

IAG | Research



New Ad Formats to Engage TV Viewers by IAG Research







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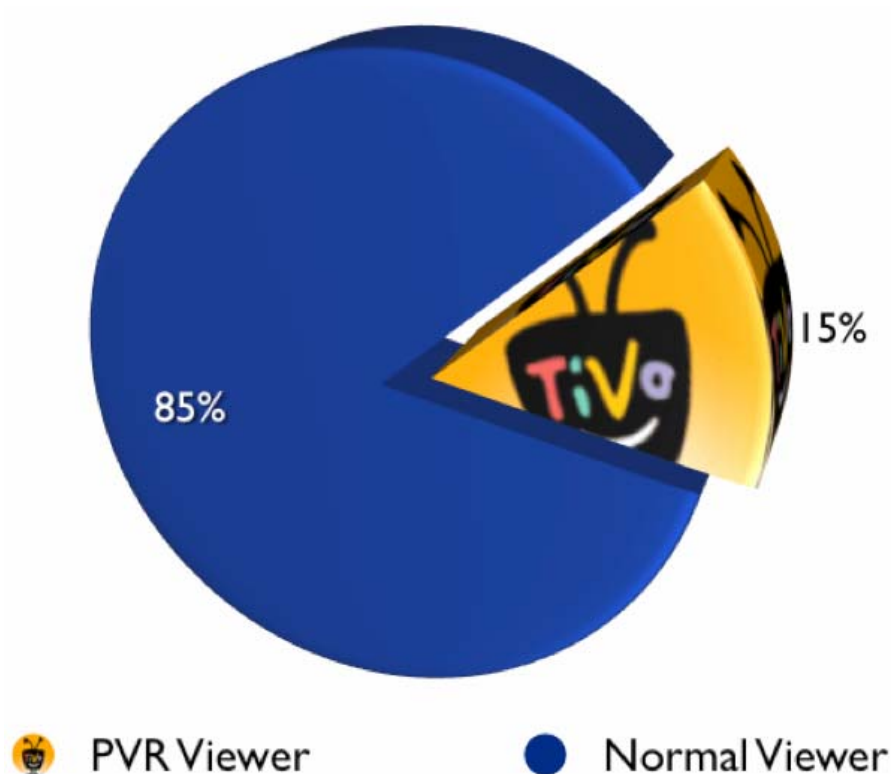


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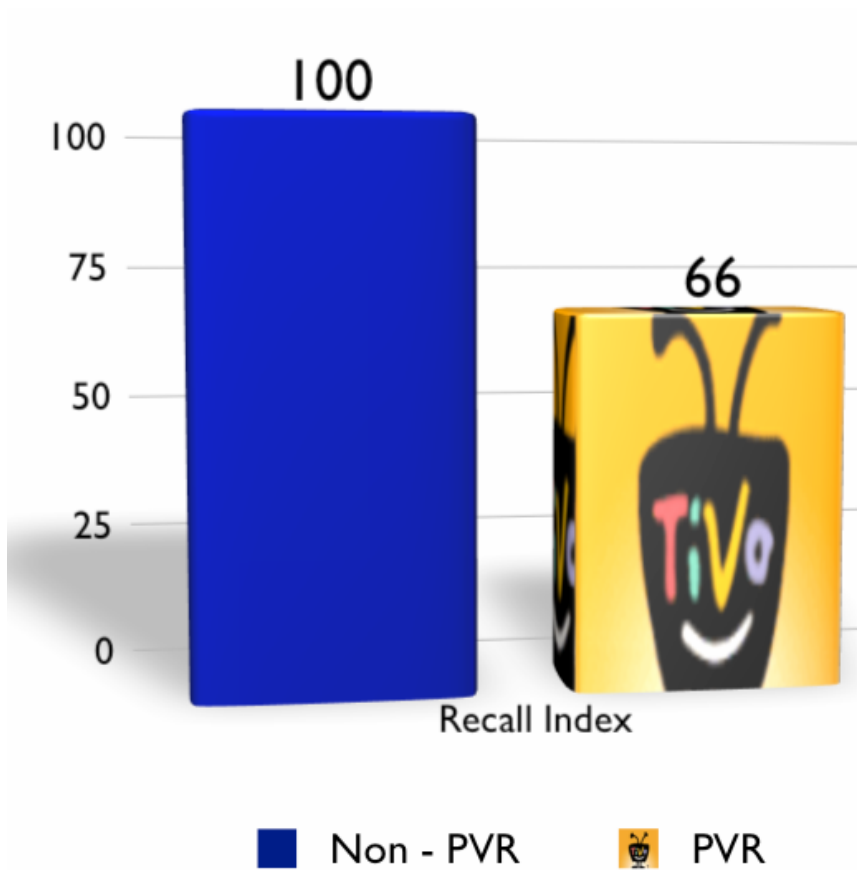
TV viewing is changing ...

- Approximately 15% of Primetime programming is being viewed with a PVR and growing.



