

α4's Authenticated IP Targeting vs. Cookie Targeting: 50% Higher Response, Nearly 2X More Engagement



PURPOSE AND DESIGN

This study supports the hypothesis that α4's authenticated IP targeting outperforms traditional cookie audience targeting for a digital campaign. Previous anecdotal evidence had indicated there may be a relationship between authenticated IP targeting and improved performance outcomes.

Two campaigns were designed to measure potential differences: a control campaign using a cookie targeted audience, and a campaign using α4's proprietary authenticated IP targeting method.

A measurable improvement in performance was observed. For the purposes of this study, key performance indicators (KPI) include clicks, click-through rate (CTR), site visits, unique site visitors, bounce rate, and average time on site by visitor. Over 5 million impressions were served throughout the course of this evaluation, generating more than 3,000 clicks.

Fig 1

Metric	Cookie	Authenticated IP Targeting	% Change
Impressions	2,649,606	2,447,602	-6.49%
Clicks	1300	1875	44.2%
Click Through Rate	0.049%	0.076%	55.1%
Cost Per Click	\$7.69	\$5.33	-30.7%
Visits	896	1,237	38.1%
Unique Visitors	865	1,182	36.6%
Bounce Rate	77.30%	69.20%	-10.5%
Average Time on Site	1 min 13 sec	2 mins 17 sec	87.9%

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DETAILED FINDINGS AND ANALYSIS

CLICKS AND CTR

The campaign utilizing authenticated IP targeting produced an improved outcome for nearly every KPI measured. Both clicks and CTR showed significant improvement using authenticated IP targeting – CTR increased by more than **55%** and site visits and unique visitors improved by more than **35%**.

Although not measured directly in this study, greater engagement oftentimes produces additional conversions, thereby increasing campaign ROI. Finally, the bounce rate and average time on site showed significant improvement. Bounce rate, or the percentage of individuals who leave directly from the landing page without visiting another page on the site, decreased by over **10%**. Time on site, or the average length of time the audience visited the site, increased by almost **90%**.



CTR Increased +55%



Site Visits & Unique Visitors Increased +35%



Length of Time on Site Increased 90%



Bounce Rates Decreased by Over 10%

All KPIs showed improvement using the authenticated IP targeting method

Figure 2 visualizes the CTR and impressions over time for the duration of the campaign. The authenticated IP targeting method demonstrated higher CTRs for 29 of the 30 days the campaign was active.

The accompanying graph includes both flights, separated by the red vertical line, and shows that despite the flight and total number of impressions generated, authenticated IP targeting continued to outperform traditional cookie targeting.

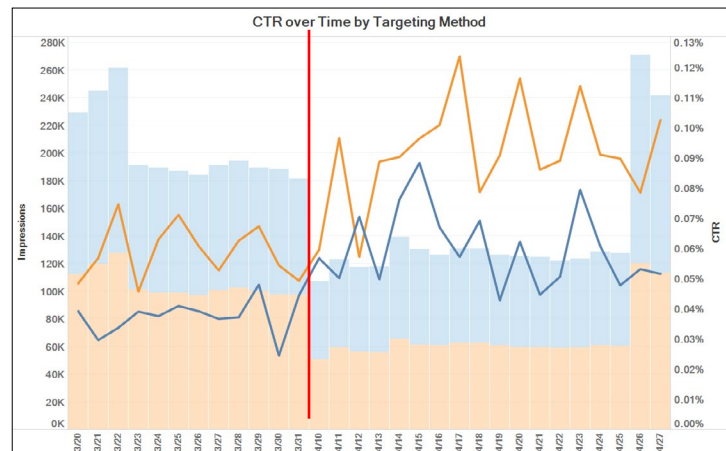


Fig 2
 IP/Cookie, Measure Names
 Cookie, CTR
 Cookie, Impressions
 IP, CTR
 IP, Impressions

DAYPARTING ANALYSIS

Despite consistent performance over time, there is a noticeable fluctuation in impression delivery throughout the course of the week. Authenticated IP targeting impression delivery is greater during the work week, particularly in the prime time and fringe dayparts (see figure 3). This graph shows the difference in percentage of total impressions delivered within each time slot. Any section tinted blue indicates that the authenticated IP targeted campaign delivered a larger percentage of its total impressions delivery during that time slot. The difference in campaign performance observed demonstrates a correlation between the authenticated IP targeting techniques and improved KPI outcomes. There are two reasons for the increase in performance observed.

