Spring 2005

Yahoo! Campaign Plan Book

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UNIVERSITY HONORS PROGRAM

SENIOR PROJECT – PROSPECTUS

Name: Kristi Hintz

College: Communications  Department: Advertising

Faculty Mentor: Sally McMillan

Project Title: Yahoo! Campaign Plans Book

PROJECT DESCRIPTION (Attach not more than one additional page, if necessary):

This plans book presents an advertising campaign that targets 13 to 17 year olds for Yahoo!. With a $10 million budget, the campaign developed Internet, television, and magazine ads as well as promotions, product placement, guerrilla advertising, and viral marketing to attract the target audience. Yahoo!'s primary objectives for this campaign are: drive registered Yahoo! users up 50%, increase average time spent on Yahoo! by 25%, grow use of Yahoo! products by one on average, and increase "differentiation" measure for Yahoo! by 10%. In order to achieve these objectives and develop a successful creative campaign, Yahoo!'s core values must be incorporated into the recommendations. A solid grasp of the target markets needs and wants is required as well. Due to this, extensive focus group and secondary research is necessary. The Yahoo! Campaign Plans Book details the proposed campaign for the company.
Special Thanks

Several key individuals contributed to this project. Much of the conducted research and compiled information could not have been done without these people. I appreciate their work and input throughout the development of this campaign.

I would like to especially thank my faculty mentor for her patience, suggestions, and help:

   Dr. Sally McMillan

I would like to give special thanks to the following students for their extensive contribution:

   Mona El-malah
   Claudia Farace
   Kati Loy
   Allison Sain
   Martha Street
   Lindsey Todd

I would like to thank my advertising professors below for their guidance and support:

   Dr. Ronald Taylor
   Dr. Marica Hoy
The NSAC, National Student Advertising Competition, calls on students all over the country each year to put their advertising skills to the ultimate test: create an advertising campaign.

A corporate sponsor provides an assignment or case study outlining the history of its product and current advertising situation. The case study accurately reflects the real world situation of the corporate sponsor. Students must research the product and its competition, identify potential problem areas, and develop an advertising campaign for the client. The project is then pitched to a panel of judges educated on the assignment (aaf.org).

This year, Yahoo! sponsored the competition. Building on its current “Life Engine” brand positioning, the challenge was to develop a $10 million national advertising plan in order to engage the youth audience, specifically teens age 13-17, and encourage trial and/or adoption and sharing of Yahoo’s youth-relevant products and services. The plan had to include various advertising tactics, partnership plans, “out of the box” promotions, and direct marketing as well as a recommendation on how to incorporate Yahoo’s exiting product offerings to best suit this audience. The advertising plan had to also aggregate Yahoo’s core values and image.

The campaign plan had to reflect a real-world advertising pitch and satisfy Yahoo’s set objectives. The report was to include a situation analysis of the client company and competition, a consumer analysis that contained extensive primary and secondary research of the target market, a creative plan with advertising concepts for various media, and a media plan that highlighted the costs and values of advertising in specific media outlets.
Executive Summary

Looking for teens? With a buying power expected to exceed the gross domestic product of Russia within two years, teens are a vital and lucrative segment to target.

Teens want to express themselves, and Yahoo! has the perfect products and services to do so. It is time for Yahoo! to give teens the power of freedom and self-expression.

The primary goal of Yahoo!'s Power Up campaign is to increase registered teen users by 50%. Introducing a new Website, you.yahoo.com, gives teens a one-stop shop for teen-tailored services. Backed by positive feedback from participants, this site has the potential to increase registered users and positively affect usage behaviors. This site is also key in differentiating Yahoo! from its competitors.

Research
Although primary and secondary research revealed that pop-culture, fun, and self-expression drive teens’ Internet usage behaviors, teens said they use the Internet for homework just as frequently. Therefore, we developed an innovative and engaging new teen Website, you.yahoo.com. It organizes Yahoo!’s teen-relevant products in one easy-to-navigate location. Two sections divide the product offerings. “Your School Engine” houses academic services like Search, Ask-a-Teacher, and the new Y! Library. “Your Fun Engine” houses entertainment offerings like music, mobile, and instant messenger. Together, these services create a Life Engine made just for teens.

Creative
Concept testing yielded a positive response to the creative strategy, “Yahoo! lets you assert your independence by letting you choose your genre of music, the people you want to talk to, and the information you want.” As the backbone of the “Power Up” campaign, this idea conveys how Yahoo! gives teens the power to be whoever they want and do the things they want to do through Yahoo!’s offerings. It will make teens aware of Yahoo!’s teen-oriented services and encourage them to make Yahoo! their life engine. Various promotions will help cement the creative theme and promote trial of you.yahoo.com.

Media
According to Simmons data, the most efficient media to reach teens and satisfy objectives are Internet and television. As a result, approximately 75% of traditional advertising expenditures will be concentrated in these two categories. The remaining 25% was allocated to magazines. During heavy months, the media plan reaches 93.9% of the target audience with a frequency of 5. During light months, the plan reaches 93% of the target audience with a frequency of 1.9. We selected media that reflect teens’ usage behaviors and effectively support the creative executions.