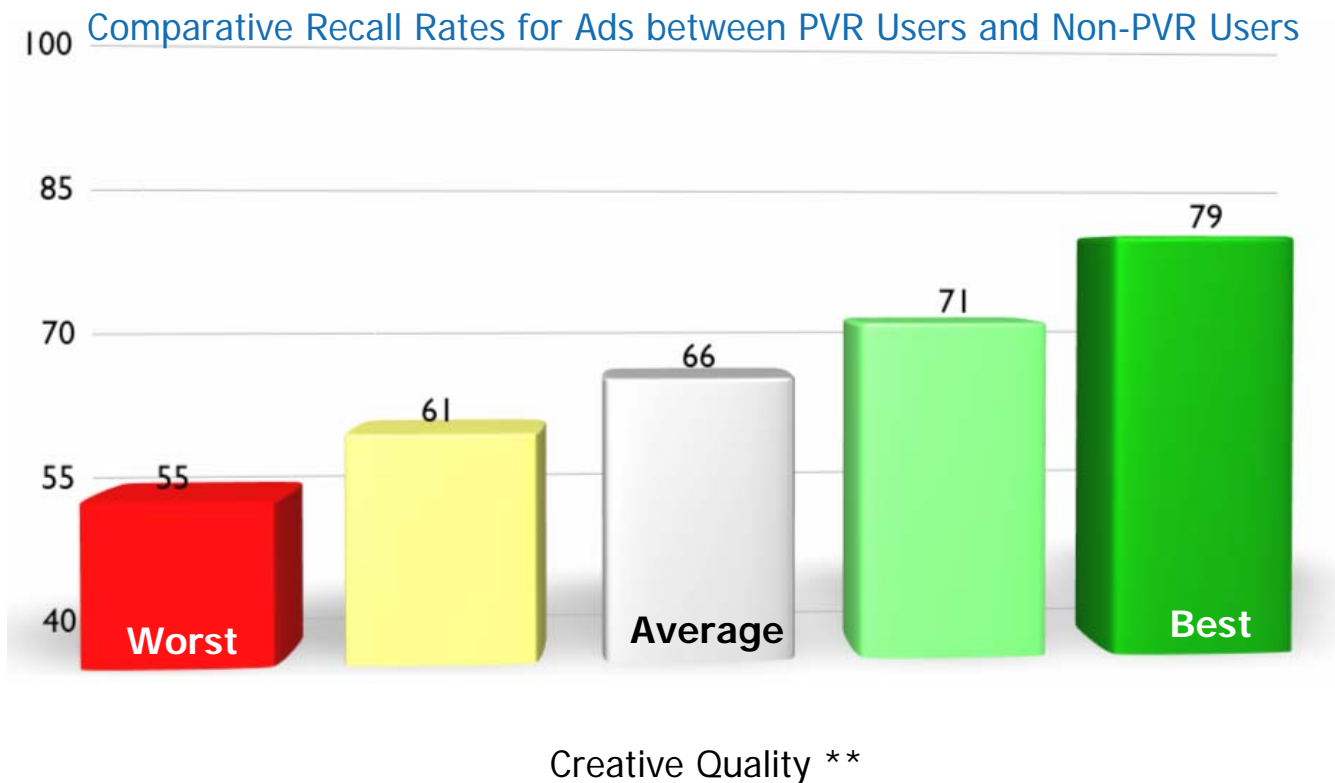


Ad recall is 1/3 lower when programs are viewed via PVR



As with live viewing, the strength of the creative is a key variable to break-through.

- The better the quality of the ad, the less PVR usage negatively impacts recall rates.



** Creative quality was calculated by quintiling the initial rates of recall for all ads

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In response to this changing dynamic, advertisers are moving beyond traditional commercial executions to get noticed...

As advertisers and networks seek new ways to break through to TV viewers, they are moving:

- beyond traditional ads
- beyond traditional branded integrations
- beyond standard commercial pod formats



IAG Methodology



1. Program airs



2. Ad airs within program



3. Audience watches within 24 hours



4. IAG Measures day-after recall of the ad



Live Viewing



Recorded and Viewed within 24 hours



IAG TV Advertising Measurement

1. Standard Ads

- Traditional commercial messages

2. In-Program Placements (IPP) Branded entertainment that occurs during the Program



Rozerem In-Program Placement Sopranos



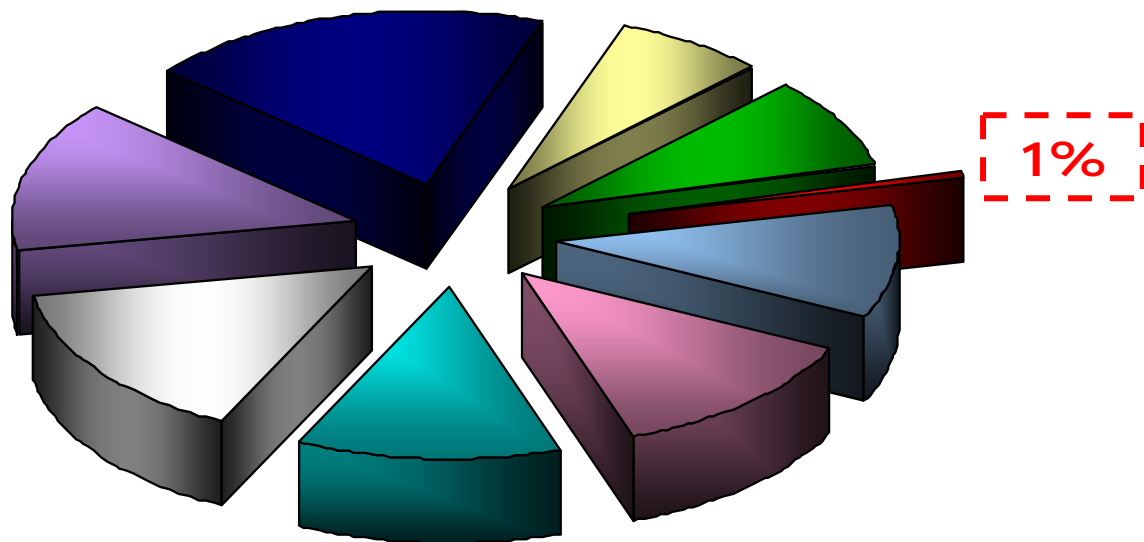
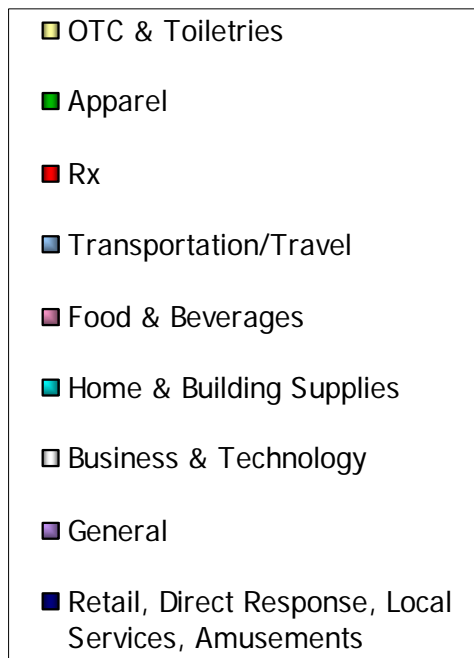


Humira In-Program Placement Hey Paula **Bravo** WATCH WHAT HAPPENS



DTC is currently not leveraging this opportunity on TV ...

