

pointroll®



THE BIG PICTURE OF ONLINE ADVERTISING:

POINTROLL
ENTERTAINMENT
ANALYSIS

2007

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I. OVERVIEW

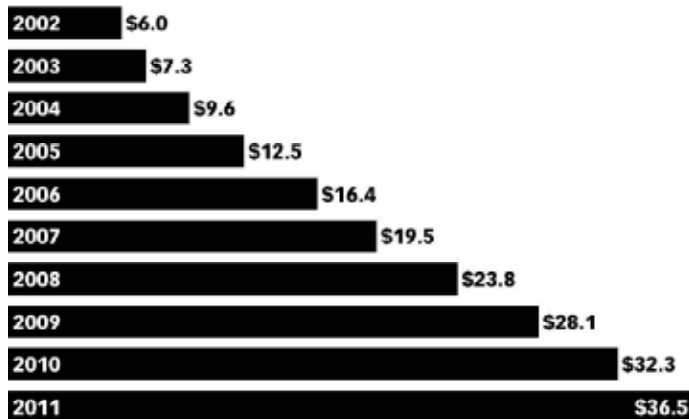
POINTROLL ROLLS OUT THE RED CARPET FOR ENTERTAINMENT ADVERTISERS AND AGENCIES WITH ACTIONABLE RICH MEDIA CAMPAIGN ANALYSIS AND BENCHMARKING DATA

Getting bodies into theater seats on opening weekend. Building anticipation for a DVD release. Increasing ratings for a new television season. Creating a rush to buy the latest video game. The entertainment industry has specific needs that rich media advertising helps satisfy by driving brand awareness and spurring viewers to action through an engaging interactive experience.

According to a 2006 report by The Kelsey Group, nearly 40% of 18-34 year olds and 29% of 35-44 year olds turn to the Internet for movie listing information, with this figure growing each year. As more users and ad dollars move online, there are several key opportunities and challenges for entertainment marketers. With proven tactics for optimizing impact through well-positioned, interactive and action-oriented creative, the following report provides guidance and supporting data for incorporating rich media into every online ad buy for a greater return on investment.

US Online Advertising Spending, 2002-2011 (billions)

1.1



Source: eMarketer, February 2007

080790

www.eMarketer.com

Overall Internet ad spending is expected to grow 316% from 2006 to 2010 (Internet Video: Advertising Experiments and Exploding Content – eMarketer, 2006), indicating consumers will be faced with more messages than ever before online. It is crucial that entertainment marketers – and marketers in general – maximize their online advertising with relevant, interactive and creative ad units that provide the flexibility to display products and offers in a compelling and engaging way.

WHY RICH MEDIA? THE ONLINE ADVERTISING SOLUTION

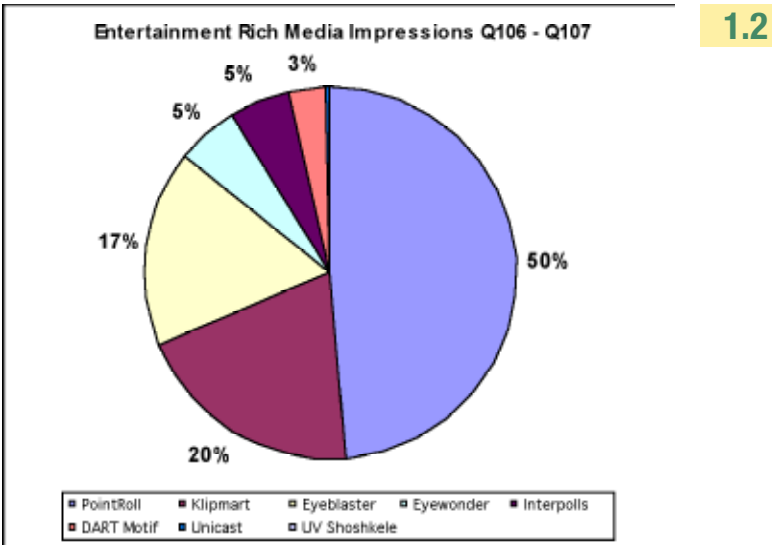
Entertainment advertisers have begun to embrace rich media as a key vehicle for ensuring online advertising success, recognizing that compelling creative and interactive features are an excellent way to convey the drama and excitement of their products and result in increased interaction rates, time spent with the brand and overall positive campaign performance.

In the following PointRoll Entertainment Performance Analysis report, we provide insights from almost 800 rich media entertainment campaigns conducted in 2006 and Q1 2007. The data highlights the primary factors that will enable entertainment advertisers to achieve optimal results, while addressing key needs specific to the various segments within the industry: studios and theaters, networks and cable outlets and video game manufacturers.

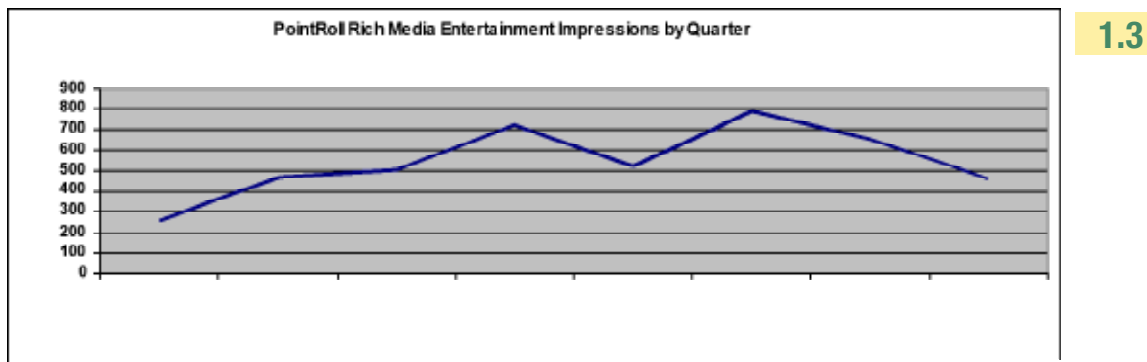
- Interaction rate, time spent on brand and click-through metrics
- Metrics by channel
- Metrics by ad size
- Features and interactivity
- Film (theatrical and DVD), television and video game spotlights
- Interactive rich media in action: 2006-2007 MTV Two-A-Days DVD Campaign
- Entertainment rich media best practices

ENTERTAINMENT INDUSTRY LEADER IN RICH MEDIA

Delivering nearly half of all entertainment rich media ads on the web, PointRoll has created campaigns that have resulted in over 4.4 billion impressions since January 2006. It is through this volume that PointRoll is able to analyze and report conclusively on entertainment rich media performance.



As the analysis supports, rich media campaigns allow marketers of movies, television shows, video games and more to reach consumers when and where they are looking online.



PointRoll serves the most entertainment rich media ads in the industry, effortlessly scaling to meet business cycles and peak times such as holiday releases.

II. RICH MEDIA VS. STANDARD ADVERTISING



Though it offers a wealth of other features, rich media has become practically synonymous with video. And video quality continues to improve, offering entertainment advertisers an ideal opportunity to showcase their actual products within ad units. The rapid increase in broadband penetration means more and more internet users are viewing video ads on a high-speed connection, leading to higher video completion rates. Research shows that 46%—approximately 54.6 million—U.S. households have broadband Internet access. This figure is expected to reach almost 90 million (69%) by 2011 (Broadband Households Number 251 Million Worldwide – eMarketer, 2007). All of these factors contribute to rich media’s effectiveness as an advertising vehicle for entertainment advertisers.

