

# Internet Audience Dynamics

*With data from comScore Media Metrix  
and DoubleClick*

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## *Executive Summary*

*comScore Media Metrix uses audience measurement data to show how sites' unique audience dynamics can be leveraged to improve advertising effectiveness. In this whitepaper, we show how the Internet can be used as a reach medium, and not through the portals alone. Advertisers can maximize exposure to hard-to-find light Internet users and specific target groups, optimize scheduling to take advantage of site usage peaks, and understand how audience build rates vary among site genres. For publishers, having knowledge of their unique audience dynamics helps sell their audiences more effectively, perhaps even to advertisers outside their usual purview. At the micro level, close familiarity with their site's dynamics helps develop best practices for impression delivery to meet advertisers' campaign goals.*

**Background & Methodology**

There has been a lack of exposure and understanding in the market about online performance measures beyond monthly unique visitors and pageviews. In particular, publishers and advertisers have paid scant attention to the dynamics of audience accumulation over time, and its implications for scheduling and packaging online media. Audience accumulation is often described using reach curves that illustrate the rate at which a site attracts incremental visitors over time. In television ratings, audience accumulation rates (or “cumes”) are most often measured by dayparts over 4-week time periods, while magazine cumes usually relate to publication periods (monthly, weekly, daily etc).

Historically, web audiences have been analyzed by investors and advertiser in terms of monthly delivery. Big sites talk a good deal about their respective monthly unique visitors (aka, net impressions) and pageviews (aka, gross impressions) and those numbers are often the reason big

sites are included on almost every buy. But the fact is that total monthly audience data offers little insight into how a site can deliver reach (as opposed to frequency) for specific advertisers’ schedules. To assess the web’s potential to deliver unduplicated audiences for specific advertising schedules, audience accumulation must be analyzed to determine which days of week, times of day and types of content perform best given advertiser goals.

Other important web measures used in this study are audience reach and composition. These are defined, respectively, as the percentage of a target audience that visited a particular site, and the percentage of a site’s total audience that is made up of a target audience. For example, if there are 100 members of a target audience on the web, 20 of whom visit Site A, Site A’s reach (sometimes also called penetration) of the target audience is 20%. If Site A’s total visitation is 40 visitors, the 20 members of the target audience that visited Site A make up half of Site A’s total audience, or a composition of 50%.

As with syndicated MyMetrix audience measurement products produced by comScore Media Metrix, this study is based on the actual observed Internet behavior of 1.5 million web users in the U.S., and data projected to total Internet population. All data used in this study is from February 2004 unless otherwise noted.

**Impact of heavy users on online media consumption**

Heavy users account for less than 40% of the online population but more than 70% of all media consumed

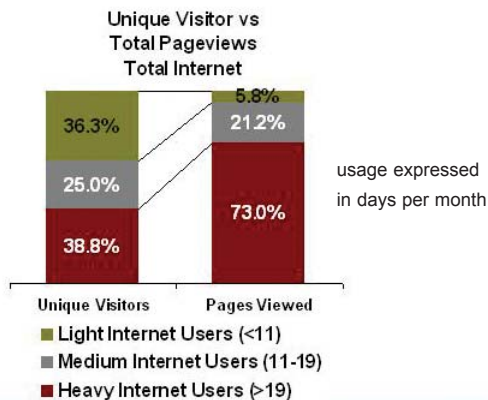


Chart 1

Source: comScore Media Metrix

### Light users visit portal home pages, but the odds of reaching them will be low

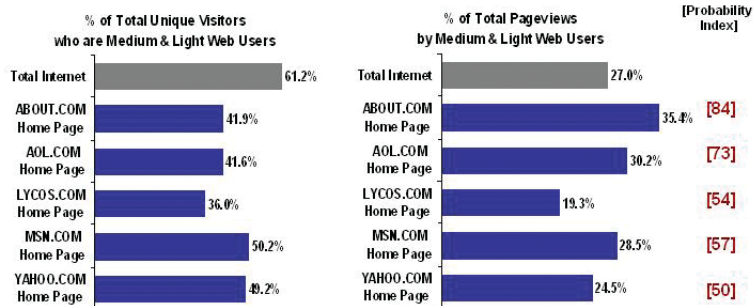


Chart 2 Source: comScore Media Metrix

account for the majority (73.0%) of all pageviews [Chart 1]. As such, heavy users consume a disproportionate level of online advertising and are therefore much more likely to view a given ad. This is especially true on portal homepages, which at first glance seem to attract their fair share of lighter web users. With below-average page consumption, however, the probability of an ad placed on a portal home page being seen by a light web user is low [Chart 2].