% Brands with In-Program Placements by Category





IAG TV Advertising Measurement

1. Standard Ads

- Traditional commercial messages

2. In-Program Placements (IPP) Branded entertainment that occurs during the Program

3. New Ad Formats

- Branded entertainment that occurs during the **Commercial Pod**



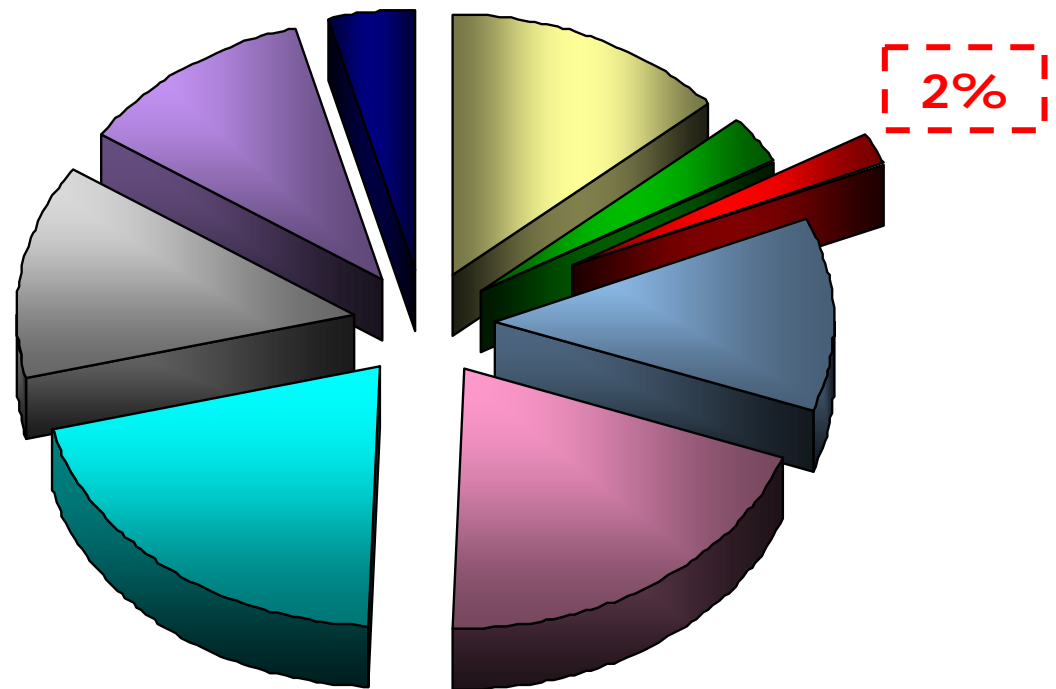
New ad formats, including...



DTC has yet to leverage this new medium of promotion on TV as well ...

% Brands with Hybrids by Category

- OTC & Toiletries
- Apparel
- Rx
- Transportation & Travel
- Business & Technology
- Food & Beverages
- Home & Building Supplies
- General
- Retail, Direct Response, Local Services, Amusements





Key Factors Behind Success

- **Relevancy Matters:**
 - Perform best when airing in programs endemic to the brand
 - Make it long enough to be entertaining
 - But, keep the brand presence strong throughout
- **Ad Adjacency is Important:**
 - Benefits performance of the Hybrid and the Ad
- **Frequency of Exposure is Key:**
 - Enhance Recall
 - Build an on-going relationship between a brand and program over multiple episodes



Toyota Yaris

Content Wrap in Smallville (The CW)