According to Dynamic Logic, rich media advertising provides a considerable lift over standard advertising. Unlike standard banners or simple Flash ads, rich media encourages user interaction. Consumers can interact with an ad as rich and full-featured as a website without leaving the content they are currently viewing. Entertainment advertisers are also able to target consumers by identifying high-performing publisher channels (p.14), ad sites and more, optimizing campaign creative for maximum impact.

Another benefit to rich media is the tracking and reporting measurement capabilities. Going beyond just the standard click-through metric, rich media enables calculation of the interaction rate (the percentage of times an ad has been rolled over or clicked on to launch a panel) and the average brand interaction time (time in seconds that ads were interacted with across all impressions for the campaign). Additionally, PointRoll can incorporate tracking tags/site events into interactive campaigns. This offers the ability to track how many users later visit a web site and make a purchase or perform another action as a result of seeing and interacting with the rich media ad.

III. POWERING PERFORMANCE: INTERACTIVE FEATURES

INCREASE ENGAGEMENT WITH COMPELLING INTERACTIVE FEATURES AND IMPACTFUL CREATIVE

For any online advertising to be effective, it's important to deliver impactful creative to capture users' attention. To maximize the full impact of the creative, we recommend employing features and functionality that allow users to interact with all facets of the ad.

The features that rich media offers can be combined in a variety of ways within each technology platform – whether expandable, foldover or in-banner – to create ads that exceed industry benchmarks. By incorporating interactive features into a rich media ad unit, entertainment advertisers can create the opportunity to deeply engage users (as shown in the rich media solution below). Through creating an experience that allows users to control the interaction, studios, game manufacturers, and networks and cable channels have the opportunity to educate and inform prospects about their products, while theaters, stores, cable providers and other such merchants are able to provide additional information for follow-up communication.



Interactive features within rich media ad units afford advertisers the opportunity to start a digital dialogue with prospects and current consumers. Levels of interactivity are limited only by creative vision. One effective idea proven to generate higher interaction rates is to combine video with interactive features such as games, photo galleries, reminders and “tell a friend” functionality.



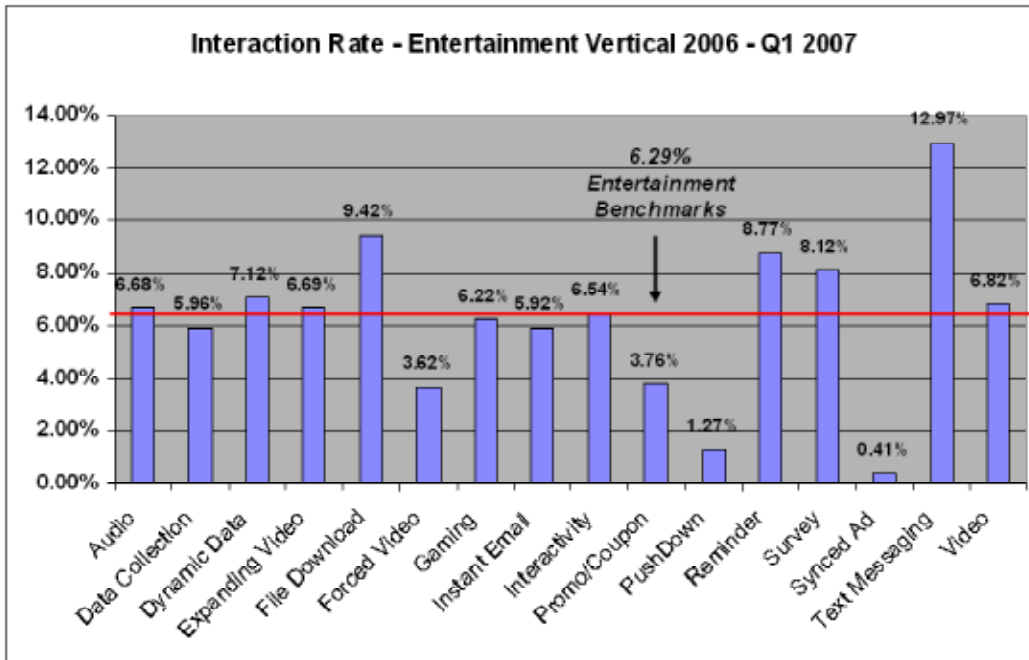
The following section looks further at the correlation between features and performance. A listing of features is available in the glossary (p. 26).

III. POWERING PERFORMANCE cont.

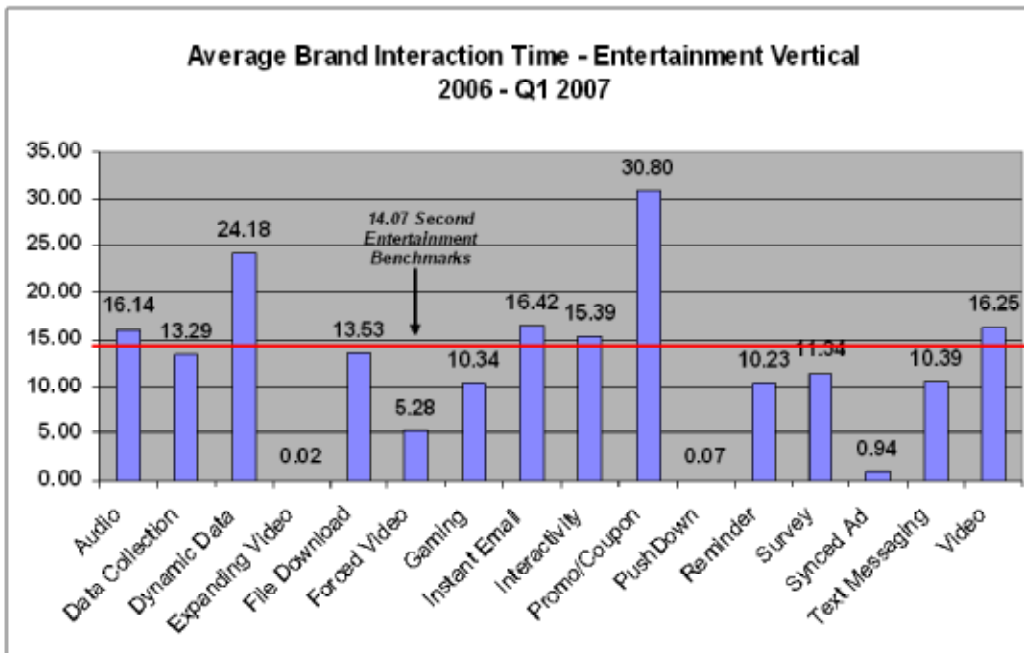
WHAT FEATURES SHOULD BE USED?

PointRoll has collected data from almost 800 recent rich media entertainment campaigns. Through this research, it has been found that certain features within an entertainment ad unit increase average brand interaction time and interaction rates (as shown in the charts below).

3.1



3.2



III. POWERING PERFORMANCE cont.

POINTROLL PRODUCT SPOTLIGHT: MOVIECONNECT

Studios can now provide current local showtime information directly to consumers' mobile devices. MovieConnect is an exclusive offering from PointRoll, made possible by a partnership with The Aura Group, leveraging technology developed by 43kix (a division of Terry Hines & Associates). A seamless, interactive advertising solution, MovieConnect enables users to receive a movie's local showtimes and theater information on their cell phones and mobile devices via text messaging upon interaction with an ad.

