference: +37% +24%
Significance Level: 98% *** 99% ***

Sample data for illustrative purposes

For more information, contact your Account Manager, e-mail us at sales.us@nielsen.com, or visit www.nielsen.com

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