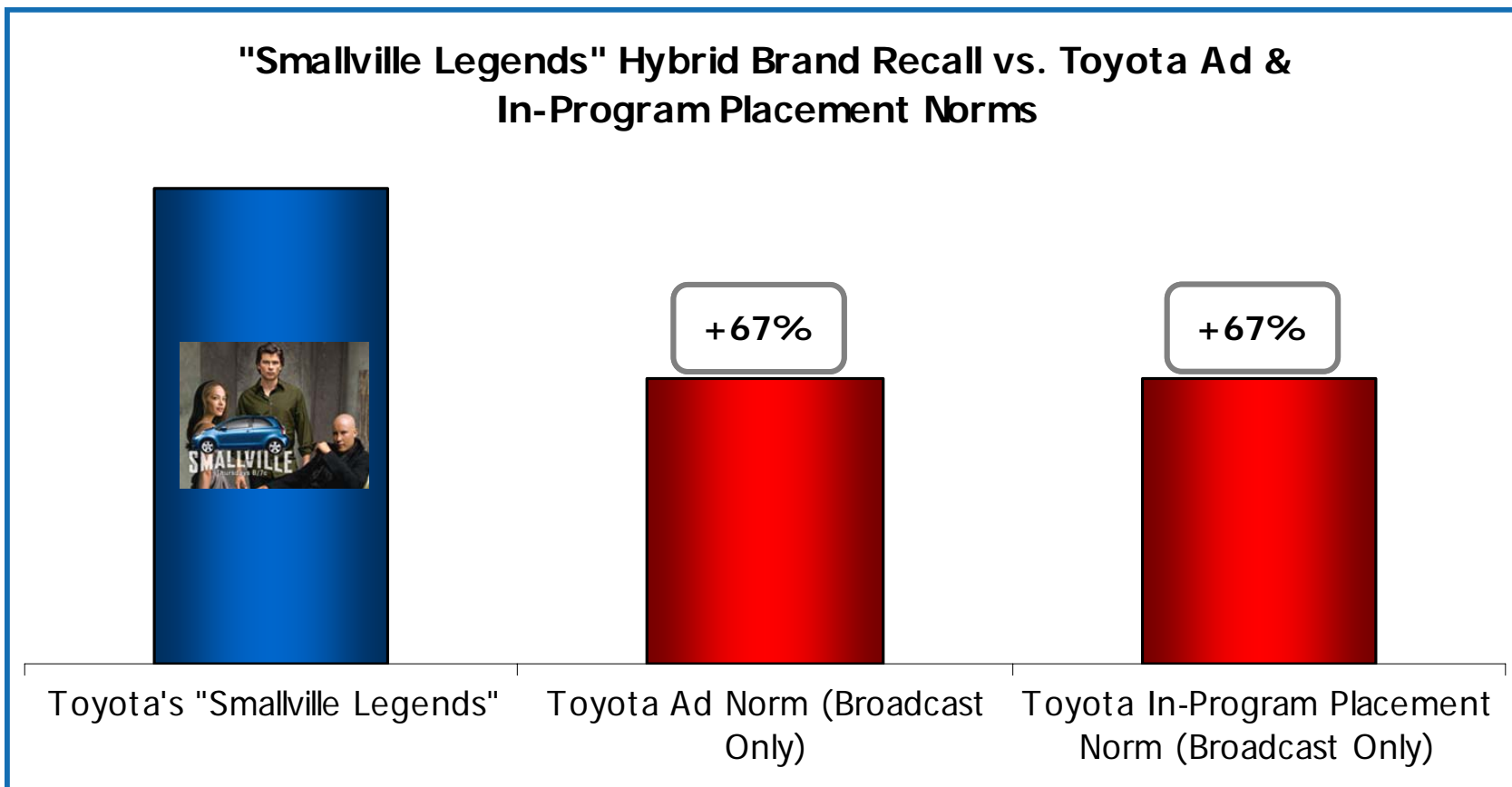




Toyota's Yaris hybrid on The CW achieved higher Brand Recall than the average Toyota ad and traditional product placement



"Smallville Legends" Hybrid Brand Recall vs. Toyota Ad & In-Program Placement Norms



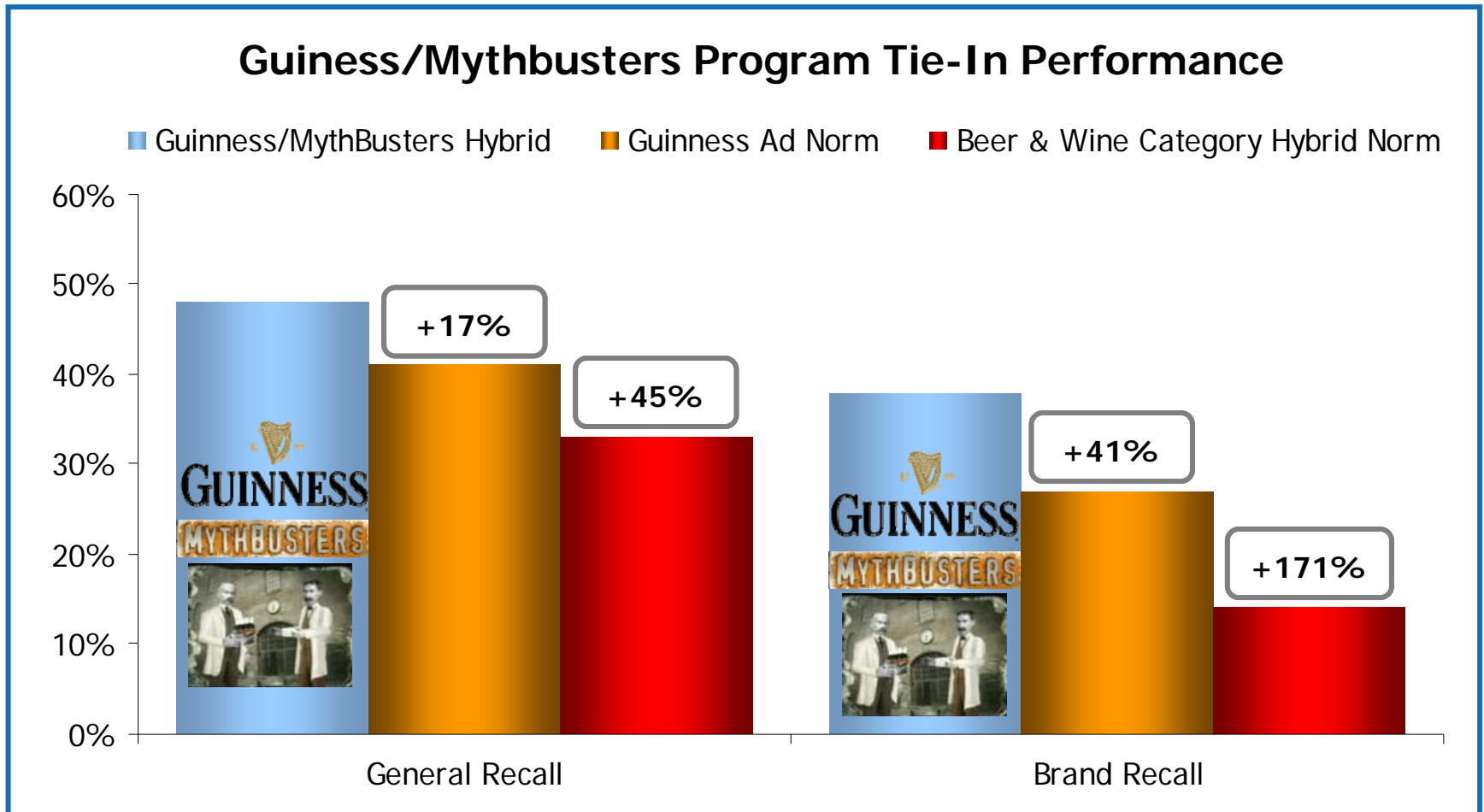


Guinness

Program Tie-In on Mythbusters (DSC)



Guinness program-tie in with “MythBusters” achieved higher recall than traditional Guinness ads





Innovations with the Commercial Pod

J&J “Identity Challenge” (NBC)



- ❖ On 5 consecutive days in the NBC Game Show ‘Identity’ challenged viewers to play the “Identity Challenge” for a chance to win \$10,000.
- ❖ Aired in the first 4 commercial pods of each show.
- ❖ Airing in the first pod urged viewers to *“stay tuned to the commercials throughout the beginning of the show”* to learn the answers to the “Identity Challenge” questions.



