



Orbis Marketing Research Brief

## Advertising in July & August: A Great Waste or a Great Opportunity?

### Background

One of the most common questions we field each year pertains to the advisability of advertising during the months of July and August when presumably everyone but Orbis Marketing is off sipping piña coladas at the beach. This short research brief provides our thoughts and data regarding the advisability of summer online advertising.

The assumption implicit in the question at hand is that there are fewer visitors to financial sites during the summer months, which for the purposes of this report we will define as July and August. As we shall see in a moment, this assumption is specious. In seeking to address this issue we looked at web traffic (both unique visitors and page views) at a number of our partner sites. In addition, we decided to look at response rates in order to determine whether response rates were somehow different during the summer months.

The argument that the summer readership is smaller is often applied to print publications. The presumption is that financial and business media readership declines during the summer months as readers take time off. If true, then it might make sense to defer or reduce print advertising activity in the summer.<sup>1</sup> Importantly, Internet advertising differs substantially from most other forms of advertising. Specifically, most Internet display advertising is priced and sold on the basis of actual delivery/viewership. This distinction is critical: It is a moot point if the audience and page views are reduced during the summer as advertisers generally only pay for the ads that are served. Given this point we could end this report here—but what's the fun in that? Our curiosity demanded a more complete answer.

### Question One: Is the Summer Audience Smaller?

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<sup>1</sup> Of course, a good ad rep would argue that many readers use their vacation time to “catch up” on their reading and that readership and time spent per issue actually increases. This may well be true, but it is difficult to quantify or prove this point.

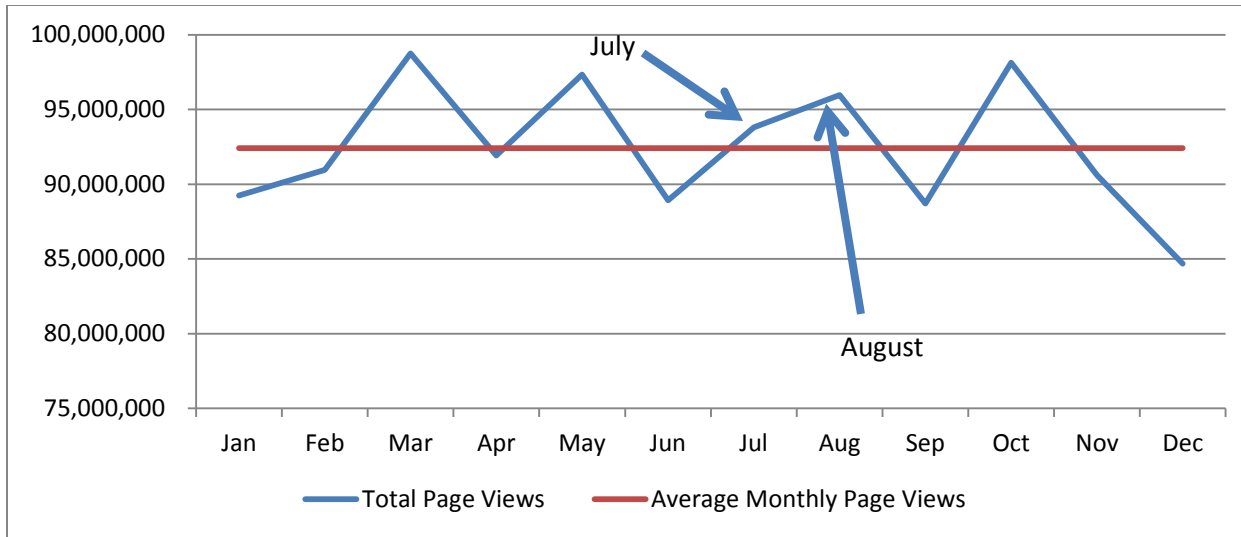
Is the summer audience smaller or less engaged? In a word, no; at least not during 2012. We queried four<sup>2</sup> of our partner sites asking them to provide monthly data on unique visitors and total page views. We present the data site by site below. The two months in question (July and August) over the four sites create eight opportunities to be above or below each sites' monthly average for unique visits and page views. Over these eight opportunities, the number of page views was above the monthly average in five of the eight opportunities. This would suggest there is no correlation between the summer months and lower traffic. More importantly, overall (meaning the total traffic for all four sites) shows no decline as both July and August are above the monthly average. Further for all four sites the September page views were below the August page views. This last point is important as it demonstrates that waiting until September to advertise may be counterproductive.<sup>3</sup>

<b>Four Site Average</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Unique Visits	9,048,740	9,225,028	9,844,241	9,915,627	10,745,482	9,357,954	10,374,624	10,278,947	10,119,888	11,253,999	10,768,753	9,892,126
Page Views	89,244,293	90,951,491	98,746,582	91,922,193	97,342,315	88,922,671	93,794,827	95,960,377	88,713,583	98,120,554	90,620,800	84,681,508
Visits vs. Monthly Average	(1,020,044)	(843,756)	(224,543)	(153,157)	676,698	(710,830)	305,840	210,163	51,104	1,185,215	699,969	(176,658)
Page Views vs. Monthly Average	(3,174,140)	(1,466,942)	6,328,149	(496,240)	4,923,882	(3,495,762)	1,376,394	3,541,944	(3,704,850)	5,702,121	(1,797,633)	(7,736,925)
Visits % +/- Avg	-10%	-8%	-2%	-2%	7%	-7%	3%	2%	1%	12%	7%	-2%
Page View % from Monthly Average	-3%	-2%	7%	-1%	5%	-4%	1%	4%	-4%	6%	-2%	-8%

<sup>2</sup> We might be faulted for only polling four sites. Fair enough. However, the four we selected represent sites a mix of advisor and retail sites and broad financial and targeted financial sites. We included the data from all of the sites from which data was requested.

