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Fax (UK) 01525 721 757

Tel/eFax (USA) 208 3618486

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An Analysis of Untargeted Blog Advertising to See If Patterns Can Be Found To Aid the Scaling Of an Ad-Campaign across Multiple Blogs

Dixon Jones. BA(Hons.)
March 2006

Summary

Over a seven day period, we advertised over 62 blogs. We advertised an established site with niche appeal (www.murdermysterygames.net) and used a combination of two moving banners adverts and text creative.

We looked at the comparative click through rates to see if click through rates were significantly different based on a variety of criteria:

- Type of creative
- Position on the page
- Page Rank of blog
- Price
- Genre of blog

We were also able to track results through to sale, but the sale results do not form part of this report. The objective of the report is to be able to provide superior blog advertising advice when conducting future campaigns, to maximize the exposure of sites in the future.

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Findings Summary

- The two most promising indicators of success in this campaign look to be the genre of the content on the site and the position of the advert on the page. Creative copy, Page Rank and cost were bad indicators of a successful campaign.
- The best value site created a CPC at 18 cents, appreciably below Yahoo search marketing's top bids, but the worst sites generated CPCs of US\$20. We found that it is very difficult to spot the difference before spending your money.
- Overall, we recorded 1312 clicks from a total budget of US\$ 1049.38 generating an average CPC of 86 cents over the period. Yahoo Search Marketing suggests top bids for PPC on these phrases would be between 30 cents and 50 cents.
- Click through rates are dramatically lower than PPC – around 0.05% (1 in 2000) compared to around 5+% typically on PPC (1 in 20) but we did not find any significant difference in CTR between the two creatives used.
- Our control experiment had no visual (text only) but achieved one of the highest CTRs, and one of the lowest CPCs of all.

Methodology

Creative

We used a scraper shaped area, comprising a title in text: “*Downloadable Murder Mystery Games*” followed by one of two images (below) and then descriptive text: “*Blogs are all about communicating, but you can't beat a real get2gether. Try a party that has a good theme but keeps people talking. Why not play host to a murder mystery party? Your guests will never forget what happens to them... if they live to tell the tale! Party packs from 6 to 200 guests.*”

Two creatives were used (in separate adverts). They are moving images and can be seen online at: www.murdermysterygames.net/images/blog-ad1.gif and www.murdermysterygames.net/images/blog_ad2.gif.

Still representations are on this document for offline reading:

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Creative 1 “Another Blog”	Creative 2 “All this Blogging”
<div data-bbox="323 510 630 898" style="border: 1px solid black; padding: 10px;"><p>AAah, another blog.</p><p>A place where I can share my secrets with the world.</p><p>Secrets like, how many murders I have committed!</p></div>	

Distribution

The adverts were distributed over the Blogads.com ad network. No effort was made to target the adverts to specific types of site. However, we used only sites whose page impressions were advertised to be in excess of 3,000 per day. All adverts were placed on the same day, running for a seven day period, although some adverts did not start running until later in the week. We aimed to avoid an “unusual week”, such as Christmas, public holidays, half term, etc.

Four of our original 66 campaigns are excluded from all data. Three were not accepted by the blog owner, so the campaign never ran, and one ran but did not record any clicks. On investigation it appears this site hid the advert from human view.

The entire sample covers 2.73 million page views over 62 blogs, all of which are primarily written in English.

