



Organic Partners with the Wharton Customer Analytics Initiative to Develop New Models for Online Ad Effectiveness

Research Reveals New Models for Measuring How Individual Ad Creatives and Timing Impact Individual Viewers, Uniquely

SAN FRANCISCO, CA— September 19, 2011—Organic, Inc. (www.Organic.com), a leading marketing agency known for successfully blending creativity with unmatched predictive intelligence, today announced the completion of an internal review of preliminary research findings from its strategic partnership with the University of Pennsylvania’s Wharton Customer Analytics Initiative (WCAI) focusing on online advertising effectiveness.

Through this partnership five research teams from top universities were awarded access to a data set from Organic following a review of their proposals. Each team set out to create new analytical approaches that build on and augment Organic’s current models for measuring how individual online ad exposure patterns (featuring different creative executions and timing patterns) impact individual viewers, uniquely.

One of the research teams, Professors Michael Braun (MIT Sloan School of Management) and Wendy Moe (University of Maryland Robert H. Smith School of Business), developed a model that studied the interaction of three well-established advertising effects:

- *Goodwill*: Advertising affects a person’s long-term sentiment toward a company, and that effect is at its peak when the ad is shown but then fades with time.
- *Wear-Out*: Repetition of a single advertising creative concept makes it less effective. If you keep seeing the same ad, it becomes less effective each time you see it.
- *Restoration*: Taking a break from redundant ad exposure reverses wear-out. If you don’t see an ad for a long time, when you finally see it again, it is more effective.

They used their method to analyze an example data set provided by Organic that tracked the advertising exposures and subsequent conversions for individual Web browsers. This analysis uncovered the impact of the complex interrelation of these effects in a manner that had not been explored in previous research. The report’s complete findings will be unveiled in Q4 2011.

“This project was the inaugural WCAI research opportunity, an innovative process for fostering academic–industry research that helps companies understand their own business issues more deeply and benefit from the insights of top faculty in marketing, computer science, information systems and statistics,” said Pete Fader, Co-Director of the Wharton Customer Analytics Initiative and a Professor of Marketing at the Wharton School. “It was great to work with Organic, a proven innovator within digital advertising with an impeccable track record for creating new methods for understanding the effectiveness of different creative executions over time.”

“Braun and Moe found substantial wear-out and restoration effects in our data,” said Steve Kerho, Senior Vice President of Strategy, Media and Analytics. “That suggests that ad agencies need to account for wear-out and restoration when deciding which ad to show a particular user when the opportunity arises.” This work adds to and expands on the findings from Organic’s industry-leading efforts around digital touch point attribution and custom return on marketing investment models that are predictive in nature and can be used to optimize campaigns prior to their launch.

These findings also build upon the insights of Organic’s proprietary modeling efforts in the past and corroborate previous internal studies around creative impact and wear-out.

Organic and Wharton will continue to work together to bring Organic’s clients best-of-breed marketing performance solutions. This work will also help to evolve Organic’s already highly regarded predictive models and optimization solutions to keep pace with the increasingly complex marketing environment.

About Organic

Organic is a leading marketing agency grounded in digital that successfully blends creativity with unmatched predictive intelligence. By creating and continuously testing and optimizing marketing systems, Organic helps global brands accurately predict outcomes, spot trends, identify behaviors, and create a much deeper connection with consumers. Founded in 1993, Organic has offices in New York, San Francisco, Los Angeles, Detroit, and London and is part of Omnicom Group Inc.

Omnicom (NYSE: OMC) is a leading global advertising, marketing and corporate communications company (<http://www.omnicomgroup.com>). Omnicom's branded networks and numerous specialty firms provide advertising, strategic media planning and buying, digital and interactive marketing, direct and promotional marketing, public relations and other specialty communications services to over 5,000 clients in more than 100 countries.

About the Wharton School of the University of Pennsylvania

The Wharton School of the University of Pennsylvania — founded in 1881 as the first collegiate business school — is recognized globally for intellectual leadership and ongoing innovation across every major discipline of business education. The most comprehensive source of business knowledge in the world, Wharton bridges research and practice through its broad engagement with the global business community. The school has 5,000 undergraduate, MBA, executive MBA, and doctoral students; more than 9,000 annual participants in executive education programs; and an alumni network of 88,000 graduates.

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