Innovations with the Commercial Pod

J&J Pod-buster on "Identity Challenge" (NBC)



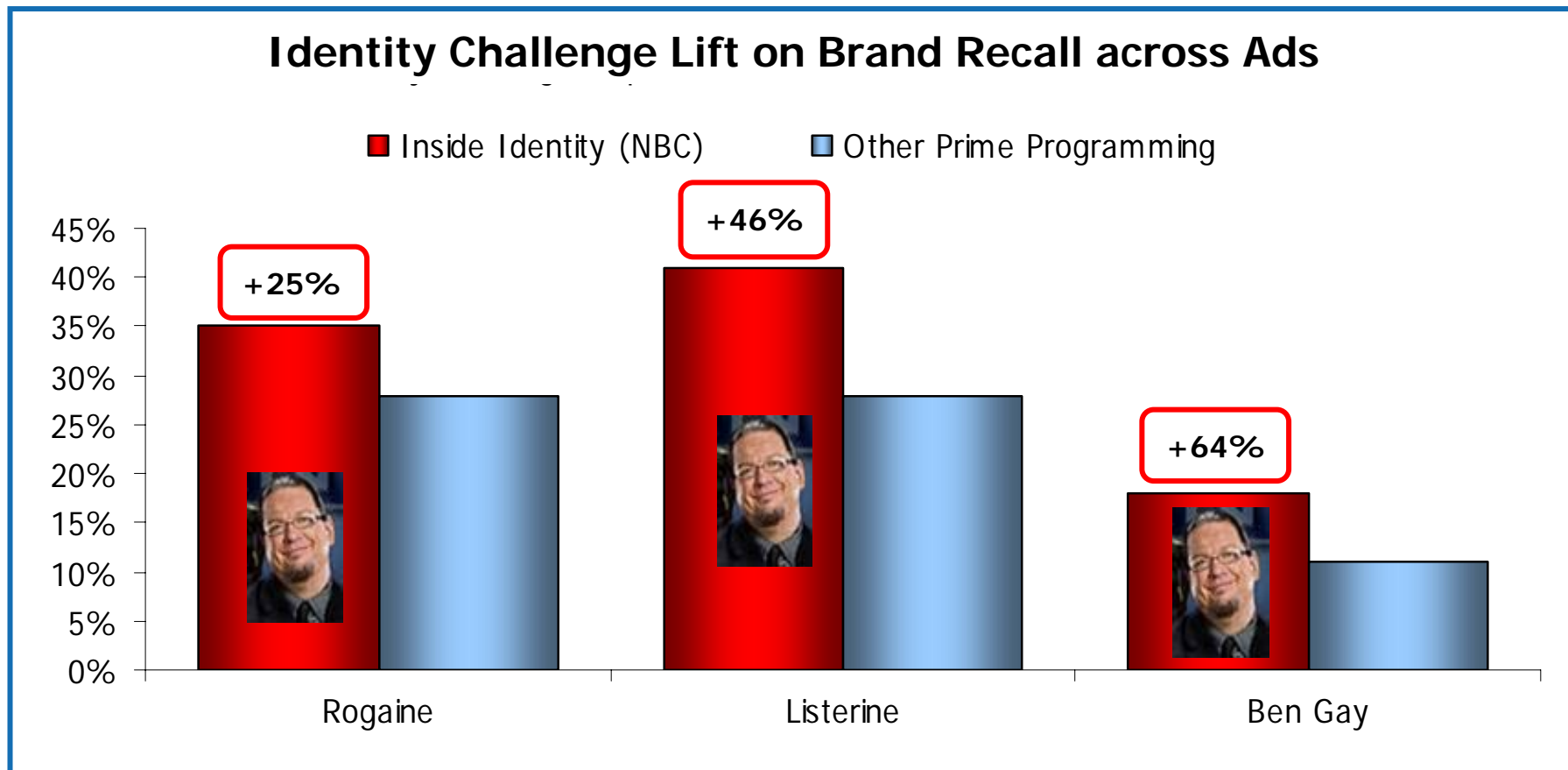


The answer to the “Identity Challenge” was revealed in the Listerine ad in the last position of the first pod.









All of J&J's ads achieved higher Brand Recall in Identity vs. performance in other programming



Top DTC Hybrid Ad Executions

| Brand | Program | Network | Description | Brand Recall Index |
|---|---|---|--------------------------------------|--------------------|
|  |  |  WE KNOW DRAMA™ | Case in Progress | 163 |
|  |  |  | Money Watch Update | 142 |
| Cialis | PGA Golf | CBS | The Back Nine with Hank Haney | 138 |
| Lipitor | 60 Minutes | CBS | CBS Sports Update; James Brown in NY | 113 |
| Chantix | 60 Minutes | CBS | CBS Sports Update; James Brown in NY | 108 |

Lunesta

Program Tie-In Sponsorship "Case in Progress" (TNT)



