



Social Media Trends and Consumer Behavior

And What They Mean to Retailers



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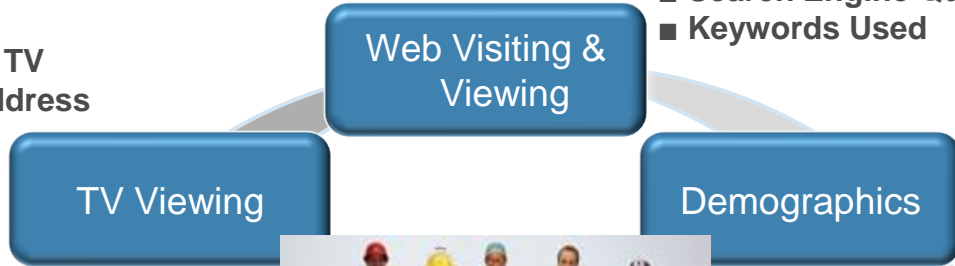
comScore Customer Knowledge Platform: A 360° View of 2 Million Global Internet Users



Certified for privacy and security

- Link to Digital Set Top TV Data using name and address

- All Web Site/Page Click Stream
- Content Viewed
- Search Engine Queries
- Keywords Used



- Self-reported & Validated
- Appended Segments (Claritas, Acxiom)
- Individual & Household Level

- All Secure Session Activity
- Purchases & Subscriptions
- Price Paid, Shipping & Handling, Promotions
- Applications & Configurations

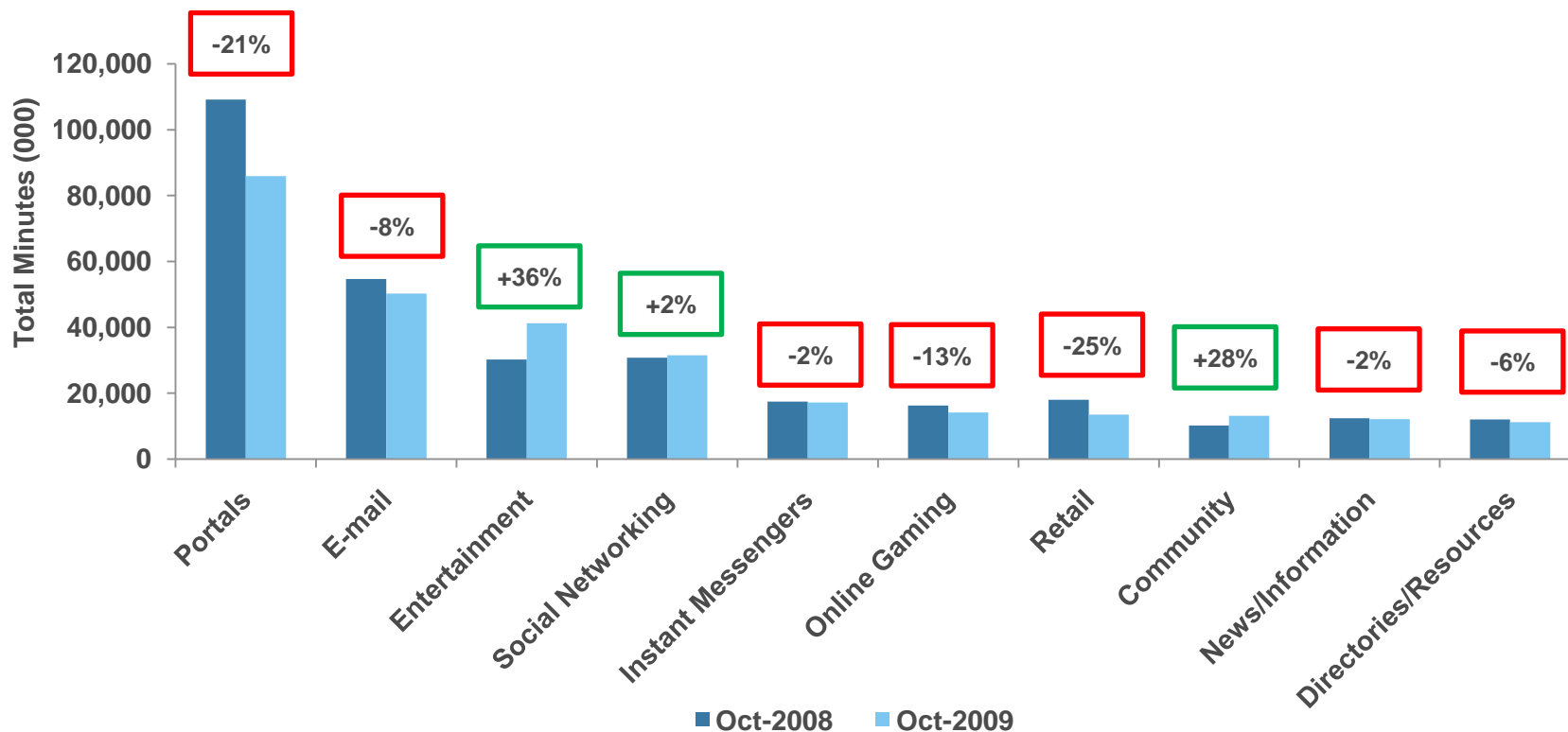
- comScore Credit Card Database
- Client CRM Database
- Retailer Loyalty Card
- IRI Scanner Panel Data
- All Linked using Name + Address

