





We have talked about impressions, net contacts, reach, Frequency, GRP's... and now what happens when we plan our online advertising?



# The logic is still the same, but online we have something else to consider...



## **IMPRESSIONS**



#### We find «impressions» also on the web

Internet impressions represent people potentially exposed to our ad or sponsored link on a web page.





## Web impressions

We count an impression when a web page is uploaded by a browser

- Nobody can assure us that there is a person and not a bot
- Nobody can say if the message is really seen by that person



# When do we consider an ad seen?



# Ad Viewability





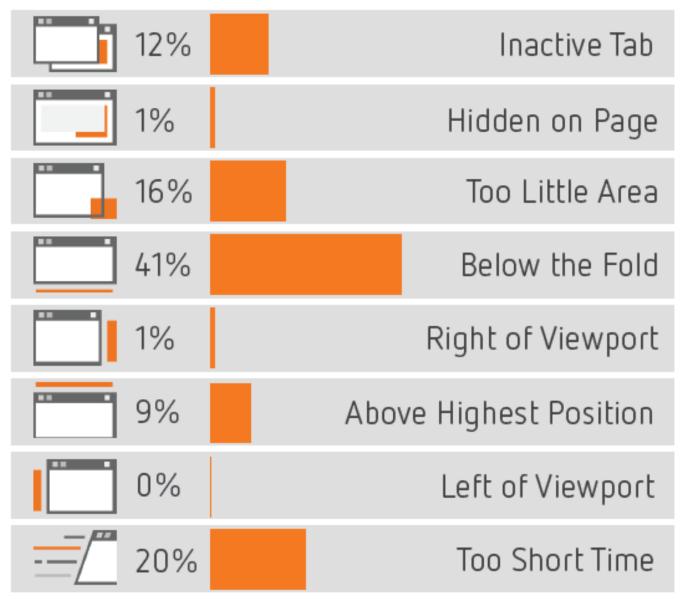
## Viewability

The Internet Advertising Bureau (IAB), defines a «viewable» impression for display ads as the one that is visible for at least 50% of pixels and at least 1 second

- For desktop video the standard is to be 50% visible for at least 2 second
- For Large Display: 30% of the pixels for at least 1second.



## Reasons for Non-Viewability (Display)





## **VISITOR**



#### What is a visitor?

# Terminology: Visitors and Visitor Sessions



#### **Visitors**

VISITORS refer to the total number of internet users who arrive at a website, some of whom may have visited the site more than once.

UNIQUE VISITORS (or UNIQUE AUDIENCE) are who visit the web site counting each person (device) only once during the reporting period.

 Visitors behaviour on a site varies: some stay only very briefly, while others may navigate around the site examining its content, so it's important to consider the «TIME PER PERSON»



# Avilable data depends on the media research



#### In Italy we have Audiweb.it





## You can download some data by subscribing (for free)

#### **Total Digital Audience AGOSTO 2023 - DATI SITO & MOBILE APP**

Base dati Total Digital Audience: individui 2+ da Computer; individui 18-74 anni da Mobile (Smartphone e Tablet)

Fonte: Audicom - sistema Audiweb powered by Nielsen

DATI GIORNO MEDIO (browser + App)	TOTAL DIGITAL AUDIENCE 2+ anni	COMPUTER 2+ anni	MOBILE 18-74 anni
Utenti unici giorno medio (.000)	35.983	8.681	34.117
Pop. di riferimento giorno medio (%)	61,4	14,8	79,6
Tempo per persona giorno medio (hh:mm:ss)	2:33:46	1:01:09	2:26:38
DATI MESE (browser + App)	TOTAL DIGITAL AUDIENCE 2+ anni	COMPUTER 2+ anni	MOBILE 18-74 anni
Utenti unici mese (.000)	43.263	25.253	39.287
Pop. di riferimento mese (%)	73,9	43,1	91,7
Tempo per persona mese (hh:mm:ss)	66:04:49	10:51:42	65:47:10



#### In Italy Audiweb gives these data:

- Unique audience UNIQUE VISITORS (net contacts)
- Total digital audience VISITORS (gross impressions)
- Total page view
- Time per person



