

Microsoft® Online Services
Customer Story:
TD Ameritrade

I don't trade
with just
anyone.



Microsoft

Taking stock of your target audience.

Online advertising isn't only about eye-catching creative or attention-getting offers. Reaching your audience means knowing who they are, what they want, and, increasingly, how they behave—and trade—online. Even then, it can be hard to know just how effective your campaign actually is. Did you predict your customers' behavior correctly? Is your advertising where they can see it? And, of course, the only question that really matters: Are they responding?

When the market's opening bell rings, it signals the moment millions of personal investors begin following the ticker for opportunities. It also signals an opportunity for online brokerages like TD Ameritrade to increase revenue and expand their consumer base by attracting these investors. But to attract them, TD Ameritrade needs to reach them. And when it came to one of their most recent online campaigns, that meant more than just saturating the Web with banner ads. It meant taking a look at how the investing animal actually behaved in the wild.

Picture this demographic: Men, age 25 and older, with annual income of more than \$50,000 and a general awareness of both your market and your company. With a core audience like that, the future might look promising. But any marketer worth their salt

knows that the most desirable audiences are the most difficult ones to reach. Sought after by so many brands—including your competition—they are saturated with marketing wherever they go, in the hopes that something will compel them to purchase a product or service.

TD Ameritrade was well acquainted with the need to place advertising in front of audiences, and with the challenges that come with its desired demographic. Yet

even when they had developed campaigns that they believed separated TD Ameritrade from its competition and offered value to consumers, they still couldn't be sure how effectively these ads were being used. Was a broad buy—perhaps a run-of-site (ROS) ad—the best way to get the clicks the company wanted? Did a specific ad placement—on a financial information site, for instance—make the most sense? Or did a more targeted audience

TD Ameritrade's target audience:

Sex: Male

Age: 25+

Income: \$50K+

Market awareness: Aware of online brokers and TD Ameritrade



require an even more targeted strategy for ad distribution? TD Ameritrade turned to MSN® to help find the answers.

MSN collaborated with Marketing Evolution, a leader in online marketing analysis, to engineer a study that ran for just over a month. During the study, TD Ameritrade creative ran across various sites on the MSN Network, including MSN ROS, MSN Money, and MSN Hotmail®. The Hotmail placements were further segmented into ads on Hotmail

ROS, ads on the Hotmail demo, and behavioral targeted ads.

The objective was to test the relative value of behavioral targeting versus the more general targeting of the other communications. Specifically, MSN and Marketing Evolution hoped to discover how effective behavioral targeting was at reaching the target audience, and to evaluate the impact of behavioral targeting on consumers' brand awareness of TD Ameritrade.

Through Atlas Rich Media, TD Ameritrade ads were served within the context of the selected MSN inventory to groups of control and exposed respondents. Both groups were surveyed, and their responses were measured to

determine the differences across key metrics. Any positive increase was attributed to the impact of the creative.

Where top-of-mind awareness was concerned, the behavioral targeted ads scored big. When asked, "What companies come to mind when you think of online stock brokerages?", respondents who had been exposed to the behavioral targeted ads listed TD Ameritrade eight percent more than other respondent groups. Positive movement in unaided brand awareness gave significant indication that the behavioral targeting was reaching more relevant users.

The behavioral targeted ads showed similar advantages in

Respondents likely to open an account in the next 12 months:

- Via Hotmail ROS placements: 13%
- Via behavioral targeted placements: 21%

several other categories. Of behavioral targeted respondents, 21 percent indicated they were more likely to open a trading account in the next 12 months, compared to 14 percent of Hotmail demo respondents, and 13 percent of the Hotmail ROS group. These respondents also seemed more likely to have a household income of more than \$150,000 (19 percent; +9 percent/+12 percent) and to have a portfolio of over \$200,000 (16 percent; +10 percent/+9 percent). In addition, 21 percent of behavioral targeted respondents said they were more likely to recommend an online brokerage in the next three months,

as opposed to 13 percent of Hotmail demo respondents and 13 percent of Hotmail ROS.

The conclusion reached by all the partners in the study was that behavioral targeted advertising does work, often far better than more generally distributed ads. The study indicated that TD Ameritrade's behavioral targeting strengthened its advertising relevance by serving specific ads to specific users—users who had shown an interest in products and services. The result was a more valuable audience whose top-of-mind awareness—and, hopefully, purchase preference—could be more easily enhanced by compelling advertising creative.