- Email or Contextual "Pops"
- Site Intercept Surveys
- Behavior-activated Surveys
- Brand Lift Surveys
- Consumer Segmentation Analyses

- Online Advertising (Display, Search, Video)
- Clicked and View-Thru
- Traffic & Buyer Referral Analysis

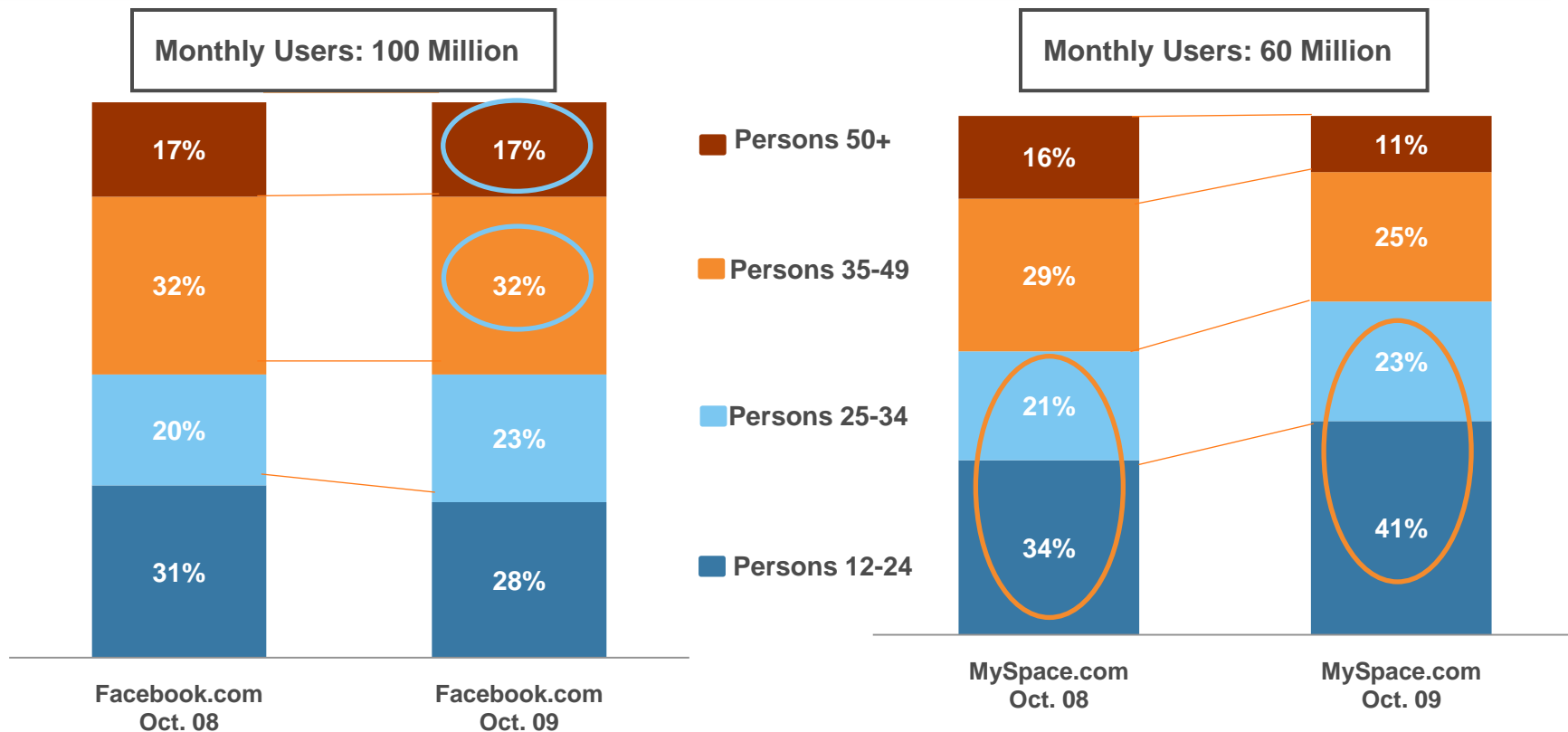
Internet use in the U.S. is changing. Time spent online shifts from Portals and E-mail to Social Networking, Entertainment and Community sites

Top U.S. Online Activities for October 2009
Total Minutes (000) Spent and % Change vs. YA
Source: comScore Media Metrix™



Facebook users are equally split between under and over 35 years of age. MySpace continues to be dominated by a growing user base of people under the age of 35.

Percent Composition of U.S. Unique Visitors to Facebook.com and MySpace.com by Demographic Segments
 Source: comScore Media Metrix™



Visitors to Retailer Sites also Visit Social Network Sites

- Can you find your High-Value customers on Social Networking sites?