MovieConnect empowers advertisers to reach moviegoers on one of the most sought-after platforms—cell phones—with targeted messages that build awareness, branding and ticket sales. Today, cell phones outnumber PCs by a ratio of 12:1, making the “third” screen an increasingly desirable marketing platform. Advertisers can also distribute additional movie-related marketing via text messaging once the user opts in.

PointRoll collects mobile numbers and zip codes through the rich media ad so that advertisers can text local showtimes and theater information as soon as it becomes available.

BENEFITS

- Deliver local showtime information directly to a moviegoer's cell phone or mobile device
- Leverage text messaging as an additional marketing tool, expanding reach to the “third” screen
- Aid awareness and purchase intent
- Share theater and showtime information not available at the time of the campaign launch
- Build a house list of mobile marketing numbers to create an ongoing dialog with moviegoers

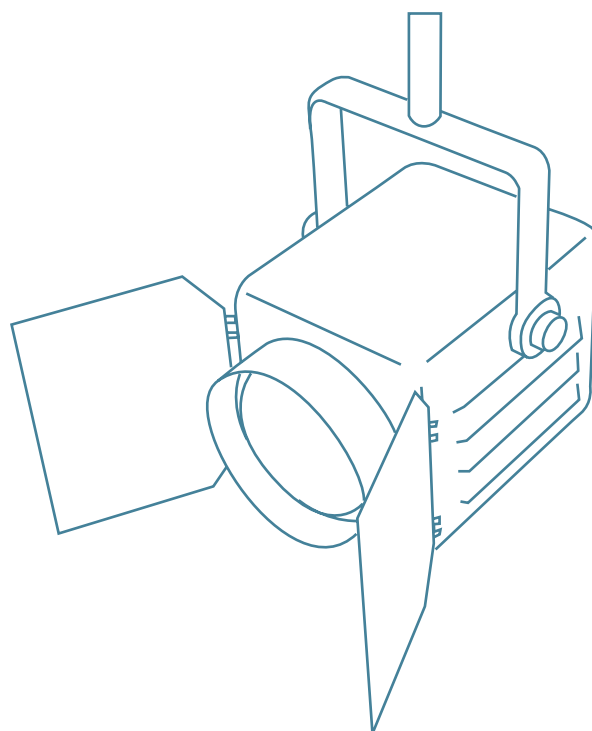
III. POWERING PERFORMANCE cont.

POINTROLL PRODUCT SPOTLIGHT: FANDANGO WIDGET

PointRoll and Fandango have partnered to create an innovative interactive solution that provides studio and theater advertisers with a dynamically targeted extension of their movie listings. End users are able to view local theaters and show times directly from the ad unit and easily purchase tickets, bridging the gap between intent and purchase. Fandango is the nation's largest movie ticketing service, covering four of the five largest U.S. theater circuits.

BENEFITS

- Engage viewers with video and interactive content
- Deliver relevant local showtime information
- Allow immediate purchase of tickets, getting more people into theater seats
- Include information unavailable at the time of the campaign launch



IV. WHAT DOES YOUR CAMPAIGN ACHIEVE?



BRANDING, DIRECT RESPONSE OR BOTH?

In traditional media, ads are often created with either direct response or branding in mind. Rich media ad units allow advertisers to create campaigns that combine both direct response and branding initiatives. Ad units can also be tailored to focus on either objective with the right mix of features.

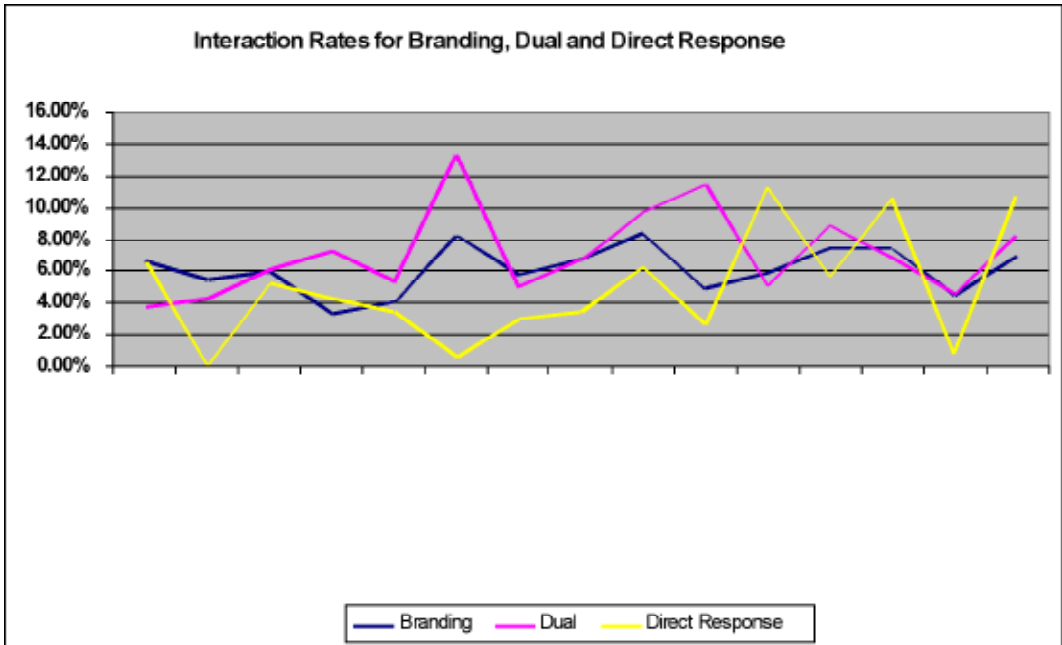
While entertainment ads primarily focus on branding—such as those promoting theatrical releases or touting a new television show—direct response also has its place. Ads that allow users to purchase a newly-released DVD or video game within the ad unit or by clicking through it would fall into this category.

What we've found through our vast entertainment campaign experience is that traditionally, movie studios, television networks, game manufacturers and other such companies concentrate on generating awareness and share of mind for their products, so efforts to increase time spent interacting with the ad unit should take precedence and the average brand time metric should be monitored closely.

Direct response units include features that have strong calls-to-action such as reminders, instant email and data collection. Branding campaigns may include video, hot spotting, gaming and a photo gallery, which increase brand interactivity.

IV. WHAT DOES YOUR CAMPAIGN cont.

Research shows that dual purpose campaigns perform particularly well on the computing and technology, learning and reference, kids and family and news publisher sites. Direct response alone is successful when run on local/regional sites, portals and search engines, and sports and recreation, perhaps because users at these sites are looking to make an immediate purchase of tickets or other products.



4.1

Whether the advertiser is a studio, network, manufacturer or other parent company concerned with branding or a merchant focused on direct response, rich media is an extremely viable, effective option in that multiple goals can be satisfied within one interactive unit.

v. ENTERTAINMENT VERTICAL PERFORMANCE

ENTERTAINMENT VERTICAL PERFORMANCE BY CHANNEL

As of March 2007, the PointRoll Entertainment Vertical Benchmark reflects strong performance, with 12.27 seconds of time spent with the brand, an interaction rate of 6.57% and a compelling click-through rate of over 0.3%.