# Some data regarding daily audience

Total Digital Aud	dience AGOSTO	2023 - DATI SITO & MOBILE APP	Total	Time				
The	dience: Individul 2+ da Computer; Individul 18-74 anni da Mobile (Smartphone e Table a Audiweb powered by Nielsen			page views	spent			
media seller	The publisher	The media vehicle	T.D.A. GIORN		per day	T.D.A. MESE		
Custom Property		Brand	UTENTI UNICI	PAGINE VISTE (.000)	TEMPO SPESO PER PERSONA (mm:ss)	UTENTI UNICI	PAGINE VISTE (.000)	TEMPO SPESO PER PERSONA (mm:ss)
	Fater	Pampers.it	73.668	88	01:49	667.719	2.713	06:13
ANSA			1.066,365	2.512	02:04	12.411.899	77.866	05:30
		ANSA	1.066.365	2.512	02:04	12.411.899	77.866	05:30
ATHESIA MEDIA	ATHESIA Group		260.369	809	04:48	1.655.908	25.092	23:24
		Alto Adige	32.278	84	01:50	539.772	2.600	03:25
		Giornale Trentino	14.711	23	01:24	278.868	726	02:17
		L'Adige	Unique	149	01:59	929.739	4.615	04:20
		Second-hand.it		29	03:21	28,503	914	11:35
		SportNews.bz		47	02:04	155.988	1.444	08:42
		Stol.it		260	06:53	393.812	8.060	52:17
		SuedTirol News	er day	171	05:36	240.051	5.299	38:26
		Telmi.lt	358	1	00:37	7.199	16	00:58
		trauer,bz	12,196	46	01:55	89.632	1.418	08:03
Claopeople Advertising			1.268.793	3,375	03:34	18.837.415	104.616	07;27
	Ciaopeople	Cookist	147.590	343	03:23	4.485.558	10.623	03:27
		Fanpage	997.995	2.768	03:34	17.743.841	85.799	06:14
		Geopop	36.364	68	04:17	1.124.188	2.100	04:18
	T	Kodami	50.512	98	03:22	1,563.825	3.047	03:22
		Lexplain	110	0	01:54	3,405	3	01:54
		Ohga	57.195	96	02:20	1.728.516	2.962	02:24



# But the distinctive feature of internet is interactivity



# **CLICKS and CTR**



#### Click: a measure of interest

A **click on an advertisement** takes the user to a page on the website (landing page), and the user becomes a **VISITOR**.

CTR (clicks-through-rate) = is the ratio between

$$\frac{\text{CTR} = \frac{\text{CLICKS}}{\text{IMPRESSIONS}} \quad X \, 100$$

It's a measure of our ad's ability to provoke interest



#### CTR: an example

My ad got 1.000.000 impressions and 5.000 clicks

What's the CTR?





# CTR: an example

My ad got 1.000.000 impressions and 5.000 clicks

Click-Through-Rate= 5.000 / 1.000.000 x 100 = 0,5%



## What's the CTR?

My ad got 100.000 impressions and 1.000 clicks

What's the CTR?





# CTR: an example

My ad got 100.000 impressions and 1.000 clicks

Click-Through-Rate= 1.000 / 100.000 = 0,01 x 100 = 1%



#### **ENGAGEMENT RATE**

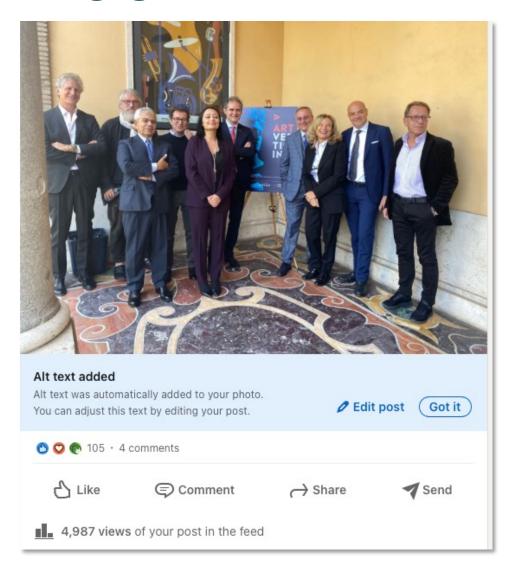


#### **Engagement rate**

**Engagement rate** = is the ratio between



#### Engagement rate: an example



My post got **4.987 views** (impressions) with **105 likes** + **4 comments**.

Engagement rate= (105 + 4) / 4.987 x 100 2,18%



#### What's the Engagement Rate?

My post got 10.000 views, 20 comments and 80 likes

What's the Engagement Rate?