Types of Site

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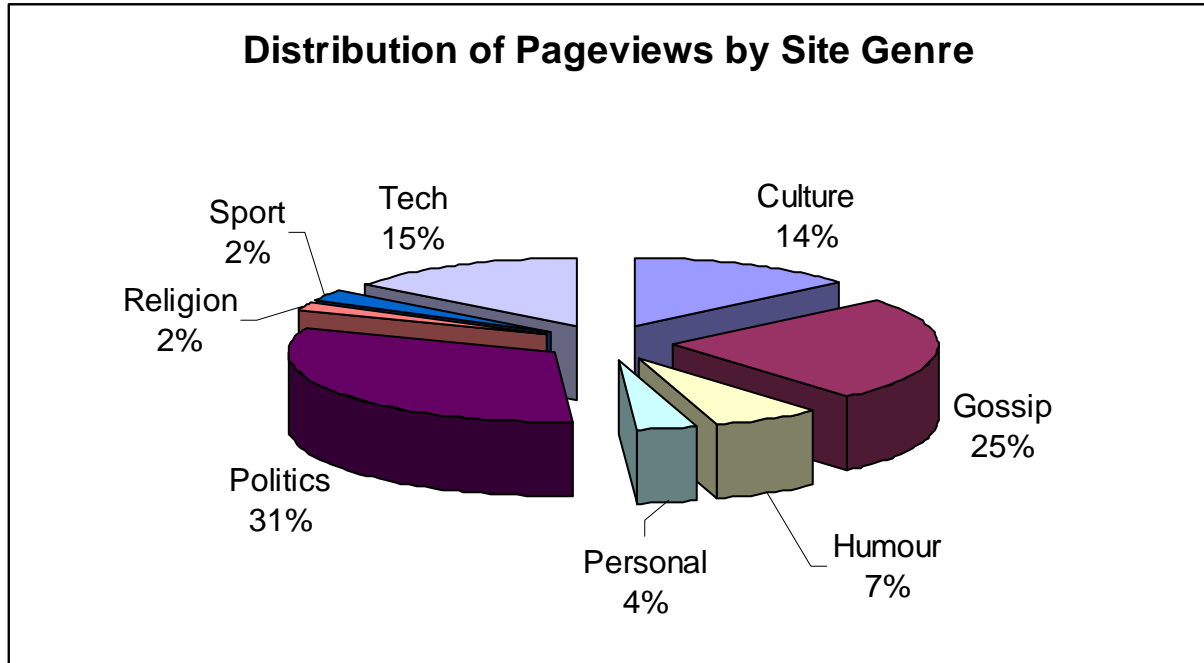
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The sites could all be described as “blogs” and we categorized each site after the fact, but before analysis, into one of a number of broad genres:

- Gossip (including celebrity news and regional chat)
- Sport
- Humour (including political satire)
- Culture (including art / film / TV and ... architecture!)
- Tech (including science, tech, business and news)
- Politics (excluding political satire)
- Personal

Typically, many sites covered a number of genres and it was sometimes difficult to pigeon hole each site. However, we felt it important to try to limit the number of genres. Statistics based on the genre of site should be tested independently.

Control Experiment

Starting one week after the end of the previous experiment, we ran another advert for seven days, on a single, targeted blog, using text only and a different network (Adbrite.com). The targeted blog falls into the “Culture” category above. The control experiment used an advert above the fold.