### Where to reach light Internet users in the news category: CNN

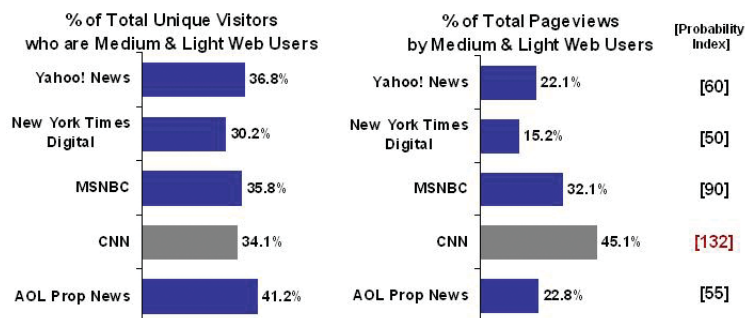


Chart 3 Source: comScore Media Metrix

Even among similar sites, there can be substantial differences in their ability to reach light web users. Among news sites, for example, CNN's likelihood of reaching a light user on an average ad placement is much higher than that of others in its competitive set [Chart 3]. Being aware of sites' relative ability to reach lighter users (instead of simply overreaching the heavy user core) should guide advertisers' site selection, and can be a unique selling point for publishers.

#### Key Findings

*In order to effectively build reach, you need to balance delivery among heavy and light Internet users...*

*Light Internet users are heavy users on certain sites*

Heavy Internet users (defined as those who go online 19 days or more in a month) have a disproportionate impact on site statistics: a minority of viewers (38.8%)

- Among personal finance sites, MSN Money is the standout, with 77.4% of pageviews being viewed by lighter web users, who make up 39.0% of the audience. The ratio between these two percentages gives us an index of 199, which reflects the probability that an ad placed on this site will be seen by a lighter web user.
- Almost half of all pages viewed (49.3%) on the CNN.com home page are viewed by lighter web users, who make up 36.2% of the home page audience (an index of 136). The entire CNN site has a light user probability index of 132, with light web users accounting for 34.1% of the site's audience and 45.1% of pageviews [Chart 3].

## High composition is not always consistent with high reach

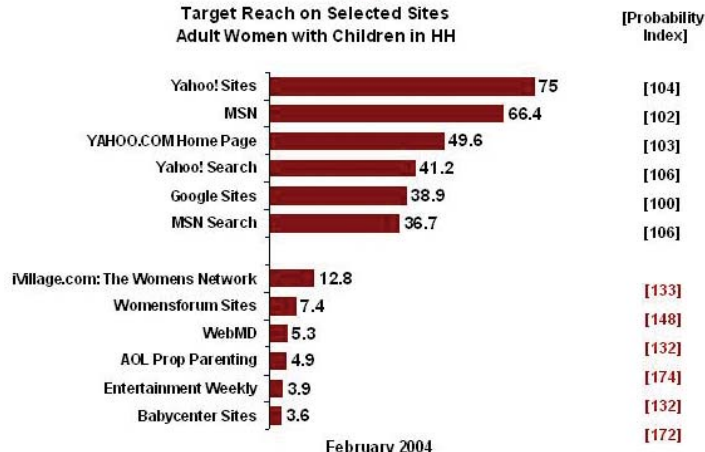


Chart 4 Source: comScore Media Metrix

- 26.7% of MSN WomenCentral's audience is made up of lighter web users, who account for 44.4% of all pageviews on that site (an index of 166)
- Under one-third (28.4%) of Autobytel's audience is considered to be lighter web users, but they account for 43.2% of that site's total pageviews (a probability index of 152).
- Epicurious.com has an advantage in reaching lighter users that is 27% higher than the average (an index of 127), with light users making up 29.8% of its audience but 38.0% of pageviews.

*Beware of "one size fits all": high reach is not always consistent with high composition (you'll need both)*

If the advertising goal is targeted audience reach, placement on high-reach sites should be complemented with high-composition sites. High-reach sites, by definition, are those that are visited by most consumers in the Internet population. Because the largest sites also typically have the broadest appeal, demographic