Percent of Retailer Online Visitors who Visited Social Networking Site
 Source: comScore Media Metrix™ Cross-Visiting Report, Nov 2009

Retailer	Facebook 100 Million Monthly Users	MySpace 60 Million Monthly Users	Monthly Unique Visitors (Millions)
Amazon	60%	40%	66.0
Walmart	59%	38%	46.2
Apple	60%	42%	41.0
Target	60%	37%	38.8
Best Buy	59%	38%	25.0
Sears	58%	34%	19.0
JC Penney	59%	33%	14.7
Toys R Us	59%	36%	14.7
Macy's	61%	34%	11.8

Trends in Online Advertising

Changes in the Advertising Landscape

The Recessionary Impact In 2009: Internet Display Ads and FSIs Growing. All Other Major Media Sectors Declining.

% Change in \$ Spend: Jan – Sept 2009 vs. YA
Source: CMR

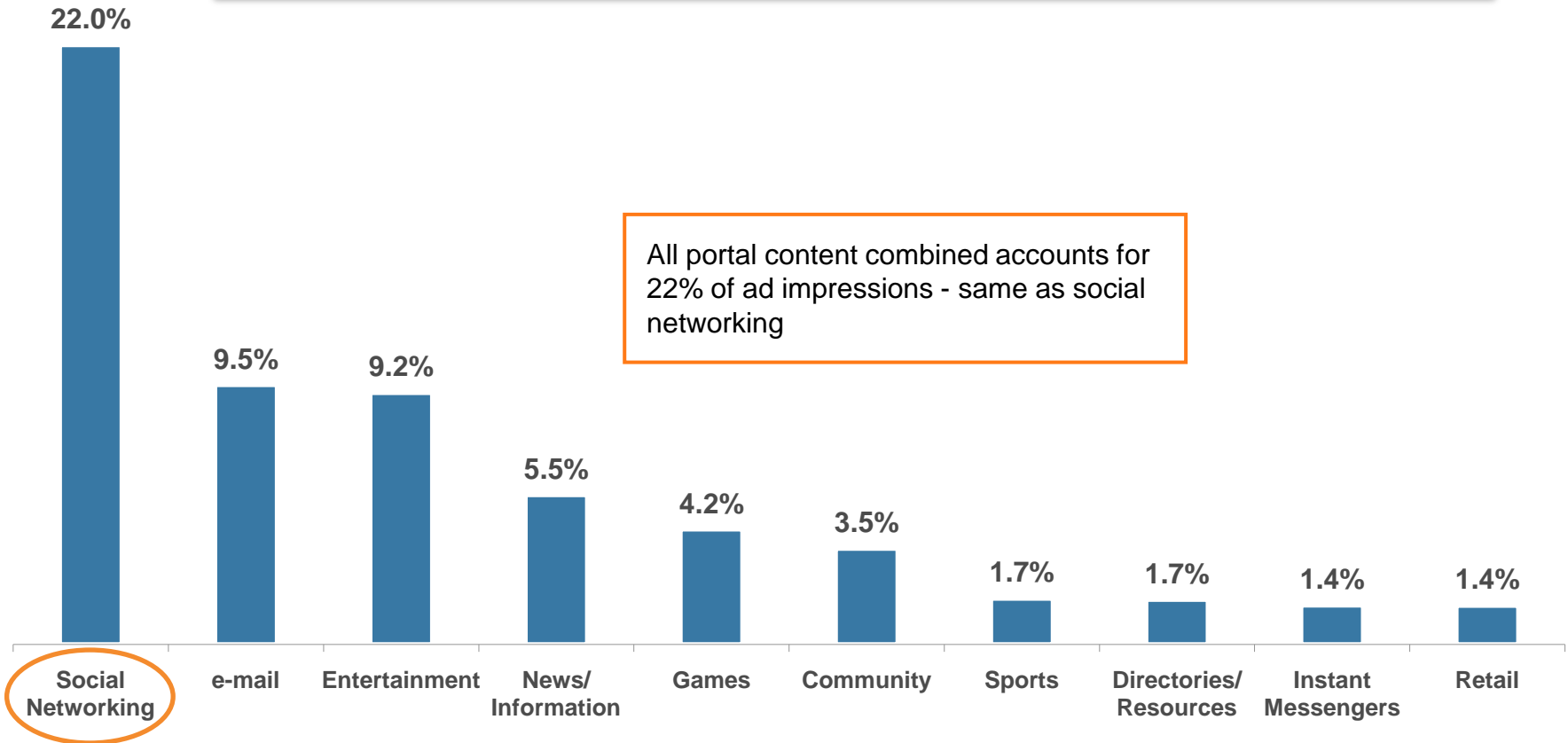
Media Sector	% Change
Television Media	- 12%
Network TV	- 12%
Cable TV	- 3%
Spot TV	- 28%
Syndication – National	- 3%
Spanish Language TV	- 10%
Magazine Media	- 20%
Consumer Magazines	- 19%
B-to-B Magazines	- 28%
Sunday Magazines	- 16%
Local Magazines	- 26%
Spanish Language Magazines	- 25%