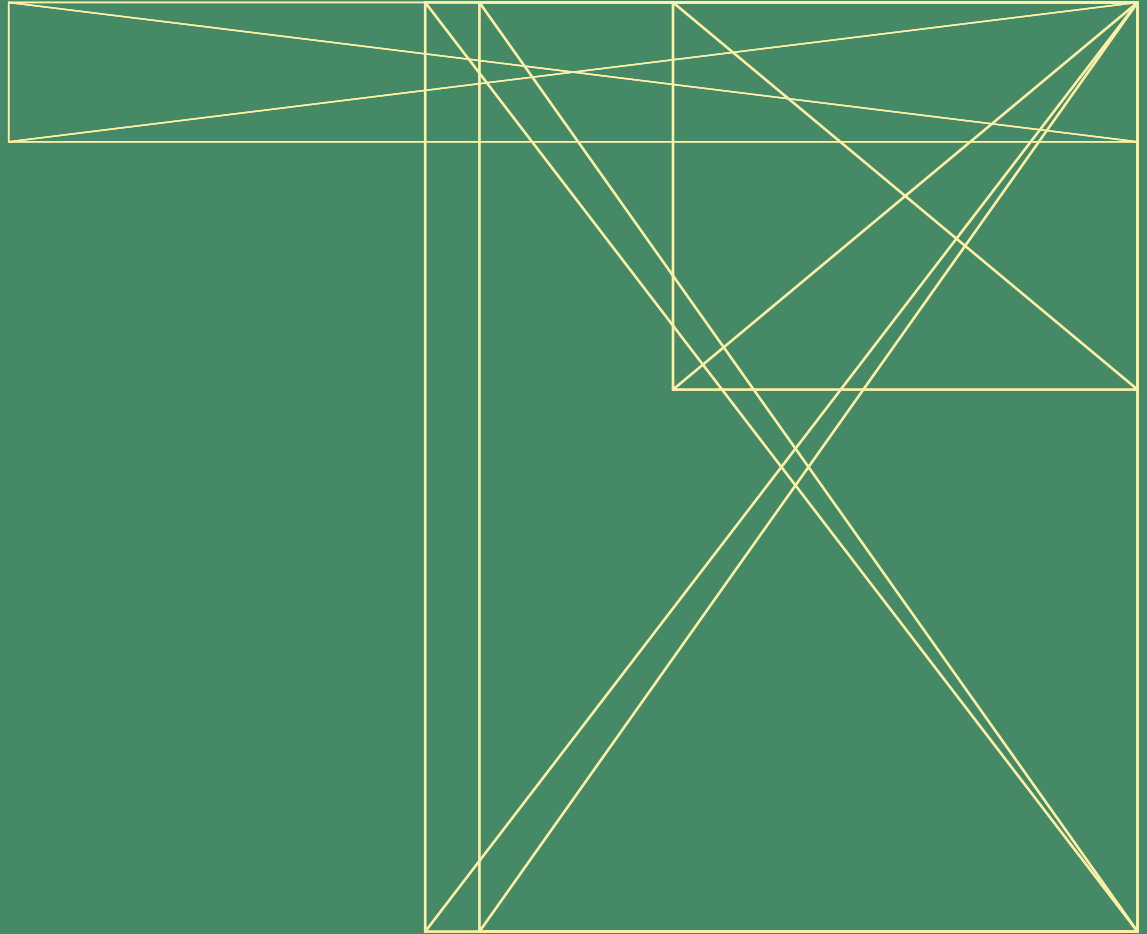
Although it would seem that entertainment ads should perform well on entertainment sites, we've found that some of the best metrics are achieved by diversifying placements and expanding to other sites. Computing and technology site placements perform well with regard to interaction rate, as do kids and family placements, which also score high marks for click-through rates. The data shows automotive sites to be highly successful for entertainment placements when measuring brand time. (Interestingly, the converse is also true—automotive placements tend to perform well on entertainment sites.) By diversifying the media buy to different types of publisher channels, advertisers can reach a broader market with enviable results.

The following chart illustrates the effectiveness of entertainment campaigns by publisher channel.

Publisher Channel	Interaction Rate	Brand Time	Click Through
Ad Network	6.36%	12.94	0.17%
Automotive	5.44%	20.94	0.13%
B2B	5.51%	10.42	0.18%
Business & Finance	6.30%	10.05	0.18%
Comics & Humor	7.27%	10.38	0.28%
Community	4.25%	17.30	0.21%
Computing & Technology	12.49%	13.35	0.45%
Employment	4.13%	7.24	0.13%
Entertainment	5.72%	9.26	0.24%
Games	8.14%	14.48	0.51%
Health & Fitness	4.87%	11.93	0.17%
Home & Garden	4.36%	8.87	0.37%
Kids & Family	10.49%	10.56	1.46%
Learning & Reference	5.28%	7.46	0.51%
Local/Regional	5.40%	7.94	0.17%
Music & Streaming Media	8.14%	19.19	0.31%
News	7.70%	8.06	0.32%
Portals & Search Engines	7.36%	16.16	0.43%
Shopping & Auction	4.46%	14.76	0.16%
Sports & Recreation	6.92%	7.38	0.23%
Travel	6.64%	11.35	0.15%
Women's Interest	3.60%	5.41	0.10%
Yellow & White Pages	9.27%	10.88	0.23%
Entertainment Benchmark	6.57%	12.27	0.33%

5.1

v. ENTERTAINMENT VERTICAL cont.

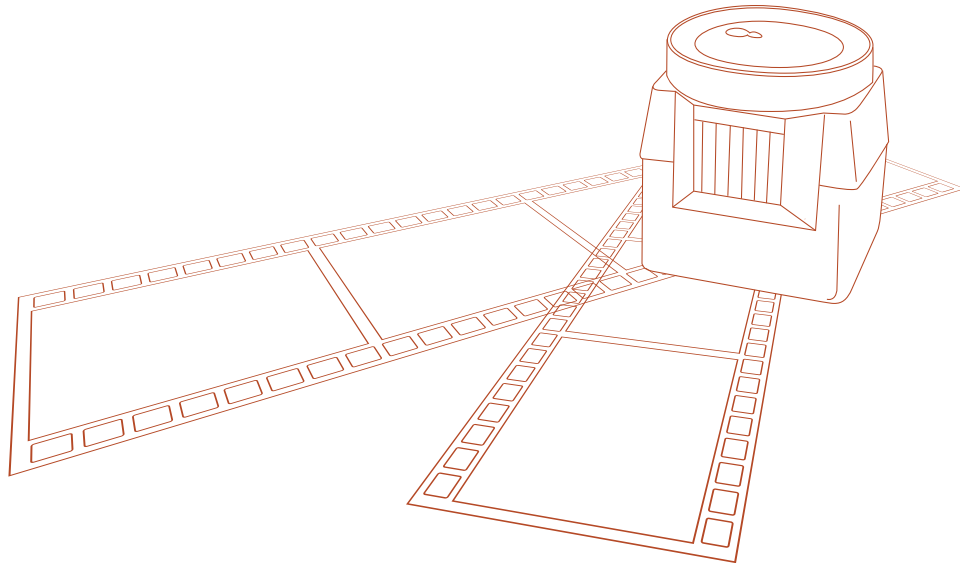


AD SIZE MATTERS

We've found that the following ad sizes are among the most popular and best performing formats for entertainment campaigns.

- **728 X 90** – These standard leaderboard banners are ubiquitous and attention-grabbing, with their prominent placement at the top of a page. FatBoy expanding ads and Towel Boy pre-expandables work especially well in this size. The expanded ads can easily display video, photo galleries and more. Sliding video is a less-frequently used but very effective feature to consider.
- **300 X 250** – This ad size is the perfect size for framing a video clip within the ad, with no expansion necessary. With the addition of panels containing features such as email reminders and send to a friend, the ad packs a big punch in a small space.
- **160 X 600** or **120 X 600** – These skyscraper formats, like the leaderboards, lend themselves to expanding ads. Video, photo galleries, games, dynamic data and more can appear on multiple panels for a fully interactive experience. The tall, thin format means the ad remains visible even as the user begins to scroll down the page.
- **425 X 600** – This extra large rectangle garners higher than average click-through rates. Its size allows plenty of room for a high-impact creative and full video can be displayed within the ad unit even without the use of expanding panels.