Every Wednesday during January 2007



Last position of the 2nd commercial pod



3-hours back-to-back program airing

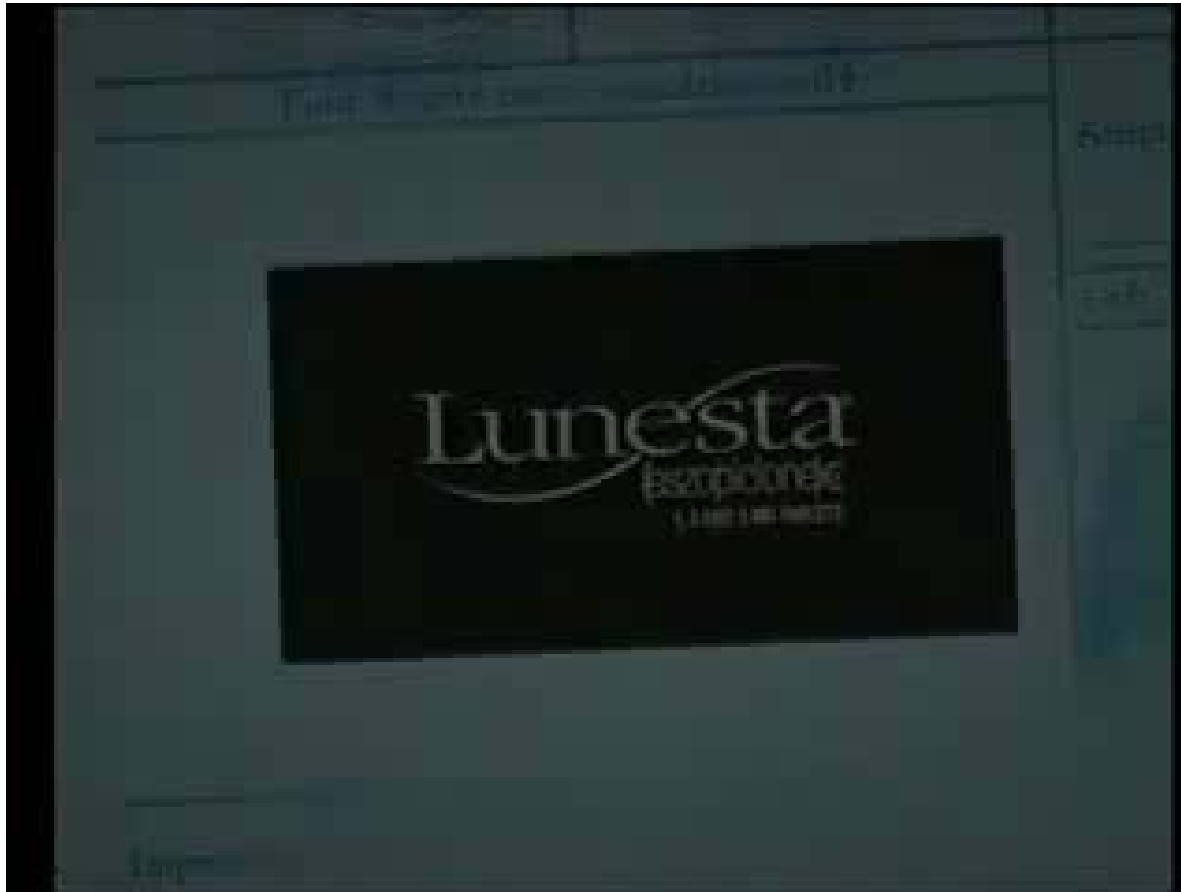


Adjacent Lunesta ad airing with each occurrence



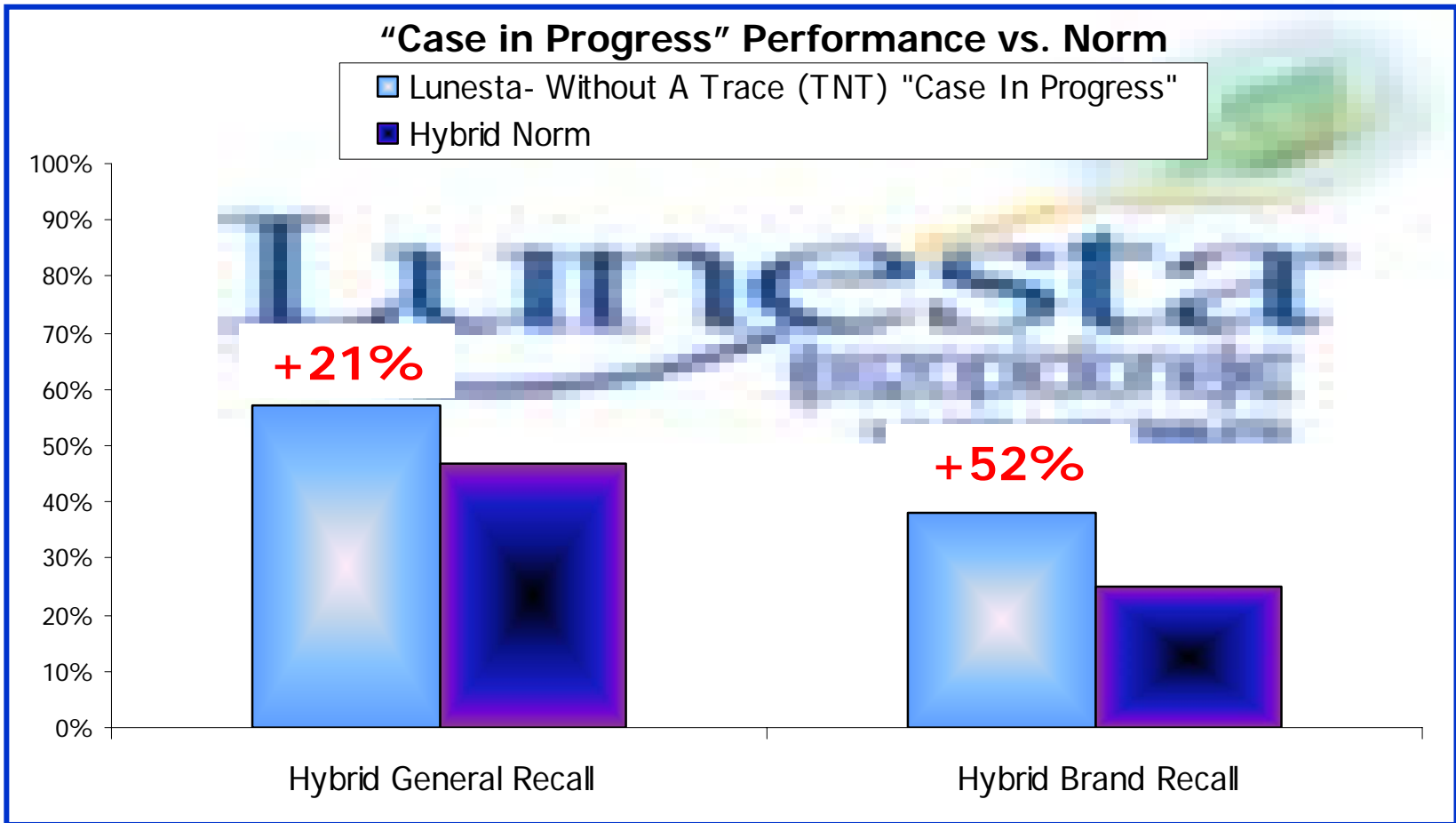
Lunesta

"Case In Progress" on Without a Trace





Lunesta's "Case In Progress" continuous program tie-in outperformed IAG norms in recall and brand recognition