<sup>3</sup> We are overstating this September point here just a tiny bit. September has 3.33% fewer days than August and the page view decline for September versus the average is 4%. This is an 8% variance versus the monthly average month over month but 3.33% of that is accounted for by the fewer number of days.

The story is similar for page views. Specifically, overall in aggregate the page views for July and August are above the monthly average and at the four sites the page views were above the monthly average in four of the eight opportunities.



The monthly unique visitors and page views for the four sites are presented below. Because at least one site requested we keep their traffic data confidential we have used a descriptor for each site in lieu of the site name or url. We've tried to be as descriptive as possible without providing an opportunity to identify the sites.

Advisor Targeted Site	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Unique Visits	140,195	122,520	136,302	144,040	146,629	130,097	134,945	147,717	142,776	150,185	148,436	153,112
Page Views	655,430	582,908	648,577	603,881	699,498	618,235	647,320	669,652	620,331	620,120	616,734	641,032

Finance & Trading News Site	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Unique Visits	1,698,113	1,789,059	1,990,157	2,034,024	2,154,608	1,885,141	2,103,901	2,063,165	2,141,294	3,009,763	2,852,418	2,417,396
Page Views	20,599,759	23,213,466	24,979,453	20,615,731	20,941,060	21,804,998	20,825,482	21,804,998	20,825,482	23,766,141	21,907,311	20,619,516

Targeted Finance Site	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Unique Visits	80,819	129,362	158,560	113,769	123,168	108,811	101,410	109,667	114,704	128,192	124,786	113,809
Page Views	204,324	311,242	358,834	260,967	280,455	255,213	234,925	264,869	257,787	281,974	276,101	267,083

Targeted Finance Site	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Unique Visits	7,129,613	7,184,087	7,559,222	7,623,794	8,321,077	7,233,905	8,034,368	7,958,398	7,721,114	7,965,859	7,643,113	7,207,809
Page Views	67,784,780	66,843,875	72,759,718	70,441,614	75,421,302	66,244,225	72,087,100	73,220,858	67,009,983	73,452,319	67,820,654	63,153,877

**Question Two: Are Response Rates Lower During the Summer?**

But what about response rates? We've examined the overall results of Orbis Marketing clients for 2012 and the month by month results are informative.

### All Client Data by Month

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Monthly Average
CTR	0.27%	0.21%	0.22%	0.22%	0.15%	0.13%	0.11%	0.14%	0.11%	0.21%	0.20%	0.22%	0.17%

The average click rate over the year was 0.17%. A casual observer might conclude that July and August were below the average and that summer response rates were below par. However, it is interesting to note that August, generally presumed to be the worst month of all, beat September and June and nearly matched May. There is a problem with this all client data, however, and that is that there are way too many variables to look simply at the total results for the year. For starters, advertisers and campaigns came and went month by month over the course of the year and different sites and placements were involved monthly.

Perhaps a better way to look at the data is to look at certain campaigns that were relatively stable over the course of the year.

#### Client Number 1

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CTR	0.25%	0.26%	0.22%	0.21%	0.12%	0.12%	0.11%	0.13%	0.10%	0.26%	0.20%	0.19%

In this instance one client maintained a fairly consistent campaign month by month throughout 2012. The average click rate for the year was 0.15% and, as above, July and August were both below the average. But, August once again performed better than September.

#### Client Number 2

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CTR	0.61%	0.19%	0.17%	0.19%	0.21%	0.18%	0.19%	0.25%	0.23%	0.17%	0.17%	0.15%

The average monthly click rate over the year for client number two was 0.20% and while July was below that figure August handily beat the monthly average while July beat or tied the results of seven of the 12 months.

#### Client Number 3

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CTR	0.26%	1.29%	4.38%				0.58%	0.22%	0.18%	0.14%		

Client number three only advertised in seven of the 12 months of 2012. While this isn't an ideal data set it is interesting to note that July was the third best month of the year and August bested both September and October.

### **Comments Regarding the Results**

Clients one, two and three offer three completely different product offerings and at various points during the year the market was more favorable to each of these products. Simply put, the market environment was more important than the seasonal variations.

Based on all of this data it is difficult to conclude that response rates decline due to seasonal factors, in particular that July and August inherently experience weak response rates.

### **The Opportunity**

While click rates are important, we actually find cost per click to be a more meaningful metric and all things being equal the lower the cost for the impression the lower the cost per click. Given that some advertisers avoid advertising in July and August it is not uncommon to obtain discounted ad rates during these summer months. Which leads us to the title of this report: Advertising in July & August: A Great Waste or a Great Opportunity? All things being equal, our advice to clients is to continue to advertise during the months of July and August. Further, because some advertisers don't have hard data or understand the impression based nature of online advertising often reduce their ad spending over the summer months we recommend seeking lower ad rates during this period. Lower rates won't always be available, but to the extent they can be obtained, the value proposition is enhanced.

The tracking of results and the ability to intelligently seek lower ad rates for our clients is at the very heart of the Orbis Marketing value proposition.

### **About Orbis Marketing**

Orbis Marketing provides media planning and buying services. We also offer strategic advice and conduct ongoing media research. Orbis Marketing's specialized fields include: Digital Media (Display, Email and Mobile), Traditional Media (Print, Radio, TV), Direct Marketing (as it relates to digital media). You can find us at [www.orbismarketing.com](http://www.orbismarketing.com) or contact Jim Atkinson at (818) 716-2739, [jima@orbismarketing.com](mailto:jima@orbismarketing.com).