Media Sector	% Change
Newspaper Media	- 23%
Newspapers - Local	- 23%
National Newspapers	- 25%
Spanish Newspapers	- 18%
Internet – Display Ads Only	+7%
Radio Media	- 23%
Local Radio	- 23%
National Spot Radio	- 17%
Network Radio	- 9%
Outdoor	- 16%
FSIs	+4%
TOTAL	- 15%

Social Networks Account for More than 20% of All Display Ad Impressions

Top Content Categories by Share of Total Display Ad Impressions in July 2009

Source: comScore Ad Metrix™



Social Networking Ads Account for a High Proportion of all Display Ad Impressions but Because of Low Prices Represent a Far Lower Share of Display Ad Dollars

Share of Impressions and Dollars Spend Source: comScore Ad Metrix™

	Share of Total Display Ad Impressions	Share of Total Estimated Display Ad Spending (\$)
<i>Social Networking</i>	21.1%	3.5%
MySpace.com	9.2%	1.4%
Facebook.com	8.2%	1.5%

Social media an increasingly important driver of commerce

How Social Media Influenced Purchase	% of Holiday Shoppers
Social media has influenced my holiday purchases	28%
Reading a consumer-generated review about a product online (including personal blogs) influenced me to purchase it	13%
Reading an expert review about a product online influenced me to purchase it	11%
I have followed a company Fan Page on Facebook to take advantage of special offers/deals	7%
A friend's status update about a product on Facebook influenced me to purchase it	6%
Watching a related video online influenced me to purchase a product	5%
I have followed a company on Twitter to take advantage of special offers/deals	5%
A tweet about a product on Twitter influenced me to purchase it	3%
Other	2%

