

# How to Evaluate Product Category Sponsorship Performance and Establish Return on Investment

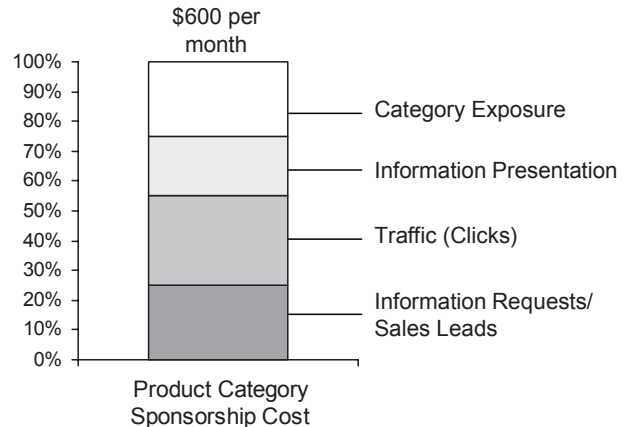
Product category sponsorships represent the next generation of online advertising. They are a highly targeted and cost effective tool through which to reach potential customers when they are most open to receiving your message. As with any new service, there can be a level of uncertainty in evaluating the success of a product category sponsorship. This document outlines a framework for companies to evaluate product category sponsorship performance and determine return on investment

The value of a sponsorship falls into 4 categories:

- 1) Exposure in the category
- 2) Information distribution
- 3) Traffic to your site (clicks)
- 4) Information requests/sales leads

*Note: This framework applies for most companies. However, please note that it can be modified based on a company's specific marketing objectives.*

**Sponsorship Value Break Out**



## 1. Product Category Exposure

**Estimated Value: 25% of Spend**

As a marketer, you want to place your company where the buyers are. Our product categories have become an important pre-purchase research tool in the public safety market. The thousands of first responders who come to your product category each month have proactively chosen to visit and are looking for information on the products you sell. There is significant value in just having your brand, logo and products exposed to and top of mind for these potential customers particularly if you competitors are also sponsors.

## 2. Presenting Your Information: Information Distribution

**Estimated Value: 20% of Spend**

Our model presents your information, including press releases, articles, product reviews, new product information, promotions, deals, and white papers, within your product category. It also gives you access to roughly 38,000 first responders. Anything you send is posted within your sponsored category, rotated through the Web site in related areas and sent out as a link in our newsletter or product newsletter. Your target customers can learn about your company, promotions and products without even leaving our site.

## 3. Traffic/Clicks to Your Web site

**Estimated Value: 30% of Spend**

Clicks and Web site traffic are critical to an online advertising campaign or sponsorship and is the primary measure of online advertising. The goal of our product category model is to target audiences with specific interest in your products. For this reason, the visitors we send to your site and the clicks we provide are highly qualified and should be valued at a strong premium compared to other sites such as Google and Yahoo, which are mass market-oriented.

**Important Note:** Although we have identified clicks as only 30% of the value equation of a product category sponsorship, it is important to recognize that we manage the value we deliver based on cost per click. The total cost of your campaign is comparable to that which you would pay through other advertising venues, not taking into consideration the other 3 items discussed here.

## 4. Information Requests and Sales Leads

**Estimated Value: 25% of Spend**

Our model, as it drives traffic to your site, leads to activity, including information requests, sales leads and sales. Once a visitor reaches your site, they download product catalogs, print information and continue the research process. In some cases they are ready to buy. It is important to note that in many cases, they need to get department approval before making a purchase.

**Important Note:** When online, customers are less likely to make phone calls. They download catalogs, print out product specification and learn what they need to know. At its essence, online advertising is less customer service intensive than traditional advertising. It cuts down on phone calls because many customers can get the information they want online. This is particularly true when they are researching products. Be sure to keep this in mind when evaluating online advertising.