VI. FOCUS ON FILM



Motion picture marketers enjoy big advertising budgets, and online advertising's share of those budgets has steadily increased from year to year. However, it still lags behind that of most other industries. In 2006, for example, eMarketer found that film marketers spent just 3.7% of their advertising budget on online media buys, compared to a 5.9% national average. Rich media accounts for just a portion of the online buy, yet it is an ideal format to bring the excitement of a big-screen feature to the computer screen, effectively building brand awareness and increasing box office receipts.

MPAA Member Company Distribution of Advertising Costs, by Media, 2002-2006 (% of total)

	2002	2003	2004	2005	2006
Internet/online	0.9%	1.4%	2.4%	2.6%	3.7%
Average spending per film (millions)	\$27.13	\$34.34	\$30.96	\$32.35	\$30.71

Source: Motion Picture Association of America (MPAA), March 2007

081674

www.eMarketer.com

6.1

A recent study by Dynamic Logic found that online movie ads positively affect both aided brand awareness and brand favorability. Of the 57 online campaigns studied, the average score for aided brand awareness was 9.8 and the average for brand favorability was 4.3. About two-thirds of movie ads are rich media, and they outperform static ads by roughly 20%.

Rich media ads can combine Flash and video, offering marketers a prime opportunity to showcase their films by including trailers or excerpts. The high quality of video supported by today's computers and high-speed connections makes video a compelling option for online advertising. PointRoll ads have excellent video completion rates, with entertainment ads performing even better than the all-verticals benchmark.

Vertical	25% Completion	50% Completion	75% Completion	100% Completion
Entertainment	57.85%	48.19%	42.99%	39.91%
All Verticals	42.54%	29.21%	25.81%	23.34%

6.2

VI. FOCUS ON FILM cont.

Primary goals for film ads include maximizing exposure to the video component, maximizing video size, encouraging users to view the video with audio on and increasing video completion rates. With careful selection of placements and video content, these goals are easily achieved. Expanding ads such as PointRoll's FatBoy or Towel Boy formats enable a larger display of the video. Including audio controls within the ad provides a better user experience.

To increase brand time and thus brand awareness and favorability, marketers should include a variety of interactive features to fully engage the viewer. In addition to video, photo galleries, games, audio clips, and the ability to find local showtimes and purchase tickets have all proven to be successful movie marketing techniques. The campaign on the following page illustrates one approach to including multiple features.

The campaign for the theatrical release of Harold and Kumar Go to White Castle, shown below, combined multiple interactive features to increase key metrics such as brand interaction time and interaction rate.



http://www.pointroll.com/AdGallery/Harold_KumarOnLorem/lorem.asp

VI. FOCUS ON FILM cont.

FILM CAMPAIGN PERFORMANCE BY PUBLISHER CHANNEL – THEATRICAL RELEASE

Theatrical release rich media ads performed particularly well on certain types of publisher sites. Interaction rates were highest on computing and technology sites, with sports and recreation sites, ad networks, and B2B sites also performing well in this area. Games sites had the best brand interaction time by far; community sites, local/regional sites, portals and search engines also showed better than average numbers in this category. Kids and family sites returned a click-through rate much greater than the entertainment benchmark; placements on community sites and sports/recreation sites also fared well in this regard.

6.3

Theatrical Releases Q2 2006 - Q1 2007			
Publisher Channel	Interaction Rate	Brand Time	Click-Through
Ad Network	8.44%	13.63	0.49%
B2B	8.60%	5.82	0.54%
Business & Finance	0.00%	0.00	0.00%
Comics & Humor	6.50%	13.26	0.21%
Community	4.25%	19.94	0.88%
Computing & Technology	10.29%	10.61	0.25%
Employment	4.41%	6.28	0.11%
Entertainment	6.07%	12.72	0.46%
Games	5.27%	27.73	0.52%
Kids & Family	6.38%	6.43	2.61%
Learning & Reference	4.34%	0.56	1.14%
Local/Regional	6.68%	18.54	0.24%
Music & Streaming Media	7.71%	16.64	0.29%
News	5.68%	7.31	0.46%
Portals & Search Engines	7.45%	19.77	0.74%
Sports & Recreation	8.35%	7.97	0.81%
Travel	6.82%	12.06	0.12%
Women's Interest	0.46%	0.02	0.64%
Grand Total	6.33%	14.58	0.65%

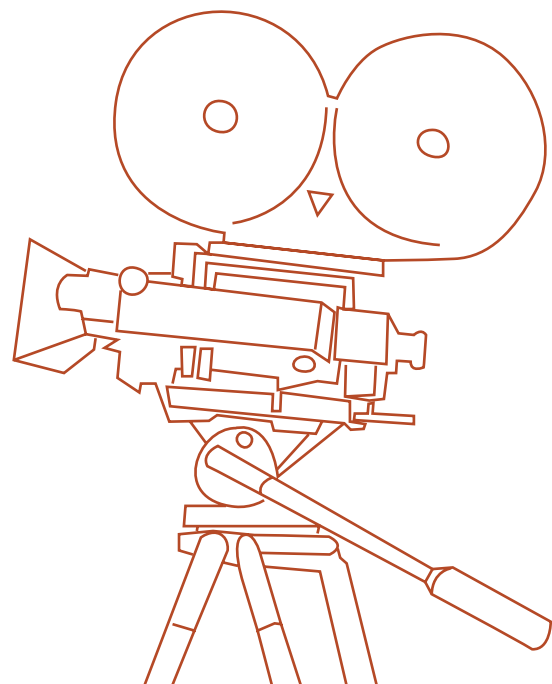
VI. FOCUS ON FILM cont.

FILM CAMPAIGN PERFORMANCE BY PUBLISHER CHANNEL – DVD RELEASE

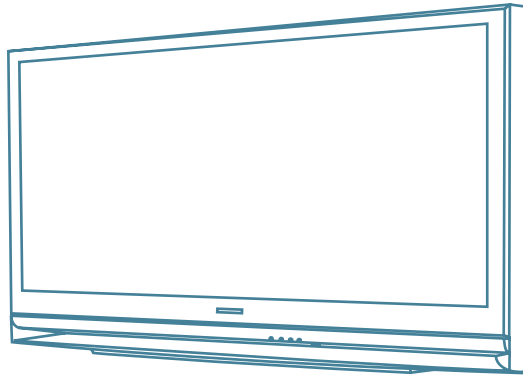
DVD release campaigns running on games sites had exceptional metrics in all three categories shown below. Kids and family sites performed well in terms of both interaction and click-through rates. Community sites delivered outstanding brand time, with women's interest sites trailing but still far ahead of the benchmark.