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Findings

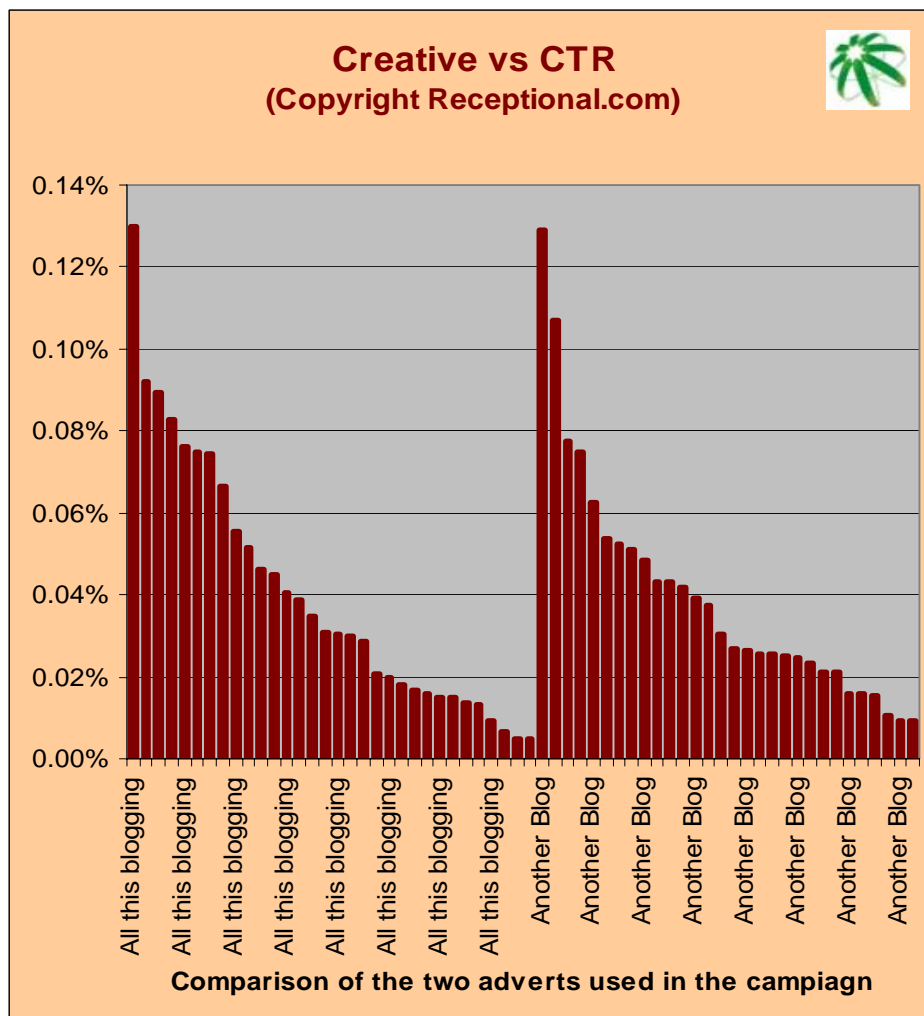
Even with a sample of 62 blogs and nearly 3 million impressions, we found that predicting the outcome of blog advertising is extremely difficult to do in advance of a campaign, suggesting that the best approach is to run a campaign in two phases, the first over a wide section of sites and then taking the top performing 10% and continue the campaign on these alone. We found very few instances where we could perform a t-test, or any need to perform an f-test, because the data were so variable that the level of confidence would have been meaningless or confidence interval uselessly wide. In essence, the coefficient of variance of any cost per click sample or click through rate sample approached or exceeded 100%. That is to say that overall, amongst all 62 blogs, we found the following results:

Average CPC:	\$0.86
Weighted Average CPC:	\$2.88
CPC Standard Deviation:	\$3.81
Overall CTR:	0.04%
Weighted Click through Rate:	0.04%
CTR Standard Deviation:	0.29%

The standard deviation on both key metrics is too high to be able to draw sensible, positive conclusions, unless there is a clear way to divide the data into two logical sets which, in themselves, show a much tighter spread. This proved hard to do. We have, however, tried to represent our findings graphically, to show where correlations appear reasonably high and we have also supplied the raw data for others to continue this research should they so wish.

Was one creative significantly better than the other?

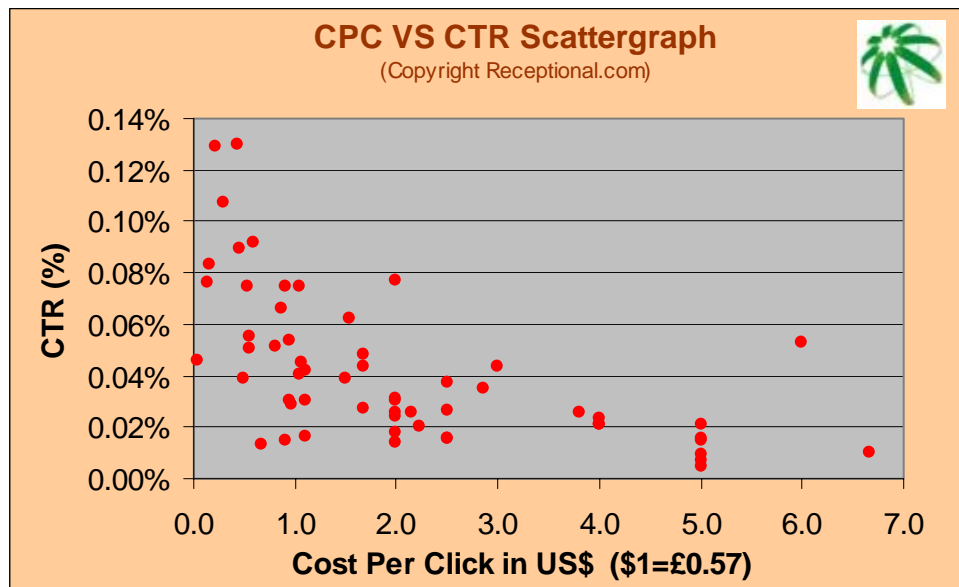
We would expect one creative to significantly outperform the other, even though we used the same text message in both adverts. However, we found that this was not the case. The creative made little difference on the CTR and, more interestingly, we found that the control – which had no picture at all – performed just as well. Evidence is already readily available on that individuals are more likely to click on text than on graphics on other forms of websites – in particular search – but this evidence is confirmed in the blog arena to the extent that blog ads would be just as productive for the advertisers – if not more productive – if they did not use a graphic at all.