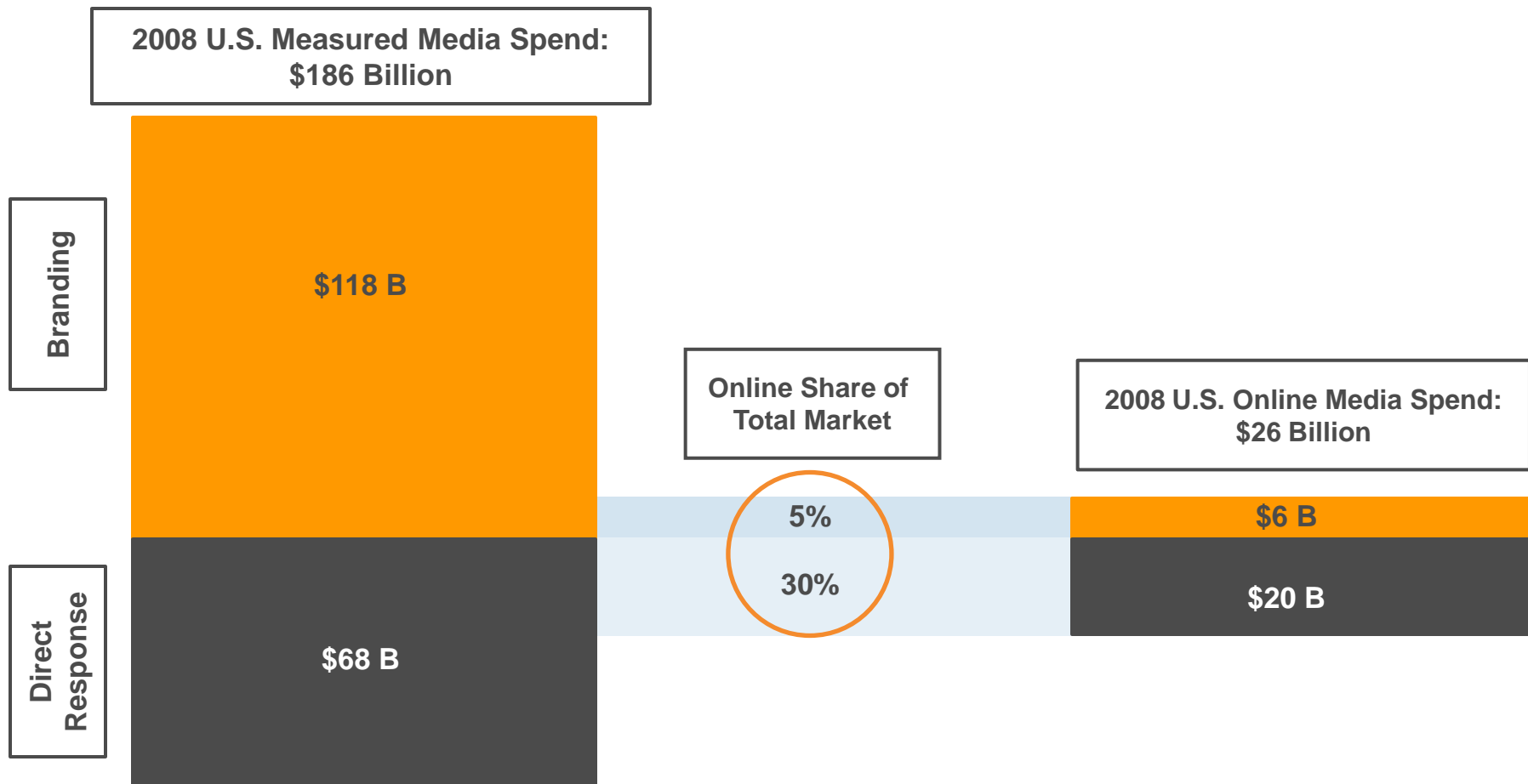
Source: comScore Survey

Time Period: Dec. 4-7, 2009, n=425

Measuring the Impact of Online Advertising

*How Does Advertising on Social Media Sites Impact
Retailer and Brand Sales?*

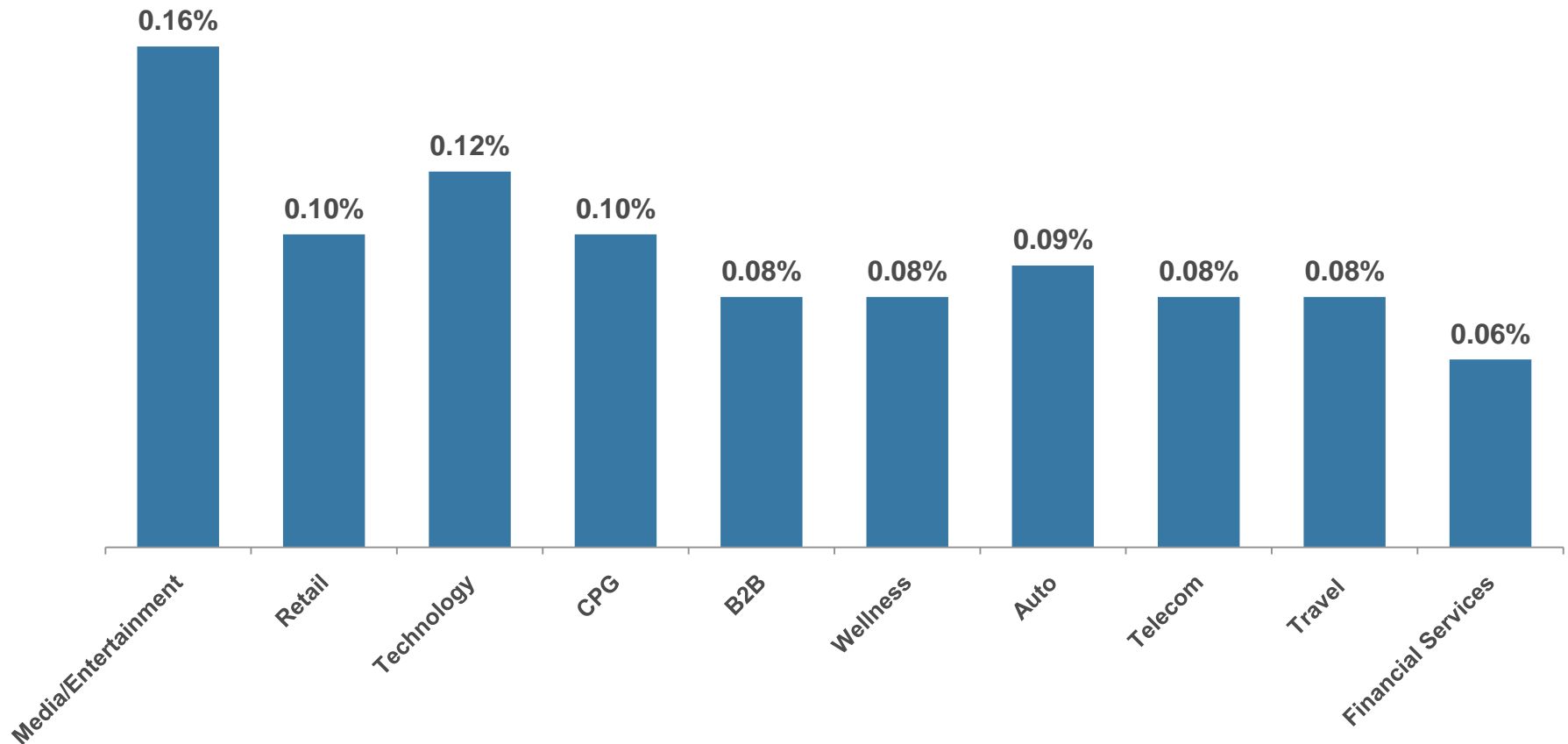
Online Advertising is Leaving Branding Dollars on the Table



Source: Barclays, ThinkEquity Partners, Brand.net

Click Rates on Ads are Minimal, but Forrester Study Says 35% of Marketers Still Use Click for Evaluating Branding Campaigns

Rich Media Click-Through Rates by Industry
Source: DoubleClick DART for Advertisers - 2008