DVD & Home Entertainment Q2 2006 - Q1 2007			
Publisher Channel	Interaction Rate	Brand Time	Click-Through
Ad Network	7.36%	10.54	0.31%
B2B	6.17%	7.79	0.27%
Comics & Humor	6.50%	9.96	0.24%
Community	6.89%	43.70	0.19%
Computing & Technology	12.20%	12.28	0.46%
Entertainment	5.30%	9.30	0.31%
Games	12.97%	40.84	0.65%
Health & Fitness	6.81%	13.20	0.24%
Home & Garden	4.38%	10.26	0.18%
Kids & Family	16.37%	12.24	2.20%
Learning & Reference	1.35%	0.00	1.44%
Local/Regional	8.08%	1.17	0.10%
Music & Streaming Media	8.77%	19.09	0.47%
News	6.91%	8.60	0.10%
Portals & Search Engines	8.31%	10.89	0.32%
Sports & Recreation	4.95%	7.44	0.14%
Travel	9.37%	6.99	0.16%
Women's Interest	4.24%	20.75	0.18%
Grand Total	7.50%	13.86	0.40%

6.4



VII. TELEVISION SPOTLIGHT



Given the many synergies between television and the internet, rich media is a natural choice for promoting television series, special events and networks. Video components can provide sneak peeks of what's coming in the new season or the next episode. For special television events, roadblock placements get the message across through consistent placement and strong messaging. Branding campaigns for networks (think, "Must See TV") can take advantage of a multi-panel format to spotlight various shows.

For a hard launch of a new series or season, with a clear goal of getting viewers to tune in, features such as photo galleries, synopses and "meet the cast" help to build interest and increase the number of households tuning in, driving up ratings. Email reminders and calendar entries ensure that viewers remember to tune in. AdPortal makes it easy to swap the creatives associated with any placement, so advertisers can continue the momentum with updated messaging and regional show times each week.

The Desperate Housewives campaign below included a photo gallery, synopsis and "meet the cast" feature to hook viewers.



http://www.pointroll.com/AdGallery/Desperate_HousewivesOnLorem/lorem.asp

VII. TELEVISION SPOTLIGHT cont.

This Kitchen Confidential campaign offered two types of reminders to viewers in an effort to increase ratings. Both calendar entry and email reminder options were designed to ensure that viewers would remember to watch.



<http://www.pointroll.com/AdGallery/kitchenconfidentialOnLorem/lorem.asp>

VH1's Rock Honors campaign promotes the special event through the use of videos, downloads and a sweepstakes.





http://www.pointroll.com/AdGallery/VH1_%20Rock_HonorsOnLorem/lorem.asp



VII. TELEVISION SPOTLIGHT cont.

This campaign for The CW Network touts four of the network's shows to draw viewers on different nights of the week. The top four banners shown below all display in the order shown, then resolve to an expandable ad that includes such features as video, network schedule highlights and a channel finder.

FREE TO BE FIERCE  **AMERICA'S NEXT TOP MODEL**
WEDNESDAYS 8/7c 

FREE TO BE FUNNY  **EVERYBODY HATES CHRIS**
SUNDAYS 7/6c 

FREE TO BE SUPER  **SMALLVILLE**
THURSDAYS 8/7c 

FREE TO BE WITTY  **GILMORE GIRLS**
TUESDAYS 8/7c 

FREE TO BE TOGETHER
IT ALL BEGINS SEPTEMBER 20

FREE TO BE VIDEO | FREE TO BE ON TV | FREE TO BE LOUNGING | FREE TO BE A FRIEND | **CHANNEL FINDER**

CLOSE X

CHECK OUT WHAT'S NEW ON THE CW

Free yourself to watch all new episodes of your favorite shows such as America's Next Top Model, Smallville, Gilmore Girls and Supernatural. Enter your zip code in the channel finder to the right to locate The CW in your area.

CHANNEL FINDER
Find 
Enter your zip code

ENTER

FREE TO BE TOGETHER
IT ALL BEGINS SEPTEMBER 20

FREE TO BE VIDEO | FREE TO BE ON TV | FREE TO BE LOUNGING | FREE TO BE A FRIEND | **CHANNEL FINDER**

CLOSE X

FREE TO BE ON TV

SUN EVERYBODY HATES CHRIS
ALL OF US
GIRLFRIENDS
THE GAME

MON 7TH HEAVEN
BURNING

TUE GILMORE GIRLS
MELONICA MARKS

WED AMERICA'S NEXT TOP MODEL
ONE TREE HILL

THU SMALLVILLE
SUPERNATURAL

FRI FRIDAY NIGHT SMACKDOWN

CHANNEL FINDER
Find 
Enter your zip code

ENTER

http://www.pointroll.com/AdGallery/CW_NetworkOnLorem/lorem.asp

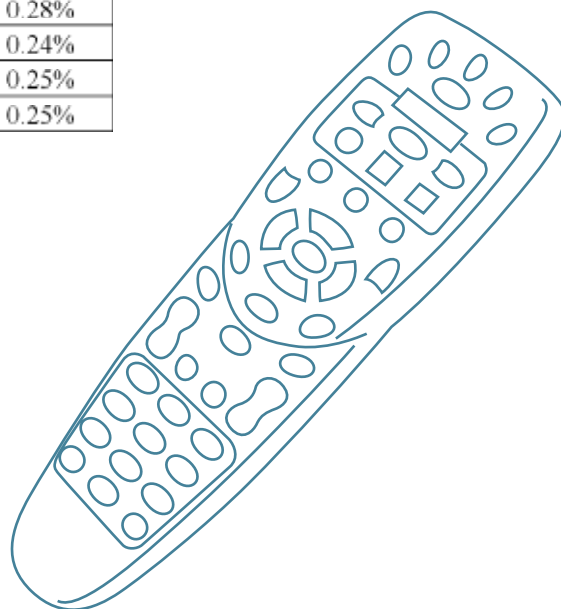
VII. TELEVISION SPOTLIGHT cont.

TELEVISION CAMPAIGN PERFORMANCE BY PUBLISHER CHANNEL

For television campaigns, both games and news sites showed high interaction rates. Brand time was highest on games sites, with automotive and music/streaming media sites also performing well in this category. Click-through rates were particularly high on kids and family sites.

7.1

Television Q2 2006 - Q1 2007			
Publisher Channel	Interaction Rate	Brand Time	Click Thru
Ad Network	6.45%	12.97	0.19%
Automotive	5.45%	21.00	0.13%
B2B	4.97%	14.61	0.19%
Business & Finance	4.18%	8.10	0.29%
Comics & Humor	6.91%	10.55	0.24%
Community	2.37%	10.61	0.13%
Computing & Technology	3.57%	3.74	0.12%
Employment	3.62%	7.40	0.19%
Entertainment	5.11%	11.93	0.20%
Games	8.66%	23.40	0.29%
Health & Fitness	0.17%	0.29	0.49%
Home & Garden	4.37%	10.36	0.44%
Kids & Family	6.22%	16.59	1.97%
Learning & Reference	5.21%	10.40	0.38%
Local/Regional	5.22%	11.60	0.20%
Music & Streaming Media	6.35%	21.05	0.35%
News	8.09%	12.97	0.33%
Portals & Search Engines	6.57%	13.03	0.21%
Shopping & Auction	4.46%	14.99	0.15%
Sports & Recreation	4.18%	8.83	0.28%
Travel	0.49%	0.00	0.24%
Women's Interest	2.57%	2.44	0.25%
Grand Total	5.16%	12.55	0.25%



VIII. VIDEO GAMES

Rich media is particularly well-suited to video game marketing, since the two mediums share many characteristics such as interactivity and cutting-edge technology. Advertising spending to promote the latest and greatest computer-based entertainment is expected to almost double in the next four years. Rich media placements will represent a considerable chunk of that advertising.