Fig 3

First, authenticated IP targeting replicates campaign optimizations known to increase performance. The dayparting difference, for example, is not related to the audience segment at all. Part of the value of authenticated IP targeting, then, is due to the fact that these optimizations are organic to the how impressions are delivered and will not need to be built in or addressed later. This would save time for campaign strategists and digital buyers.

Difference in Percent of Impressions Delivered: Daypart

Hour	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
0:00	-0.08%	0.02%	0.03%	0.05%	0.03%	0.10%	-0.09%	Late Fringe
1:00	-0.10%	0.02%	0.03%	0.03%	0.03%	0.07%	-0.04%	
2:00	-0.06%	0.02%	0.01%	0.01%	0.04%	0.07%	-0.05%	
3:00	-0.08%	0.00%	0.02%	0.03%	0.02%	0.06%	-0.05%	Overnight
4:00	-0.07%	0.01%	-0.01%	0.02%	0.01%	0.04%	-0.06%	
5:00	-0.08%	-0.07%	-0.11%	-0.09%	-0.04%	0.04%	-0.13%	
6:00	-0.24%	-0.08%	-0.09%	-0.02%	-0.09%	0.04%	-0.18%	Early Morning
7:00	-0.12%	0.03%	0.02%	-0.16%	-0.08%	0.06%	-0.15%	
8:00	-0.07%	0.10%	-0.14%	-0.10%	-0.20%	0.14%	-0.10%	
9:00	-0.20%	-0.15%	0.10%	0.10%	0.15%	0.13%	-0.16%	Daytime
10:00	0.10%	0.04%	0.04%	0.11%	0.15%	0.08%	0.06%	
11:00	-0.07%	-0.24%	0.04%	-0.31%	-0.03%	0.15%	-0.07%	
12:00	0.00%	-0.06%	0.09%	0.01%	0.03%	0.05%	0.02%	Daytime
13:00	-0.07%	-0.04%	-0.09%	-0.05%	0.05%	0.20%	-0.06%	
14:00	-0.01%	0.11%	0.09%	-0.05%	0.19%	-0.07%	-0.08%	
15:00	-0.18%	0.44%	0.20%	-0.13%	-0.04%	-0.04%	-0.05%	Daytime
16:00	0.09%	0.18%	0.01%	0.10%	-0.15%	0.01%	-0.09%	
17:00	-0.13%	-0.07%	0.12%	0.12%	0.27%	0.19%	-0.04%	
18:00	-0.07%	-0.05%	-0.03%	0.13%	0.29%	0.30%	-0.03%	Early Fringe
19:00	-0.04%	0.20%	0.17%	-0.02%	0.06%	0.18%	-0.04%	
20:00	-0.05%	0.18%	0.15%	0.09%	-0.22%	0.14%	-0.11%	
21:00	-0.12%	-0.03%	0.05%	0.04%	0.22%	-0.03%	-0.10%	Prime Time
22:00	0.25%	0.12%	0.07%	0.09%	0.15%	-0.16%	0.01%	
23:00	0.29%	0.00%	0.06%	0.00%	0.09%	-0.21%	0.00%	

Second, inherent to targeting via authenticated IP targeting is the fact that it is more effective at reaching individuals at their home where they are more likely to engage with advertising they find appealing.

Authenticated IP targeting produces audience segments that are less volatile than cookie targeting segments, that are allowing the audience to be targeted more effectively and produce better outcomes

Authenticated IP targeting is more geographically precise with impression delivery, resulting in a more receptive and engaging audience

Authenticated IP targeting “naturally” dayparts to time slots with a better performance record

Authenticated IP targeting matches audiences to their home, where they are more likely to interact with advertising they find engaging

CONCLUSION

This test was conducted to compare two campaigns, differing by targeting method and without controlling for any additional campaign optimizations. This case study, although focusing on one campaign, is further evidence to support the hypothesis that authenticated IP targeting produces better campaign outcomes than traditional cookie targeting. Provided the clients are motivated by generating clicks, CTR, site visits, unique visitors, bounce rate, or time on site, authenticated IP targeting can assist in reaching their goals.