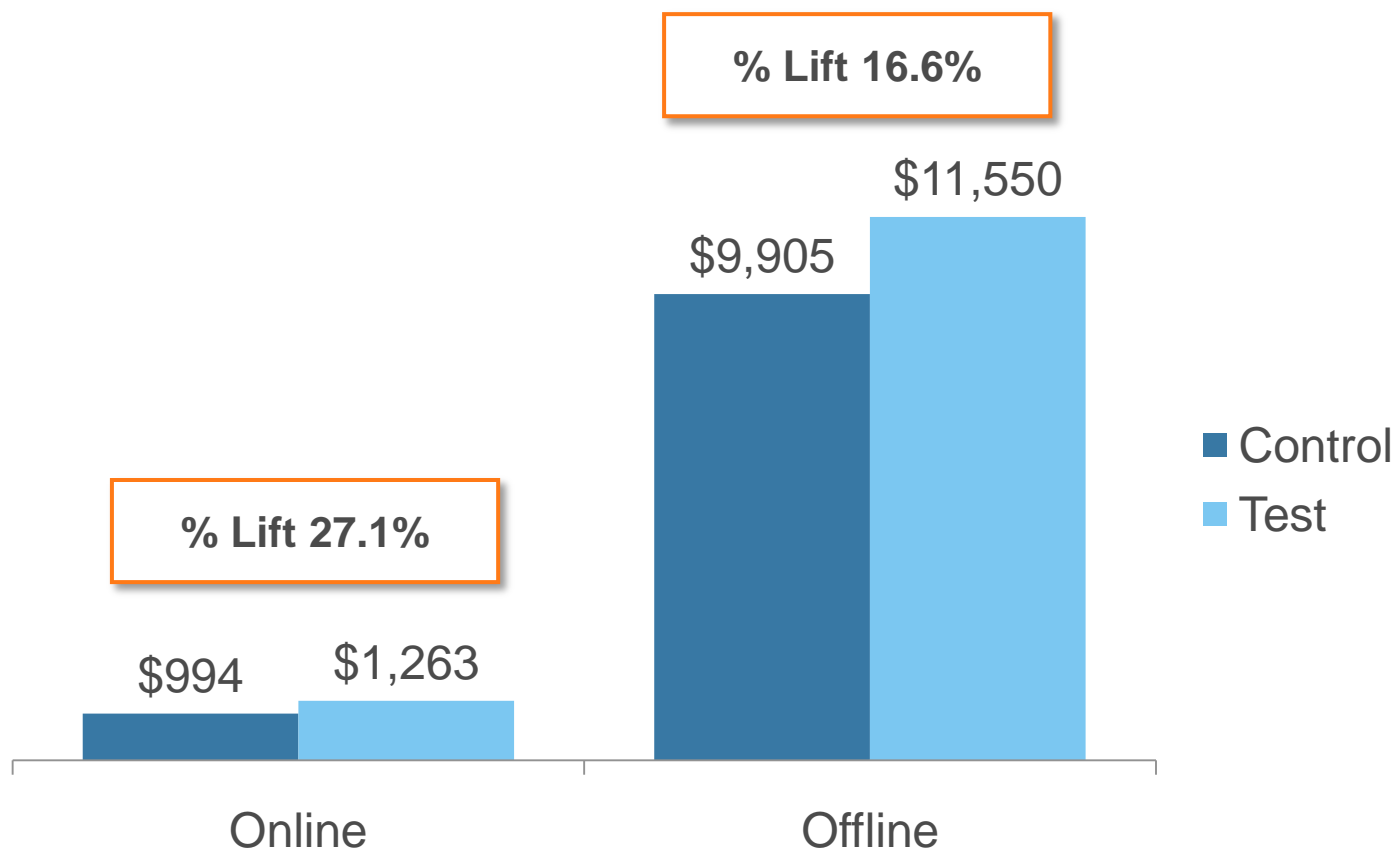
- June 2009 Journal of Advertising Research
 - “What We Know About Advertising: 21 Watertight Laws for Intelligent Advertising Decisions”
- comScore's "Whither the Click?"
 - 200+ comScore studies conducted to assess *behavioral* impact of paid search and online display ads.

Even with Minimal Clicks, Display Advertising can Lift:

- Site visitation
- Trademark search
- Online and offline sales

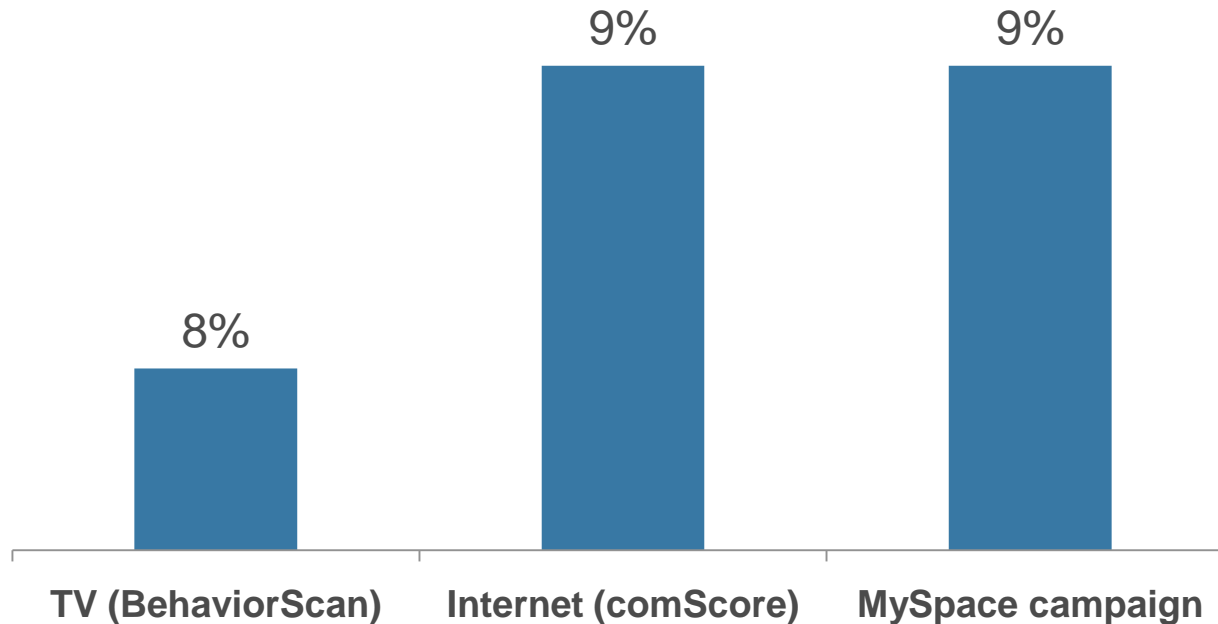
Display ads for retailers successfully build sales – both online and offline