The way in which the graph above is rendered is worth explaining as it will help to interpret some of the other graphs below. Most of the graphs use CTR (click through rates) on the Y-axis. If, for example, the creative “All This Blogging” was significantly better performing, then the average bar heights would be noticeably higher on the left and we would expect the gradient to also be less acute. As it is, the two adverts are broadly performing the same.

Does a higher cost per click indicate a better Click Through Rate?

It might be assumed, for example, that you would expect a higher click through rate the more you spent per click. Certainly, with PPC models, this is a prerequisite assumption – but if this were actually true when translated to the Blogads network, then we would be able to see this graphically with a very tight line showing in a scatter-graph. As we can see from the chart below, there is almost no correlation between the CTR and the CPC. This would suggest that you are as well to go for the cheapest adverts, all other factors being equal, because their quality is just as good (or bad) as the expensive adverts.

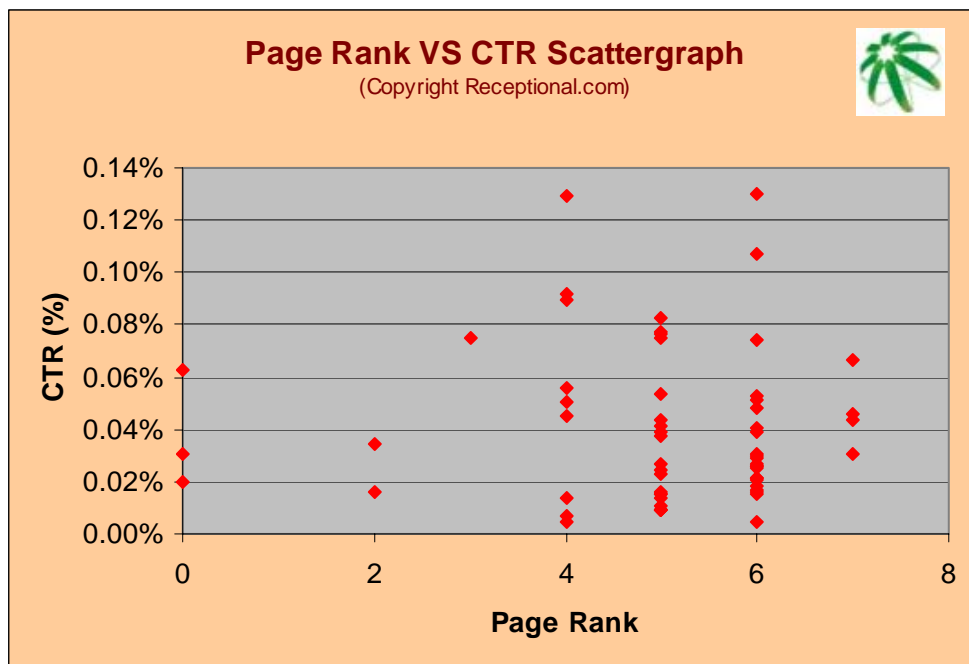


The data points above should follow a relatively tight line if there was a correlation between the cost per click and the click through rate of an advert on a blog. From this sample, there seems to be no correlation whatsoever.

Is Page Rank a good indicator of blog suitability?