FLOMAX[®]
TAMSULOSIN HCl CAPSULES 0.4 MG



60 Minutes "Money Watch" Program Tie-In

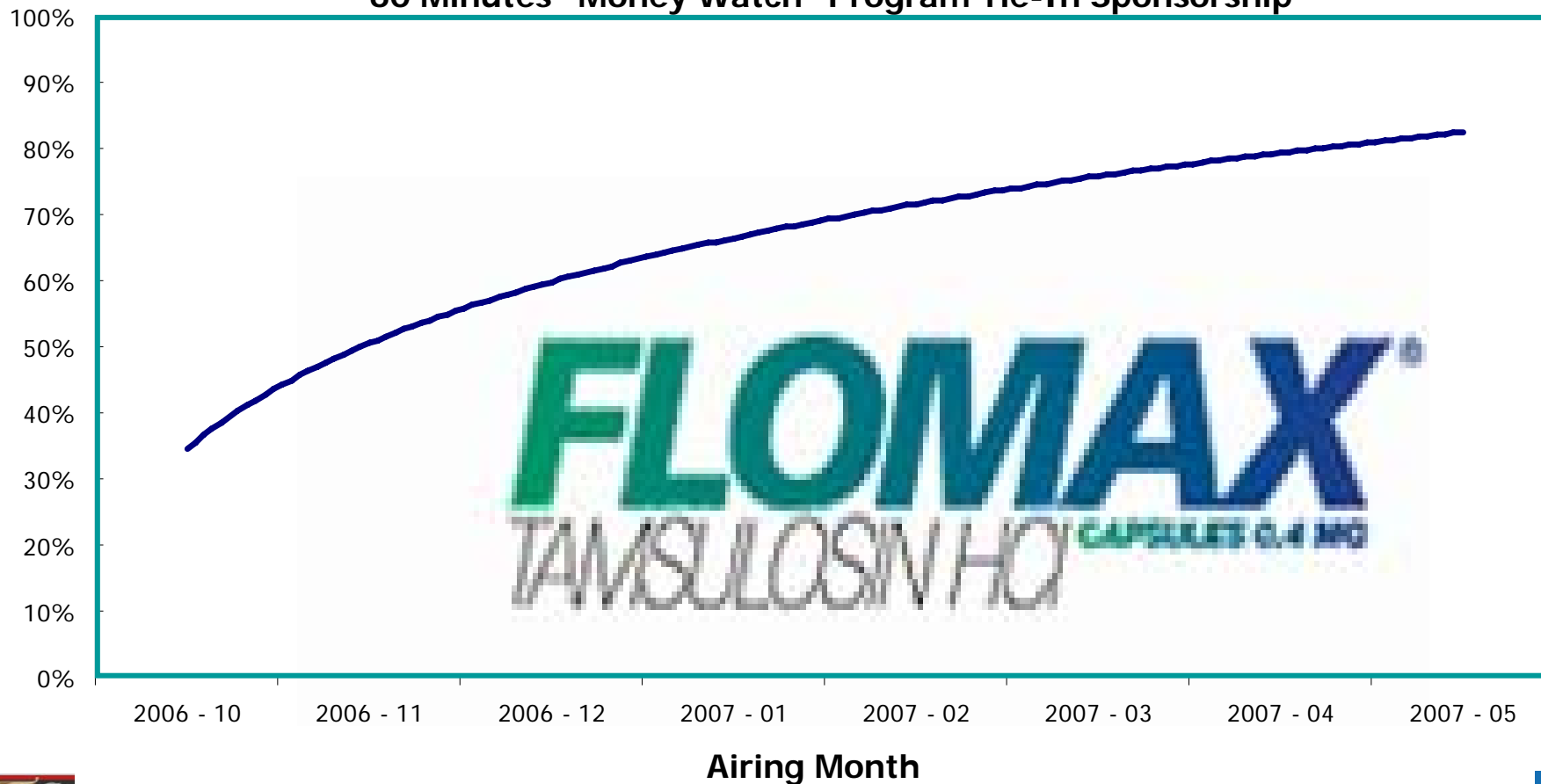




The increased branding that resulted over time supports the value of long-term association with a particular content piece

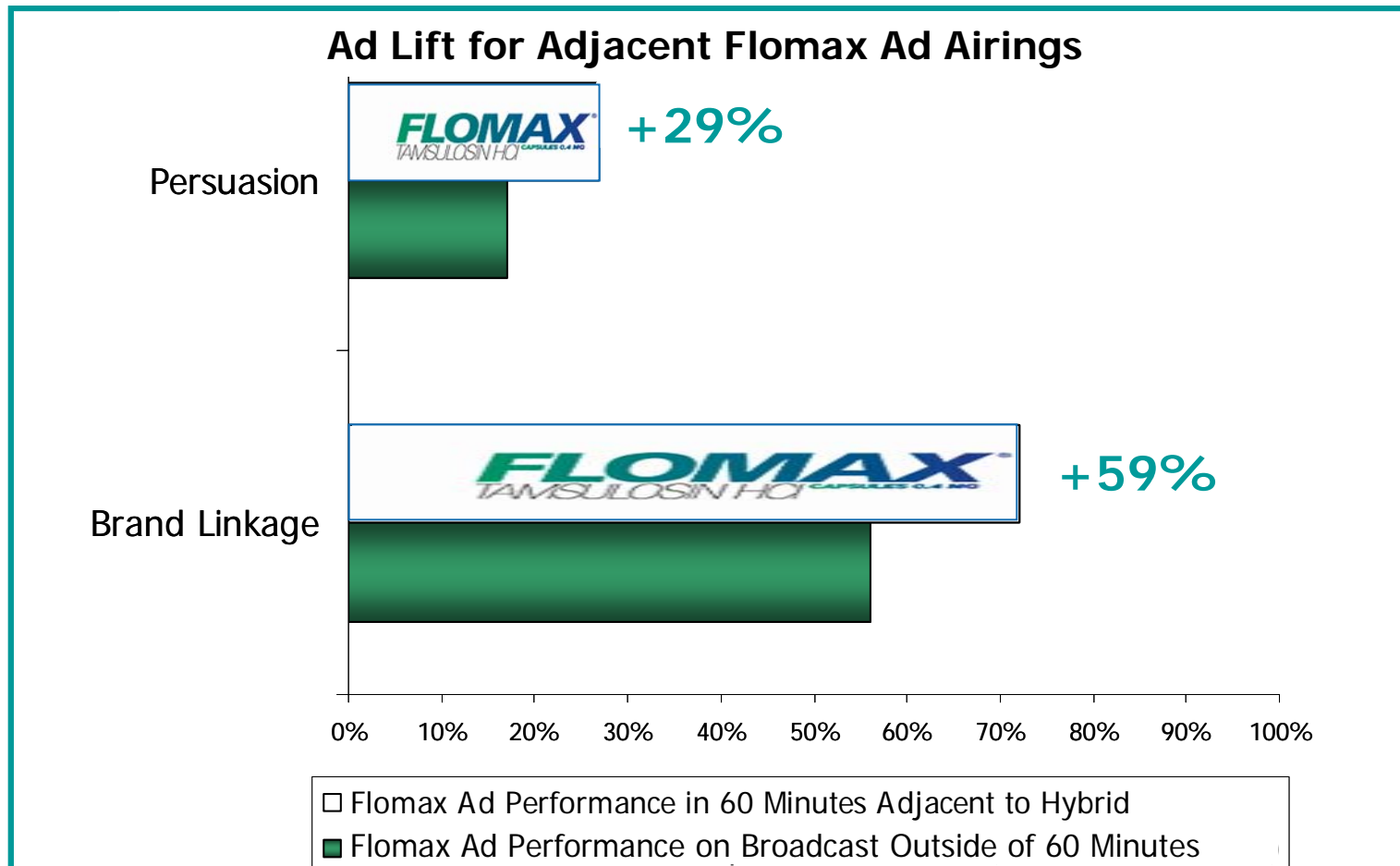
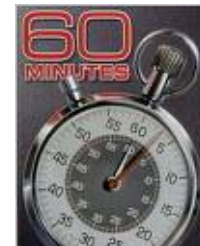


