

“In Context” Web Advertising is More Effective, According To New Research Commissioned by ContextWeb

Online Ads “In Context” Produce Branded Recognition Lift of 19 Percent over Neutral Page Placement

New York (April 14, 2008) ContextWeb, Inc., a leading “in context” advertising company and creator of the ADSDAQ Exchange, announced today the results of a new research study demonstrating that seeing an ad “in context” on a web page has a direct, positive impact on ad effectiveness. The study was commissioned by ContextWeb and conducted by OTX (Online Testing eXchange), a leading consumer research and consulting firm. Results of the research, the second in a series of contextual advertising studies, clearly showed that relevant contextual placement improved branded recognition and ad recognition over neutral page placement, as well as outperforming “out of context” online advertising.

The research study tested a leading consumer skin product’s ad on web pages in three different environments. The first page was from a typical skin care website; the second was a skin care page on a leading national news site; and the third was an ad on the homepage of the same leading, national news site. The skin product ad running in relevant content (i.e., on the news site’s skin care page) achieved a 19% lift in branded recognition - a measure of how well the ad and brand are noted by the consumer --over the same ad running on the home page of the news site, and had virtually the same result as the ad running on the specific skin care website. In addition, the ad delivered a 14% lift in brand name communication (the number of consumers who correctly identified the actual company brand) on the skin care section of the news site versus the same ad running on the home page of the news site.

The data indicated a clear superiority in terms of ad effectiveness when the ad was seen “in context” -- either on the skin care section of the news site or on the specific skin care site.

“This is the second study that OTX has conducted which clearly demonstrates that ads ‘in context’ outperform those shown ‘out of context.’ Although this may seem somewhat intuitive, the research highlights the very significant point that consumers are simply better able to note the ad and the brand, and actively remember the brand name of the product, after being shown the ad in a relevant context,” said David Brandt, Managing Director of the Marketing Insights Division at OTX

Anand Subramanian, CEO of ContextWeb, Inc., added, “We have used the exact same methodology for both a leading consumer electronics company and leading consumer skin care company. Advertisers who are shifting budgets online, who demand performance and who care deeply about their brand must have contextually relevant ads at the core of their media strategy.”

Methodology: OTX conducted this survey with 600 female respondents ages 18 – 65 in February, 2008.

OTX (Online Testing eXchange) is a global consumer research and consulting firm that has established itself as a leading provider of online-based research. The company specializes in providing innovative, cutting-edge online technology, products and analysis to the marketing, entertainment and advertising communities. OTX has developed the most innovative products available for online research today – products that work to uncover deeper and more profound consumer insight. Today the company is one of the fastest growing research companies in the United States and has offices in Los Angeles, New York, Cincinnati, Miami, Chicago and London, with strategic partners in Japan, Australia, Russia and China.

ContextWeb’s ADSDAQ Exchange launched in 2005. (<http://exchange.contextweb.com>) The ADSDAQ Exchange is the only online exchange where both advertisers and publishers have complete control. The exchange's patent-pending, page-level contextual technology offers advertisers efficient pricing and extensive reach, making inventory on the exchange comparable to a site specific buy. As of February 2008, the ADSDAQ Exchange ranks among the top 20 ad supported properties, according to comScore Media Metrix, and reaches +93 million monthly unique visitors. The exchange serves impressions from more than 400 advertisers, including all of the top 10 marketing organizations, and more than 5,000 publishers. Also in 2007, Deloitte's New York Region Technology Fast 50 recognized ContextWeb as the 17th fastest growing company in the New York area. The company’s investors include leading venture capital firms Draper Fisher Jurvetson (“DFJ”), DFJ Gotham Ventures and Updata Partners.