Page Rank is a patented algorithm owned jointly by Google and Stanford University and is named after Larry Page, its creator. Publicly, Page Rank gives every page on the internet a score between 0 and 10, which represents the importance of that page. The scale is not linear. Very few sites have Page Ranks 9 or 10.

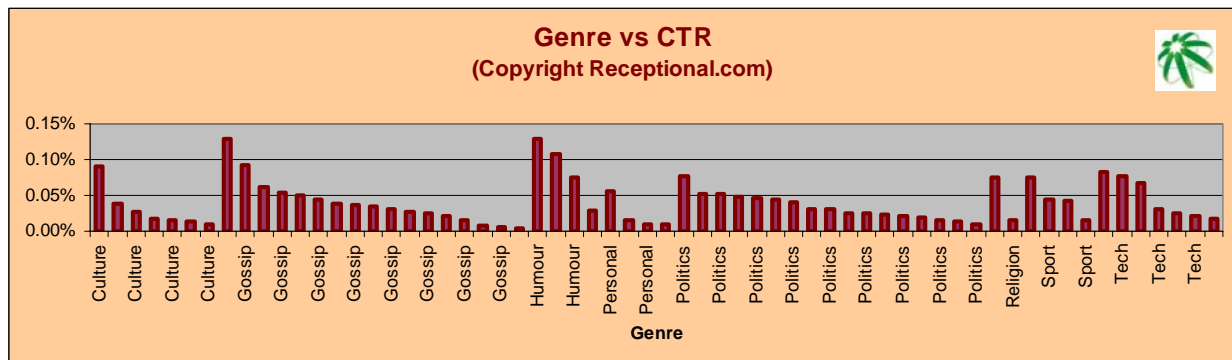
We wanted to see if “Page Rank” was a good indicator in selecting which blogs one might select for an advertising campaign.



Again, we see that the sites with Page Rank seven offer only a slightly higher CTR than those of Page Rank zero. Indeed, there is not even a hint of correlation between Page Rank and click through rates.

Is Genre a Good Indicator of Campaign Quality?

Given that neither Page Rank nor price can offer a campaign manager any assurances, one would assume that genre would at least help in the targeting of a blog advertising campaign.



Here there does seem to be some interesting inferences. The graph above has split the click through rates by genre. Whilst two sites, one in “Gossip” and one in “Humour”, showed the highest click through rates, the “drop off” in quality was much faster in Gossip than Humour, indicating that humour-based sites were a better “bet” for this particular campaign. Tech sites also showed up well but perhaps surprisingly, Culture fared badly. By comparison, our control experiment was on *one* targeted site, www.simplyscripts.com, which would have come under the Culture category. This pulled in at a CTR of 0.012% which is in the top three performers in terms of click-through rates.

Whilst selecting a genre of content for you blog campaign will give you a better than average performance, it would be nowhere near as effective as running a campaign on every imaginable blog for a short period and then limiting the campaign to the top 10% of the original list.

Further research on defining site “genre” and whether a campaign and genre could be better matched would probably lead to a better ability to scale campaigns over a large number of sites or blogs.