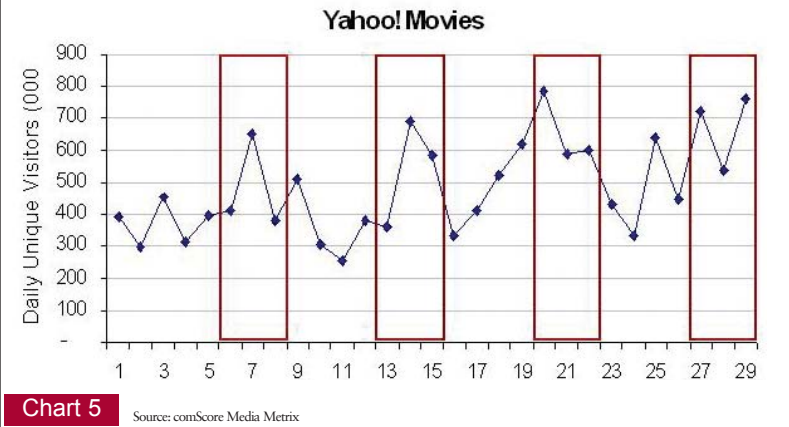
compositions on these sites will closely mirror the Internet average [Chart 4]. On sites with more specialized content, and a clearer skew towards your target audience, the probability of an ad actually being viewed by your target is much higher.

- Not surprisingly, sports, auto, and gaming sites dominate high-composition sites for males 18-34: ESPN, eBay Motors, and Yahoo! Sports have the highest compositions of males in this age group. Entertainment sites are a good bet as well, with WindowsMedia, Musicmatch.com, and IMDB.com all having males 18-34 make up more than a quarter of their total audience.
- High-income households (with yearly household income above \$100k), which make up 19.3% of the overall population, have high compositions on personal finance sites such as CBS Marketwatch and on the homepages of news sites such as the CNN.com and NY Times.com home pages, but they make up a similar percentage of the audience on sports and entertainment sites such as SI.com, E! Online, and About Health and Fitness. This data drives home the point that even campaigns whose primary goal is the broadest possible reach should consider sites other than just portals in order to reach light users with increased efficiency.

*Scheduling tactics should be directed by audience dynamics*

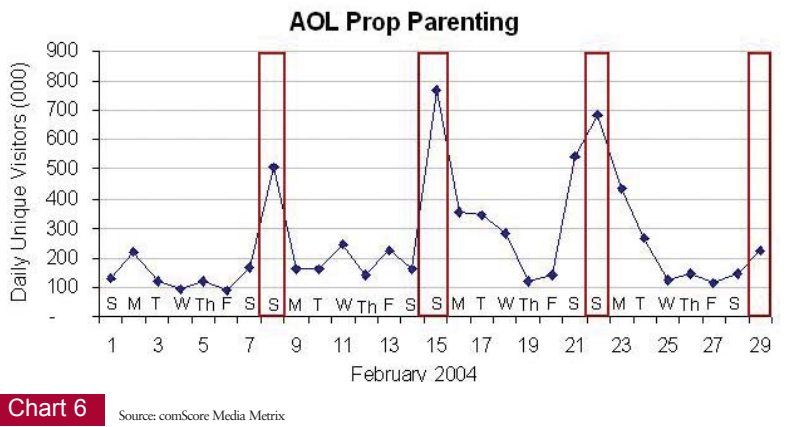
Audience patterns and reach vary by day of week and hour of day. These usage patterns vary widely depending on content and the target. Certain sites' usage patterns are directly affected by their content

## Scheduling tactics should be directed by audience dynamics



offerings – for example, Yahoo! Movies sees higher usage on weekend evenings, and Wall Street Journal usage peaks early in the morning and at the end of the workday [Chart 5]. Other sites' usage patterns can be attributed to time availability of their core constituencies: AOL Parenting sees most of its visitors during weekends, particularly on Sundays [Chart 6]. Whatever the reason for usage peaks and valleys, campaigns will be more successful in building reach when ad schedules include a site's peak time periods. Third party ad servers can be used to target by "daypart" but few advertisers or web publishers use this technique – see the Q2 2004 DoubleClick Ad Serving Trend report at [www.doubleclick.com](http://www.doubleclick.com).

## Any schedule on AOL Parenting should include Sunday inventory



### *Don't buy on build alone*

It is apparent that certain types of sites, whether because of the nature of the service provided on the site, or the people who are apt to visit, will have a propensity to build reach faster than others. Portal brand recognition and the breadth of content offered by Yahoo!, MSN, AOL and others contribute both to high penetration and fast audience build. Among more specific site genres, "first stop" sites such as search and communication draw high repeat visits and fast audience build as well. On the other end of the spectrum, real estate, automotive, and health sites are the slowest to build audience; these types of sites are visited by consumers mainly when they have specific information objectives [Chart 7]. Even among sites with similar content, subtle differences in the type or presentation of content may cause differences in audience build rates that