Dollars per 000 Exposed
Source: comScore Ad Efx Solutions Normative Data



This Campaign Compares Favorably to comScore online CPG Norms and IRI's TV Norms for CPG Brands

- BehaviorScan tests conducted over one year period. comScore studies over three months
- Assumes 40% Internet Reach Against Target



Online's Superior Targeting Ability Appears to be the Key Differentiator

Clicks on Display Ads Are a Misleading Metric and Don't Reflect Brand-Building Effects

- **Only use for direct response ad campaigns (or search)**
- **Clicks don't measure all of a campaign's sales impact nor the cumulative (latent) impact of ads**
- **Clicks don't tell you anything about brand building effects**
- **Clicks don't tell you anything about offline/in-store impact**

Case Study:

Impact of Exposure to Advertising on MySpace on In-Store Brand Sales?

MySpace Campaign and Study Objectives

- MySpace partnered with comScore to measure the impact of exposure to a Personal Care Brand campaign on the MySpace properties
- MySpace set up a campaign-specific brand community landing page environment to further engage consumers



MySpace Campaign Objectives





- Introduce the Personal Care Brand to consumers of various ages across MySpace
- Create an experience that allows Personal Care Brand consumers to interact with the brand in a fun, unique, way
- Raise awareness around the new product

Study Objectives

- Measure the impact of the Personal Care Brand MySpace campaign both **online behaviors** and offline sales
 - Brand Awareness, Perceptions – Internal Study
 - Offline purchase behavior – comScore/dunnhumby match panel
 - Visitation to MySpace ad community pages, advertiser site, and sites in the advertisers' category – comScore panel

Importantly, Both Sub-Brand and Parent Achieved Higher Sales in Retail Stores as a Result of Ad Campaign

-  Lift significant at 90% significance level
-  Directional Lift significant < 90%

Measures	Sub-brand	% Lift	Parent	% Lift
Dollar Sales		17%		23%
Unit Sales		11%		7%

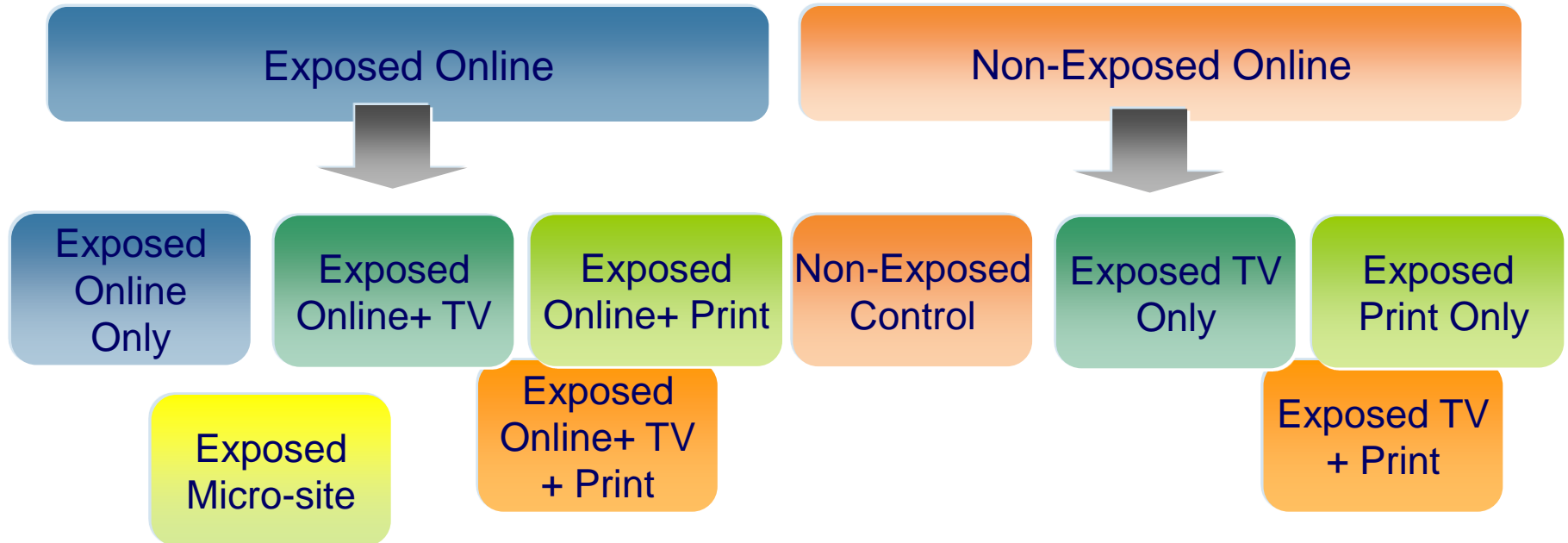
- ROI = 28% Return Above the Total Campaign Spend
 - Spend = \$1MM and Net return = \$280,000
- Plus: increased customer life time value