Flomax Build in Brand Recognition
60 Minutes "Money Watch" Program Tie-In Sponsorship









The continuous Flomax integration on 60 Minutes provided a significant lift in branding and persuasion of adjacent Flomax ad airings



Lunesta

Limited Commercial Load Sponsorship Law & Order CI



-  March 27th, 2007
-  Lunesta only advertiser
-  Lunesta had 2 commercial units + NBC promos
-  35-40 ads air in an average episode (national and local)



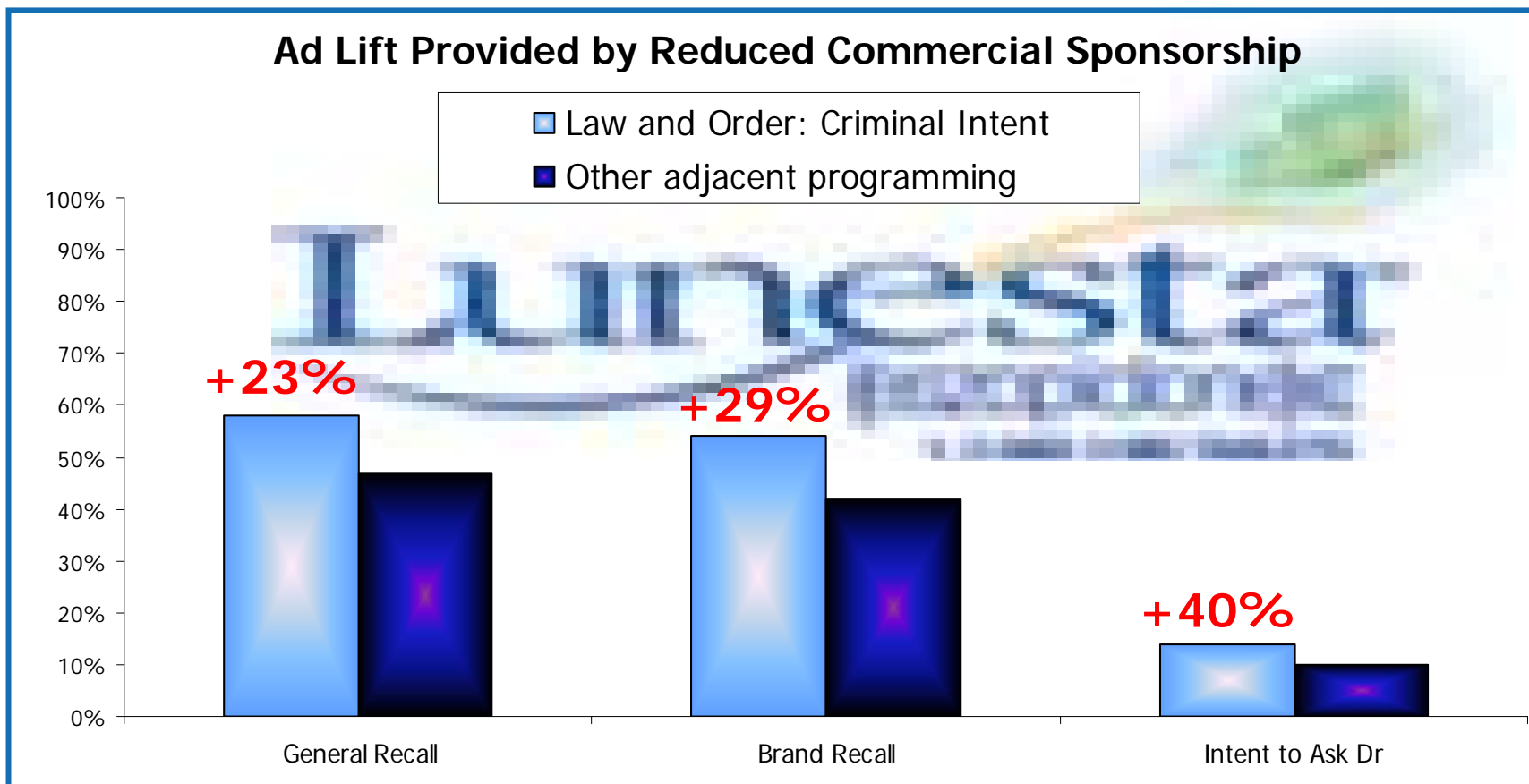
Lunesta

Commercial-Free Sole Sponsorship Law & Order CI





The sole sponsorship of Law & Order: CI gave a significant lift in ad recall and persuasion



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Thank you!

Please Visit us @ our Booth to Learn More

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