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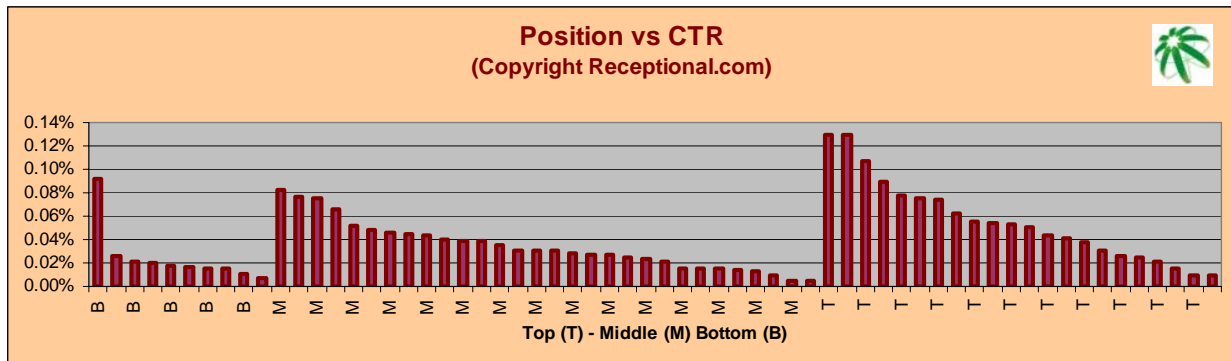
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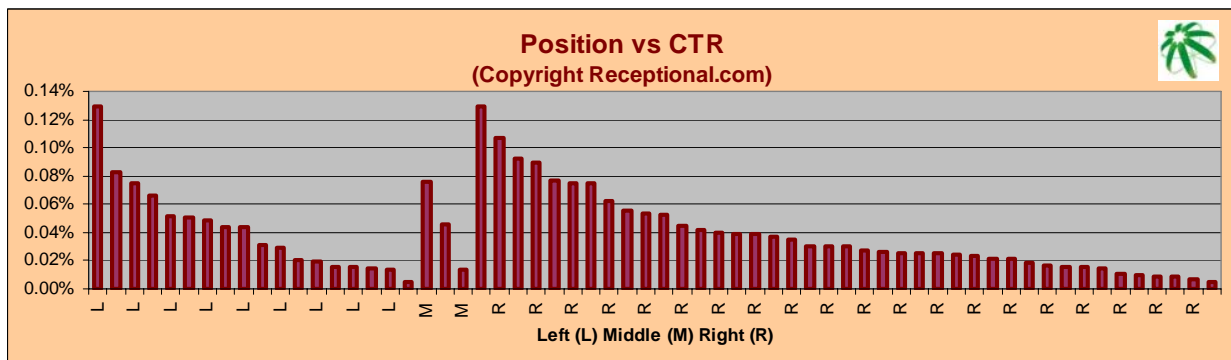
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Position on the Page

Presumably – as they say in the States – this is a no brainer! We all know that adverts above the fold convert to clicks better than those below the fold. So it is proved below.



What is not so clear, however, is whether there is any difference to your advert being on the left, middle or right of the page:



It strikes me from this graph that the advertising on the right hand side of the page is marginally better than advertising on the left. (Our sample of adverts that appeared in the middle “column” of the page was very small and two were adverts underneath all other text.)

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Conclusions

It is hoped that this paper provides a useful start point for others wishing to further investigate Blog advertising. Whilst it has not established conclusive indicators of how to maximize the effectiveness of a Blog campaign, it has found some interesting revelations. In particular, the lack of correlation between cost per click and click through rate makes can make a substantial difference when managing a blog advertising campaign. However, to find which sites have the highest click through rate at all, you need to consider the genre or site content and the position of the advert. Even more important, however, is to run the advert initially over a broad spectrum of sites for a short period, before honing the campaign in on the most lucrative sites.

The full data, excluding the blog sites used, is shown in the appendix for further research.