Measuring the Impact of Online Advertising in Conjunction with Traditional Media

*Is there an Incremental Impact of Exposure to Digital &
Traditional Media?*

comScore Cross Media Studies: Digital is the Hardest Part, We Start There

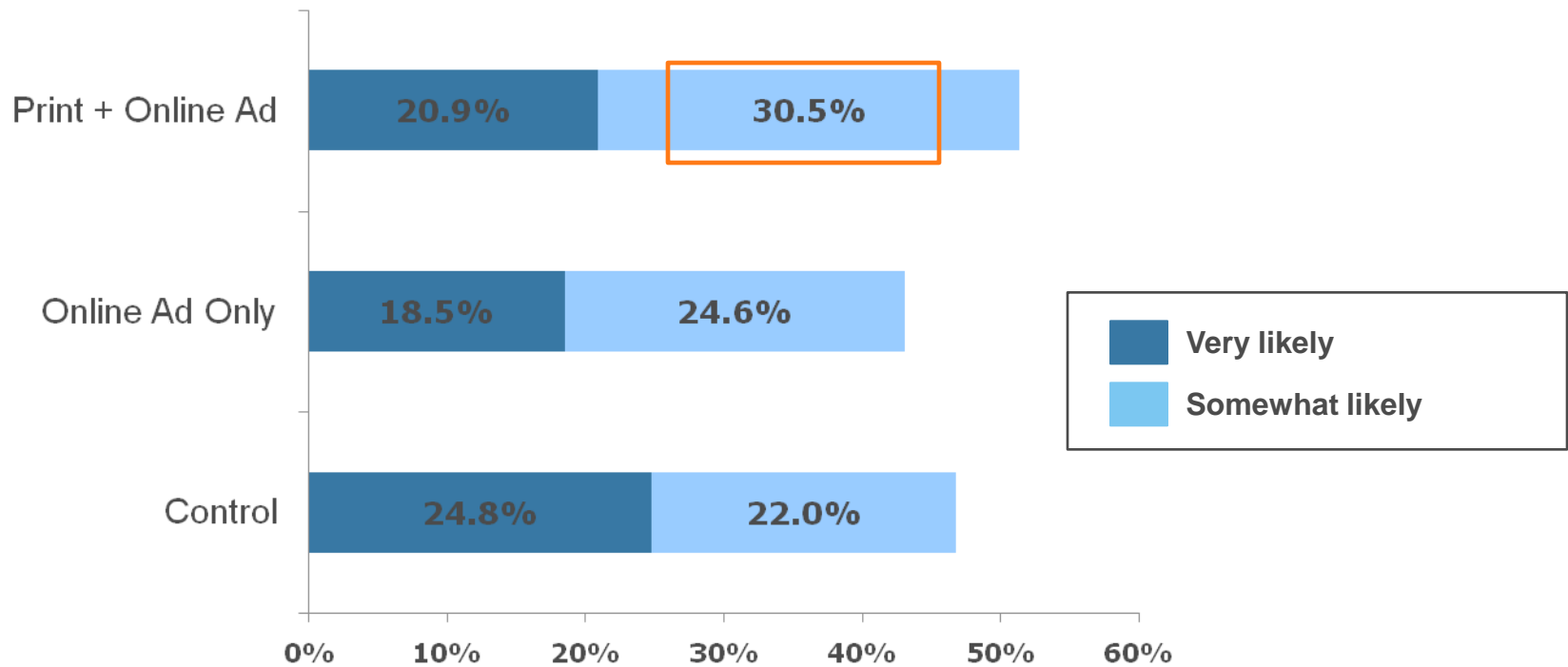
- Measure ROI by ad channel to optimize spending and mix
- Multi-cell design measures print, TV, radio & digital



The Results: Sample Output

- Purchase Intent is enhanced by exposure to multiple media

How likely are you to purchase *Brand/Product* in the next 30 days?



Q6. How likely are you to purchase each of the following brands/products in the next 30 days? Base: Control = 254, Online Ad Only = 874, Print +Online Ad = 886. indicates significantly different than other groups at the 95% confidence level.



Thank You.



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