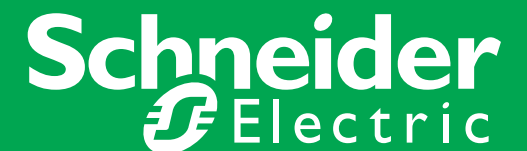


9

Online Advertising Standards

Schneider Electric Brand Platform
March 2010



Introduction

These guidelines are based on tested best practices for increasing customer response.

These guidelines are fully compliant with the spirit and intention of the Communications Platform, with the elements prioritized and reorganized according to tested and approved methods for generating response.

The goal of including web advertising standards is to account for the shifting market where online advertising has risen as a premium placement option by double digit percentage every year for the last 5 years¹, and hit over \$23 b in 2008³. To stay ahead of the market we need to understand how we can best generate leads and increase sales through this medium. Our guidelines are:

- Message drives response. Design delivers message.
- The artistic qualities of a web ad are not nearly as important as its' ability to capture attention and cause interaction
- Graphical elements should support and emphasize message first and aesthetics second
- Web advertising allows a small window of opportunity to capture interest therefore messaging must be as concise and poignant as possible
- There is always a call to action driving the customer to respond NOW!
- Ads must be rigorously tested to determine performance and effectiveness

What online advertising should and should not be:

Should:

- Generate immediate response for the offer
- Generate quality leads for follow-up through targeted messages
- Result in closed deals
- Create a channel effect making businesses want to sell our solutions
- Move customers from brand awareness to preference
- Increase our share of voice
- Differentiate us from our competitors
- Generate employee loyalty

Should not:

- Be focused on winning design awards;
- Be treated like a poster or piece of artwork;
- Be targeted at non-buyers;
- Be seen purely as an «image» piece;
- Be solely focused on brand awareness; without a strategy to follow up with a clear offer
- Be seen as a template or cookie-cutter design process
- Use eye candy, gratuitous animation, “fireworks” or flashing²
- Contain a non specific CTA (*ex: click for more info*)

Know your ad strategy

Your marketing strategy determines which type of ad to create: high-level messages, trend-awareness, or product-specific ads.

Each ad type delivers specific results:

Campaign Awareness ads stimulate general interest in a new concept. Focused on brand building and introducing high level concepts

Trend/Solution Awareness ads drive messaging around a market trend or emerging technology

Product based ads highlight the benefits of a particular point product. They generate sales for the product. Quality of leads and closed business is often highest. ASP is lower and the time to closure is less.

The highest performing ads are those that directly address key areas of concern / interest and communicate the message in a compelling way.

Research conclusions about web advertising:

- You only have one opportunity
- The most important part of the ad is the headline
- Simple and clear execution
- Encourage and support reader comprehension around key areas of concern / interest
- Focused on customers self interest and not ours
- Ad design needs to incorporate industry best practices around captive timeframe³

Eye tracking studies reveal how users view web pages

Research conclusions about usability:

- Web pages are typically viewed in an “F” pattern
- Initial focus is a horizontal movement on headline⁴
- Next the eye moves down slightly in another horizontal movement
- Finally the eye moves vertically down the left
- Users scan the page very quickly

This tells us that placement plays a large role in user interaction. Ads placed within the “F” pattern have a greater chance of being seen. Typical ad units for this placement are the medium rectangle and the leaderboard. The rectangle is generally placed next to or even inside the content of the page and is viewed while the user scans the copy, the leaderboard is placed near the top of the web page near the headline.



The Incentive and Response:

Response is created through call-to-action and incentive. The call-to-action can be defined as the way the user interacts with us in order to get the offer. The incentive is the way to entice the customer to take action.

Best practices:

- Optimize for the web by stating what the offer is clearly and concisely.
- Generating clicks online requires commitment from the user, the incentive must be compelling and safe⁵
- Include a button style image that emphasizes a clear option for incentive / response

Writing for Web Advertising:

Best practices:

- Create banners that are simple, easy to understand and to the point
- Include a clear call to action
- Use proven keywords such as “free”, “new”, “announcing”, and “how to”
- People skim websites, so write concisely
- Use short form text that captures the message

Advertising Image:

The image is dictated by the headline.

It should reinforce the ad's main theme and be relevant to the customer's needs. It plays a supporting role to aid in user comprehension of the message. It will also be used to highlight features and benefits of a system or product and will build a positive image for the brand.

Animation:

- Supports message delivery
- Serves a function and is not gratuitous
- Illustrates concepts clearly
- Allows for a new way for the message to be delivered

Web Advertising: Samples

- Simple, short text
- Images and animation support the message
- Clear CTA including a button as an option for response



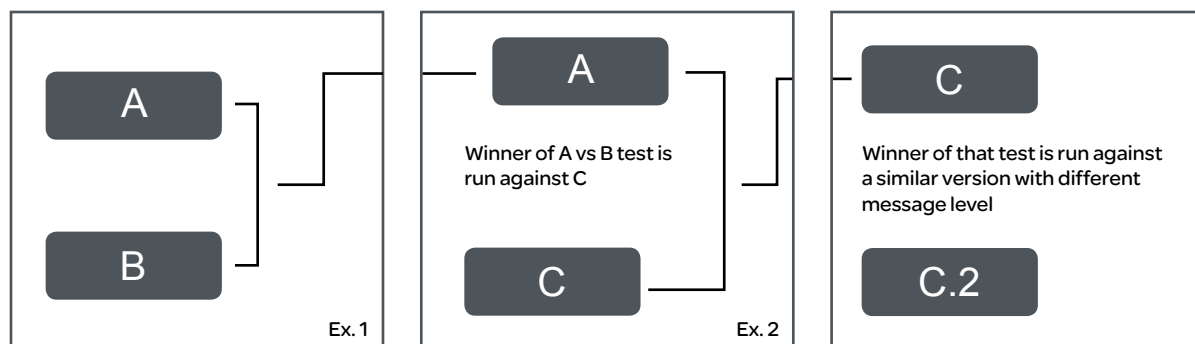
Web Advertising: Samples

- Simple, short text
- Images and animation support the message
- Clear CTA including a button as an option for response



Advertising : Sample testing matrix

- We create a minimum of 3 banners for each topic
- During the beginning of the placement, 2 of the concepts are run against each other (*see example 1*), and a winner is revealed.
- We then run the previous winner against the 3rd concept (C), and test again (*example 2*).
- Next (campaign time permitting) we test message levels. High-level concepts are run against trend-awareness headlines, for example.



- We track all banner performance and use this information as a benchmark for future placements

| | A | B | C | D | E | |
|---|------------------|----------------------------|---------------------------|----------------------|------------------------|----------------------------|
| 1 | File name | Banner format/ size | Click through rate | # impressions | Pos. on page | Headline |
| 2 | 998-1712 | swf, IMU | 0.14 | 134,640 | middle, above the fold | Modular power just grew up |
| 3 | 998-1713 | swf, IMU | 0.07 | 75463 | middle, above the fold | Super-size energy savings |
| 4 | | | | | | |

- The most important element of testing is to isolate and control all of the variables. Once you know the variables you can customize your testing to track specific changes in response. Common variables include headlines, format (flash vs. gif), message level, and image.

References

¹ Web Marketing for Dummies, Jan Zimmerman, 2009

(note: display advertising is down 3.6% in 09, but video in banner advertising is up by 67% and online advertising overall is still the largest growing advertising category today)

² Yahoo publishers

³ Interactive Advertising Bureau. www.iab.net

⁴ Jakob Nielsen. www.useit.com.

⁵ "Four steps to successful banner design", www.hookedondesign.com