US Video Game Advertising Spending, 2006-2011 (millions)



Note: includes static, dynamic and rich media in-game ads; product placement/integration and advergaming; excludes mobile games
Source: eMarketer, April 2007

082075

www.eMarketer.com

8.1

A January 2006 Harris Interactive study found that 45% of U.S. computer owners play games on the Internet, and 26% play graphic-intensive video games. What better way to reach this key audience than by placing interactive rich media ads online? By featuring games within the ad, marketers can give users a “teaser” of the action in the game itself.

>Lorem ipsum dolor sit amet, consectetur adipiscing elit. Donec...

>Lorem ipsum dolor sit amet, consectetur adipiscing elit. Donec...



<http://www.pointroll.com/AdGallery/pacmanOnLorem/lorem.asp>

Coupling this with PaperBoy's locally targeted dynamic content, game manufacturers can include a compelling call to action with information on local retailers—or include a store locator to find a retailer in the user's area. Send-to-a-friend functionality is a particularly effective viral marketing technique to extend the reach of the ad unit beyond the webpage.

Viral Marketing Tactics that Generated Great or Moderate Results according to Experienced US Viral Marketers, March 2006 (% of respondents)

	Great	Moderate
Video clips	47%	40%
Online games, quizzes and polls	39%	48%
Tell-a-friend boxes on site (eg sweeps, coupons, etc.)	30%	50%
Encouraging e-mail forwarding	29%	53%

Source: MarketingSherpa, March 2006

071691

www.eMarketer.com

8.2

VIII. VIDEO GAMES cont.

VIDEO GAME CAMPAIGN PERFORMANCE BY PUBLISHER CHANNEL

For video game campaigns, computing and technology sites had the highest interaction rate at nearly double the average. News sites also performed well in this category. Travel sites delivered an astounding brand interaction time of over a minute and a half. Other high performers were health and fitness, learning and reference, portals and search engines. Excellent click-through rates were achieved on kids and family sites, and sports/recreation and entertainment sites garnered many click-throughs as well.

Games Q2 2006 - Q1 2007			
Publisher Channel	Interaction Rate	Brand Time	Click-Through
Ad Network	5.34%	6.07	0.08%
B2B	2.98%	8.72	0.83%
Business & Finance	5.37%	20.05	0.25%
Comics & Humor	6.01%	8.23	0.21%
Community	4.11%	8.15	0.37%
Computing & Technology	12.54%	18.80	0.48%
Entertainment	7.12%	11.31	1.00%
Games	5.28%	12.30	0.57%
Health & Fitness	9.36%	34.98	0.51%
Kids & Family	7.96%	15.08	2.52%
Learning & Reference	5.91%	13.52	0.27%
Music & Streaming Media	9.25%	31.96	0.72%
News	10.55%	13.30	0.39%
Portals & Search Engines	1.44%	32.82	0.76%
Sports & Recreation	7.79%	10.98	1.32%
Travel	1.21%	92.19	0.05%
Women's Interest	1.69%	11.14	0.10%
Grand Total	6.86%	17.06	1.02%

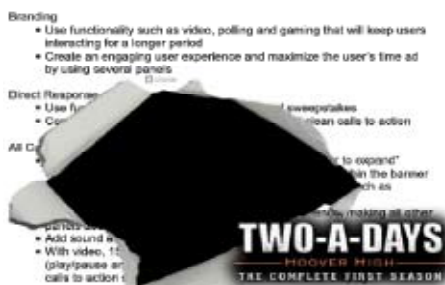
8.3



IX. ENTERTAINMENT RICH MEDIA IN ACTION

TWO-A-DAYS DVD RELEASE CAMPAIGN

Starting December 26, 2006 until January 17, 2007, Paramount Pictures ran a wildly successful rich media campaign for Two-A-Days, a reality show following the training and teen angst of a high school football team. The campaign combined a BadBoy over-the-page floating ad that resolved to a full-featured FatBoy expanding ad. Viewers could roll over cast members within the ad to watch video clips featuring each person. They could also click through the ad to purchase the DVD. Thus, the campaign was a combination of branding and direct response.



http://www.pointroll.com/PointRoll/AdDemo/ParamountPictures/Two-A-Days_120x600_BB_DEMOpd3.asp

The ad ran on CollegeSports.com, eBaumsWorld.com, ESPN.com, Gorilla Nation, MySpace and TheSuperficial.com. About one-third of the impressions resulted in interaction from the viewers. The panel click-through rate was more than six times the industry benchmark, and the total click-through rate was more than 10 times the benchmark. Video completion rates came in at over 50% and the average brand interaction time was slightly over benchmark.

A number of factors contributed to the success of this campaign. An eye-catching floating ad grabbed viewers' attention. The expanding ad featuring video clips built upon the initial interest, and a strong call to action encouraged viewers to respond by purchasing the DVD. A carefully targeted media buy supported the creative components.

X. ENTERTAINMENT MARKET BEST PRACTICES

WHAT YOU NEED TO KNOW WHEN CREATING RICH MEDIA AD UNITS

From the over 1500 entertainment campaigns PointRoll has executed to date, we've compiled the following best practices to support campaign success:

FORMAT:

- Use the most popular and effective sizes: 728x90, 300x250, 160/120x600 and 425x600.
- Create an expanding ad with interactivity instead of only standard Flash, as TomBoy (polite) ads and BadBoy floating ads that resolve to a Flash ad tend to have lower brand interaction time.
- Incorporate multiple panels to increase click-through rates by giving users more opportunities and motivation to click through. Panel click-through rates are often higher than banner click-through rates.

FEATURES:

- Use video to increase both interaction rate and brand time.
- Incorporate dynamic data to locally target campaigns by using variable text, video or other content. This enables you to customize the user experience without the need for multiple creatives – consider incorporating theater showtime finder and ticket purchase functionality for best results.
- Consider including a game within the ad unit to increase brand interaction time.
- Include information on bonus features for DVDs.
- Include the send-to-a-friend feature, when using, on multiple panels for best results.
- Offer less engaging panel activities and include stronger calls to action, when click-through is the goal.
- Include dramatic imagery and recognizable stars in the ad creative, particularly the default banner. This will lead to higher interaction rates and increased brand time.

VIDEO:

- Include multiple video choices to increase video completion rate and brand interaction time. Trailers, TV spots, movie scenes and bonus clips are all good choices.
- Include video controls (pause, play, volume, etc.) for a better user experience.
- Make the default video the strongest and most compelling of the video clips offered, as prominent placement has been shown to increase video completion rates.
- Keep video length to 30 seconds or less. Shorter videos net higher completion rates.

TARGETING:

- Review available metrics to optimize campaigns and place media on both general and top performing sites – contact your PointRoll Sales Representative for metrics on top performing sites.
- Optimize creative rotation based on click-through rates garnered by each creative (rather than just a set percentage). AdPortal makes it easy to change the creative weighting at any time.
- Leverage PointRoll's Included network to save thousands of dollars on your campaign, while increasing its reach.
- Use a frequency cap to keep engagement levels high by not continually displaying the same creative to the same viewers.

XI. APPENDIX

GLOSSARY

Data Collection is user-initiated and allows an advertiser to garner information about the user within the ad unit. The advertiser can then use this information for future marketing activity.

Downloads allow the user to download branded items such as wallpapers, ring tones, IM icons and more. Imagine a user downloading a screen saver of your latest release, extending the life of your brand beyond the ad unit.

Dynamic Data pulls local information into the ad unit for functions such as finding a theater or retailer by entering a zip code, all within the ad unit.