### A survey of audience build characteristics across site genres

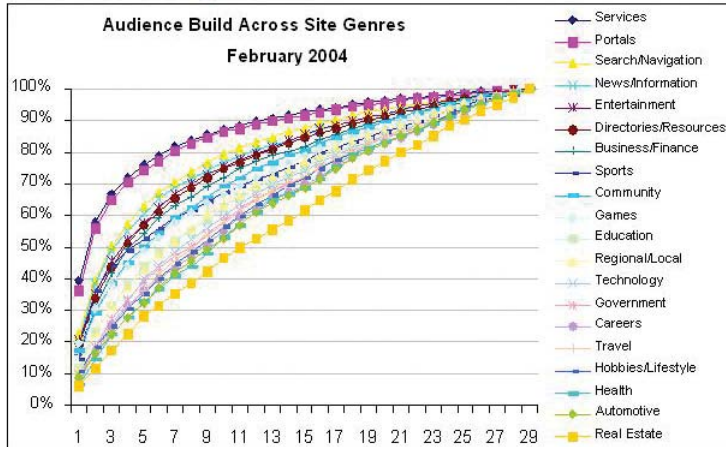


Chart 7 Source: comScore Media Metrix

aren't expected. Among entertainment news sites, for example, TVGuide's television listings service has a clear impact on repeat visitation and build rates, even though it certainly lags behind these competitors in reach [Chart 8].

It is important to point out that a site's build rate is not the only measure that should be considered when evaluating performance and formulating best practices for attaining reach. Rather, it should be taken into account when formulating schedules for a campaign: in general, to maximize reach, slower-building sites require longer runs, while a short, heavy blast on sites with steep build curves are sufficient to reach the majority of users.

### Audience Build of Entertainment News Sites

		Unique Visitors (000)	% Reach	Avg Usage Days	Approx. days to reach 80%
[C]	MSN Entertainment	13,949	9.2	2.4	20
[M]	IMDB.COM*	7,173	4.7	2	22
[P]	E! Online	3,220	2.1	2.0	22
[M]	TVGUIDE.COM	2,884	1.9	4	18

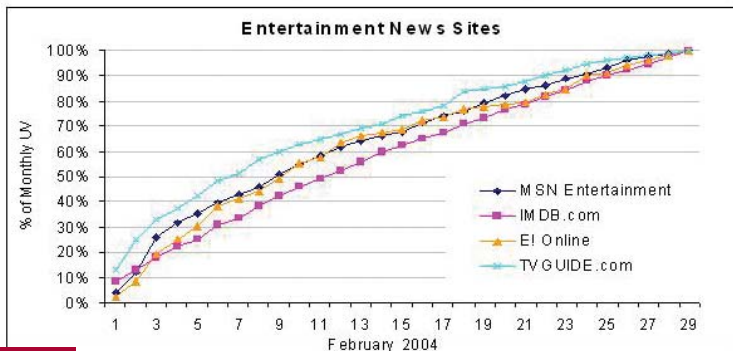


Chart 8 Source: comScore Media Metrix

For example:

- Different sections of a portal can have very different build rates: Yahoo! News attains 40% of its monthly audience in just four days, while Yahoo! Health takes nine days to reach the same level.
- ESPN takes just eight days to reach 60% of its audience, and 16 days to reach 80%. Advertising on ESPN would require shorter schedules than ads placed on personal finance sites such as MSN Money and CNN Money, which take 22 and 24 days to reach 80% of their audiences, respectively.
- Health sites are slow to build audience across the board: category leader WebMD takes 23 days to reach 80% penetration, roughly the same rate that competitors Yahoo! Health, About

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Health & Fitness, Realage.com, and iVillage Health build their audiences.

- eBay Motors reaches half of its monthly audience by day eight, while Autobytel takes 15 days to reach half of its audience.

### **Conclusions**

Knowledge of audience dynamics helps both advertisers and publishers reach target groups more effectively and efficiently. As Internet usage among the general population increases and online content and product offerings continue to mature, the web is being recognized as a legitimate method for efficiently reaching a mass audience. While the portals will continue to be the tried-and-true workhorses for attaining reach in the medium, niche sites will come into their own by demonstrating their increased efficiency in maximizing reach of target audiences. It is also important

to be aware of the patterns of impression distribution: by no means is it constant across sites, time periods, or target groups. By taking audience dynamics into account, as well as the roles that audience measurement data and tools can play, publishers can sell their site's unique characteristics to a broader set of informed advertisers, who in turn can gain a significant edge in reaching consumers within this evolving medium.

*This executive summary is based on a presentation developed by comScore and DoubleClick. For more information on the complete data behind this whitepaper (which is available fully to DoubleClick clients), contact Kathryn Koegel, Director of Research and Industry Development at [kkoegel@doubleclick.net](mailto:kkoegel@doubleclick.net), or your DoubleClick Account Executive.*