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Appendix I: Raw Data

Cost (US\$)	Page views	Clicks	CTR 04%	CPC 0.86	CPM Impressions	T/M/B	L/R	Genre	Page Rank Home Page
	2738032	1167			0.37				
20	36217	47	0.1298%	0.43	\$0.55	T	L	Humour	6
10	37201	48	0.1290%	0.21	\$0.27	T	R	Gossip	4
15	46675	50	0.1071%	0.30	\$0.32	T	R	Humour	6
20	36920	34	0.0921%	0.59	\$0.54	B	R	Gossip	4
20	50272	45	0.0895%	0.44	\$0.40	T	R	Culture	4
18	135114	112	0.0829%	0.16	\$0.13	M	L	Tech	5
10	6471	5	0.0773%	2.00	\$1.55	T	R	Politics	5
10	98502	75	0.0761%	0.13	\$0.10	M	M	Tech	5
20	29340	22	0.0750%	0.91	\$0.68	M	R	Humour	5
10	25380	19	0.0749%	0.53	\$0.39	T	R	Sport	3
20	25521	19	0.0744%	1.05	\$0.78	T	L	Religion	6
25	43633	29	0.0665%	0.86	\$0.57	M	L	Tech	7
20	20817	13	0.0624%	1.54	\$0.96	T	R	Gossip	0
10	32430	18	0.0555%	0.56	\$0.31	T	R	Personal	4
15	29862	16	0.0536%	0.94	\$0.50	T	R	Gossip	5
12	3804	2	0.0526%	6.00	\$3.15	T	R	Politics	6
20	48690	25	0.0513%	0.80	\$0.41	M	L	Politics	6
15	53082	27	0.0509%	0.56	\$0.28	T	L	Gossip	4
20	24760	12	0.0485%	1.67	\$0.81	M	L	Politics	6
10	457222	211	0.0461%	0.05	\$0.02	M	M	Politics	7
15	31064	14	0.0451%	1.07	\$0.48	M	R	Gossip	4
15	11539	5	0.0433%	3.00	\$1.30	T	L	Politics	7
10	13861	6	0.0433%	1.67	\$0.72	M	L	Sport	5
10	21607	9	0.0417%	1.11	\$0.46	T	R	Sport	5
20	47128	19	0.0403%	1.05	\$0.42	M	R	Politics	6
15	25660	10	0.0390%	1.50	\$0.58	M	R	Culture	6
15	77372	30	0.0388%	0.50	\$0.19	M	R	Gossip	5
20	21465	8	0.0373%	2.50	\$0.93	T	R	Gossip	5
20	20146	7	0.0347%	2.86	\$0.99	M	R	Gossip	2
20	32357	10	0.0309%	2.00	\$0.62	M	L	Politics	7
10	29515	9	0.0305%	1.11	\$0.34	M	R	Tech	6
20	69057	21	0.0304%	0.95	\$0.29	T	R	Gossip	0
20	33306	10	0.0300%	2.00	\$0.60	M	R	Politics	6
18.38	66124	19	0.0287%	0.97	\$0.28	M	L	Humour	6
20	44327	12	0.0271%	1.67	\$0.45	M	R	Gossip	5
20	30054	8	0.0266%	2.50	\$0.67	M	R	Culture	6
10	19424	5	0.0257%	2.00	\$0.51	B	R	Politics	6
15	27230	7	0.0257%	2.14	\$0.55	T	R	Gossip	6
19	19771	5	0.0253%	3.80	\$0.96	M	R	Politics	6
10	20450	5	0.0244%	2.00	\$0.49	T	R	Tech	5
20	21584	5	0.0232%	4.00	\$0.93	M	R	Politics	5
20	23434	5	0.0213%	4.00	\$0.85	B	R	Tech	6

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20	18883	4	0.0212%	5.00	\$1.06	M	R	Politics	6
20	23998	5	0.0208%	4.00	\$0.83	T	L	Gossip	6
20	45327	9	0.0199%	2.22	\$0.44	B	L	Politics	0
20	55065	10	0.0182%	2.00	\$0.36	B	R	Tech	6
20	108547	18	0.0166%	1.11	\$0.18	B	R	Culture	6
10	25411	4	0.0157%	2.50	\$0.39	T	R	Politics	6
20	25466	4	0.0157%	5.00	\$0.79	B	R	Culture	5
10	25488	4	0.0157%	2.50	\$0.39	M	L	Personal	2
20	6456	1	0.0155%	20.00	\$3.10	M	L	Sport	6
20	26660	4	0.0150%	5.00	\$0.75	M	R	Religion	5
10	73657	11	0.0149%	0.91	\$0.14	B	L	Gossip	5
10	36340	5	0.0138%	2.00	\$0.28	M	L	Politics	5
10	111756	15	0.0134%	0.67	\$0.09	M	M	Culture	4
20	28856	3	0.0104%	6.67	\$0.69	B	R	Culture	5
20	21326	2	0.0094%	10.00	\$0.94	M	R	Personal	5
10	21686	2	0.0092%	5.00	\$0.46	T	R	Politics	5
20	21875	2	0.0091%	10.00	\$0.91	T	R	Personal	5
10	29563	2	0.0068%	5.00	\$0.34	B	R	Gossip	4
15	61715	3	0.0049%	5.00	\$0.24	M	L	Gossip	4
20	21569	1	0.0046%	20.00	\$0.93	M	R	Gossip	6
			0.0294%	3.81					

T/M/B = Top / Middle or Bottom area of the page L/R = Left Middle or Right of the page

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