#### Engagement rate: an example

My post got 10.000 views, 20 comments and 80 likes

Engagement Rate = 20 + 80 = 100 / 10.000 = 0,01 x 100 = 1%

Brand Management & Media Planning





#### **CONVERSION RATE**



#### Conversion rate: measure of success

**Conversion rate** = is the ratio between

Conversion Rate = 
$$\frac{\text{ACTIONS}}{\text{VISITORS}}$$
 X 100

(NO. OF CLICKS)



#### What's the Conversion Rate?

My ad got 1.000.000 impressions, 100.000 clicks and 100 products sold

What's the Conversion Rate?





#### Engagement rate: an example

My ad got 1.000.000 impressions, 100.000 clicks and 100 products sold

CTR = 100.000 / 1.000.000 = 0,1 x 100 = 10%

Conversion Rate =  $100 / 100.000 = 0,001 \times 100 = 0,1\%$ 



#### Conversion rate: an example

My ad got 5.000 clicks (visitors on my website) and 500 bought a

product

What's the Conversion Rate?





### Conversion rate: an example

My ad got 5.000 clicks (visitors on my website) and 500 bought a product

Conversion Rate= 500 / 5.000 x 100 = 10%



# REMEMBER! Any «rate» is expressed in %



# How do we buy media online?



### Internet pricing models





### How do we buy internet advertising

### CPM

-cost per thousand impressions

### ■ CPC o PPC

-Cost per Click (o Pay Per Click)

### CPA

-Cost per acquisition

### CPV

Cost per view (video)



# CPM: an example

I buy 1.000.000 impressions with a CPM of 5€

Total cost= 1.000.000 / 1.000 x 5€ = 5.000€



# CPC: an example

I buy 1.000 clicks with a CPC of 8€

Total cost= 1.000 x 8€ = 8.000€



### What's the Cost of my media plan?

I want to buy 200.000 impressions for my digital advertising

campaign, that I pay 8 euro at CPM





### **CPM**: an example

I want to buy 200.000 impressions for my digital advertising campaign, that I pay 8 euro at CPM

**200.000 impressions / 1.000** = 200 thousand impressions

200 thousand impressions x 8€ CPM = 1.600 euro



### What's the Cost of my media plan?

I want to buy 200.000 clicks for my Google Search campaign, that I pay 2 euro at CPC



# CPC: an example

I want to buy 200.000 clicks for my Google Search campaign, that I pay 2 euro at CPC

200.000 clicks x 2€ CPC = 400.000 euro

#### CPM

CPM stands for cost per thousand Impressions (the M is the Roman numeral abbreviation for 1,000.) CPM is one of the most common ways of buying digital media. You essentially pay for every time your ad loads on a page or in an app. It's a simple way to buy, but is coming under increasing scrutiny because the client is charged for the impression whether or not a consumer actually sees it. If, for example, the ad appears below the browser window and the user never scrolls down, the advertiser still pays.

#### CPC

CPC stands for cost per click advertising. Here the advertiser pays when a click is made on an ad. Some advertisers prefer to buy CPC versus CPM because they believe they only pay when someone is interested enough in the message to want more info. Some CPC programs are very effective, but there is a potential for fraud if a company deliberately uses bots or some other technique to drive clicks not initiated by a real person.

#### CPL

CPL is short for cost per lead, meaning that the advertiser pays when a lead form is completed and submitted. CPL is common in B2B marketing, where it is unlikely that someone will make a purchase immediately. It can be a very effective way to buy, though there is some risk of fraud if bots are programmed to fill in leads automatically.

#### CPA or CPS

Cost per acquisition or cost per sale. Here the advertiser pays only if a purchase is made. This is relatively low-risk way to buy media because the advertiser only pays when revenue is driven. But many media companies won't sell media this way because they must assume all of the risk in the ad buy. If no one buys, they make no money.

#### CPI

In mobile app marketing, CPI refers to media programs where the advertiser pays for every installed app. Lots of app marketing is purchased CPI, because it is a fast way to drive installs. But the quality of installs driven varies by media vendor. Some CPI vendors are extremely reputable, and work hard to find users that will likely use an app. Others use incentives like giving a user free "gold" for a game in exchange for their downloading an app. These "incentivized installs" tend to be of low quality. In addition, there are also very disreputable companies that drive installs with bots.



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