Instant Email is an effective viral marketing tool that supplies immediate information to potential consumers that they can read and follow up with at a later time. This also provides the advertiser with immediate confirmation of requests, registrations or data submission and email addresses.

Polling can be used to gather information about your targets — asking them what they look for when spending entertainment dollars.

Gaming boosts interaction rates and brand interaction time. Gaming features grab the viewer's attention and show off the latest film, television series or video release.

Hot Spotting allows the user to roll over areas and get additional information about your product. It can also be used within a video for a unique and compelling user experience.

Interactivity occurs when a user takes action to manipulate content within an ad other than through a game or photo gallery.

Print Option permits a consumer to print information from the ad unit such as coupons, directions and more. This has been shown to be effective at driving users to theaters and retailers.

Product Selection dynamically pulls the best-suited product for user-specified needs based upon individual selections.

Promotions/Offers can be used to increase attendance, subscriptions and purchases.

Reminders prompt consumers to buy tickets when a movie is released or remind them of special offers.

Video allows you to give consumers a sneak peek as well as repurpose existing television or film footage to increase campaign performance. Filming on a “green screen” background allows footage to be utilized in many rich media formats while interactive video and hot spotting allow users to interact directly with the video.

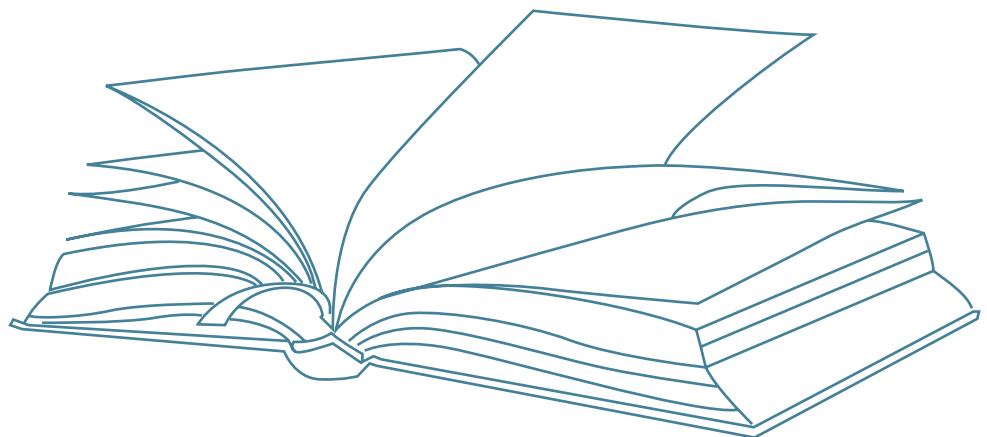
ADDITIONAL READING AND RESOURCES

Nielsen//NetRatings AdRelevance www.nielsen-netratings.com

Dynamic Logic www.dynamiclogic.com/na/

Internet Video: Advertising Experiments and Exploding Content – eMarketer 2006 www.emarketer.com/Reports/All/Em_video_internet_nov06.aspx

Streaming Video Advertising Guide 2006 – Understanding and Optimizing Online Video www.pointroll.com/docs/AccuStreamStreamingVideoGuide2006.pdf



POINTROLL ENTERTAINMENT CLIENTS

Universal Studios Home Entertainment	THQ	Disney Pictures
Disney	CNN	20th Century Fox Home Entertainment
Paramount Pictures	AMC	20th Television
Nintendo	PBS	United International Picture Group
NBC Universal	Miramax Films	Acclaim
Warner Brothers	DIY Network	RCA Records
USA Network	ABC News	Buena Vista Games
Sci-Fi Network	A&E	CBS Broadcasting
Sony Pictures	Fuel TV	MovieLink
CW Network	Fox Broadcasting	Gamania Digital Entertainment
Busch Entertainment Corporation	Six Flags Theme Parks	Warner Home Video
Fox Entertainment	Blizzard Entertainment	Black Entertainment Television
Discovery Channel	Animal Planet	20th Century Fox Theatrical
Universal Pictures	Capcom	Military Channel
Lions Gate Films	E! Entertainment	SoftStar Entertainment
Bravo Network	Universal Studios Theme Parks	UPN
Sony Home Entertainment	CBS Digital	HGTV
Buena Vista International	Warner Independent Pictures	XM Satellite Radio
FX Networks	Fox Movies	Harrahs
Turbine Games	TV Guide	Atari
20th Century Fox	Rockstar Games	Time Warner
New Line Cinema	Columbia Tristar	Nickelodeon
Cartoon Network	Clear Channel Communications	ABC Family
Electronic Arts	Comedy Central	Curb Records
Yahoo Movies	ABC	2K Games
Viacom	Lucas Arts	New Line Home Entertainment
Warner Brothers Records	Discovery Health	Discovery Communications
Food Network	VH-1	Fox Searchlight
Lifetime Entertainment	Activision	Cyber World Group
Focus Features	Universal International Pictures	Sundance Channel
Universal Studios	Sony Music	Gameflier
BBC	Sirius Satellite Radio	TiVo
In Demand	MGM Mirage	Moviefone
Game Show Network	Disney Channel	Warner Domestic Cable
HBO	DirecTV	Discovery Kids
Napster	MTV	International Games System
Paramount Parks	Cirque du Soleil	Universal Music
MGM	Universal Music Group	NBC
Independent Film Channel	Howard Stern	Dave & Busters
Vivendi Universal Games	Sony Online Entertainment	Radio Disney
Speed Channel	TNT	Touchstone Pictures
Fox Films	SOAPnet	Hallmark Channel
TBS	MSNBC	WWE
Oxygen Media	Paramount Classics	King World
Showtime	TV Land	Discovery HD
Buena Vista Motion Pictures	National Geographic Society	ABC Disney Channel
The Learning Channel	Buena Vista Home Entertainment	Capitol Records
DreamWorks	Court TV	
Sega of America	Columbia Records	

ABOUT POINTROLL

At PointRoll, we are passionate about developing innovative rich media technology solutions that go beyond the creative limitations of existing advertising options. Thanks to our superior technologies and the best and brightest in the industry, we enable the most compelling and effective online creative, connect brand messages with consumers and convert consumers into buyers and believers.

- **Create** – PointRoll creates and supports rich media campaigns that are setting a new standard for what online advertising – and advertising in general – mean for an entire industry.
- **Connect** – PointRoll connects with target audiences as it served an industry-leading 30 billion rich media ad units in 2005 and is poised to serve more than 60 billion in 2006.
- **Convert** – PointRoll converts target audiences. In 2006 to date, PointRoll has created more than 10 billion conversion opportunities for clients, meaning millions of users saw branded messages billions of times.

PointRoll's mission is to build and distribute the most effective and robust user-initiated advertising across the Internet by leveraging the capability of rich media and empowering every online ad to be a PointRoll ad. Offering flexibility without compromising creativity, PointRoll offers innovative rich media solutions that drive the effectiveness of online advertising, thus enhancing advertisers' messages across the medium. We believe all online advertising should leverage rich media, otherwise what's the point?

Additionally, PointRoll is committed to redefining – and refining – measurement. From interaction rate and time spent with brand to total conversions, video completion rates and site events that measure website traffic tied to the ad units, PointRoll dramatically enhances measurement capability to effectively and succinctly track ROI. By affording users a rich media brand experience anywhere online, PointRoll's industry-leading metrics give new meaning to the word "return," with average interaction rate of 6.4%, 116% click-through rate lift over standard banner ads and an industry-leading average of 10.8 seconds of time spent with brand in 2006.

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