Evaluation
Of the total budget, we set aside $800,000 for production, research, and contingency. Eight million went to traditional advertising, including Internet, television, and magazines, and $1.2 million went to non-traditional advertising, including promotions, product placement, guerrilla advertising and viral marketing. Non-traditional advertising will complement traditional advertising to boost overall reach and frequency. And all objectives will be achieved within the allotted $10 million.
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Yaho! is the most recognizable Web portal worldwide and the number one Internet brand. Though Yahoo! is a popular Web portal among the online community, it has yet to implement a marketing plan geared towards the teenage market. In light of this, Yahoo! needs a campaign that will create the following results among teens 13 to 17:

- Drive registered Yahoo! users up 50%
- Increase “average time spent” on Yahoo! by 25%
- Grow use of Yahoo! products by one on average
- Increase “differentiation” measure for Yahoo! by 10%

In order to satisfy these campaign objectives and engage teens successfully, an understanding of the e-commerce industry, market competitors, and teenage consumers is required.

Yahoo! currently leads in global communications, Internet commerce, and media by offering a network of services to more than 232 million individuals worldwide. In addition to its original site, children 11 and under may use Yahoo!’s kid interface called Yahooligans!. Yahoo! has no site created specifically for teenagers. Yahoo! even offers a free account that provides e-mail, online mobile services, games, and music directories and leads in these product categories. This is important for a potential teen-oriented campaign. It also provides an instant messenger service to registered users. The success and popularity of Yahoo!, particularly among the youth market, hinges on each of these services.

Yahoo! Brand Image
Yahoo! understands consumer trends and embraces them. The company strives to become consumers’ home base on the Internet—a place from which to run their lives. Yahoo! values having fun while accommodating the user by being inviting, innovative, and inventive. Though many of its services have been corralled under the term “search engine,” Yahoo! offers many more services. To reflect this, Yahoo! unveiled the “Life Engine” campaign in 2004. The campaign broadly targets the 18-49 year old demographic.

Recent Developments
Yahoo! maintains its position by continuously reevaluating its product offerings and marketing programs. To that end, the following lists Yahoo!’s latest activities.

- Yahoo! acquired MusicMatch, a premier music download and software service, in Fall 2004 (Case Study).
- Yahoo! has product placement arrangements with NBC’s “The Apprentice,” and the upcoming series “The Contender” (Mulcahy and Parker).
- Yahoo! also acts as a sponsor for TV shows such as the upcoming “Fat Actress” (Shields).
- Yahoo!’s partnership with MGM Studios makes movie trailers and interviews available on Yahoo! first (yahoo.com).
- Yahoo! partners with AT&T Wireless and Cingular Wireless for its mobile services
Yahoo! and GameSpot, a gaming information Website, entered into a content relationship in December 2004, whereby GameSpot provides PC and video game information to Yahoo! Games users (Papalia). Yahoo! introduced the beta release of Yahoo! Toolbar for the Mozilla Firefox Web browser, allowing Mozilla Firefox users to customize their Internet experience (yahoo.com).

Yahoo!'s recent emphasis on providing “the most innovative product and services on the Internet” resulted in a 62% increase in fourth quarter revenues between 2003 and 2004 (yahoo.com).

Industry Overview
Trends
Currently in a growth stage, the Internet-based industry continues to expand rapidly throughout the business world. To remain competitive in a continuous battle for market share, companies must be on the leading edge of technology and Internet capabilities.

The Internet and mobile device industry have developed a symbiotic relationship, translating into a new mobile-based entertainment technology trend. An increasing number of cell phones have Internet capabilities, and people use their cell phones to stay Web-connected while on-the-go. They keep up-to-date on weather, sports, instant messages, and e-mails originally sent to their computers. This trend’s popularity stands to increase as mobile technology improves.

Internet companies achieve growth not only through advertising sales, but also through the expansion of new approaches to e-commerce. Companies that wish to retain a solid reach in the e-marketplace typically branch out and pursue other marketing ventures like e-mail access, music, movies, games, cellular phone access, and instant messaging programs (Dolbeck).

The Competition
Yahoo! faces competition from thousands of search engines and Web portals. Yahoo!'s top competitors in various categories include AOL, Google, and MSN, with AOL and MSN both offering teen-specific Websites. The following sections detail the teen-oriented programs offered by America Online, Google, and MSN as well as an overview of several secondary competitors.

Primary Competitors

Brand Image
According to its corporate biography, parental controls give AOL an image of safety and security. The company ultimately strives to become a central part of every user's life, declaring that it wants to provide users with “the ultimate Internet experience.”

Recent Developments
America Online constantly updates its services and adds new features. This section describes some of AOL's latest additions and partnerships.

- AOL RED, the new teen interface from AOL, reaches 1.2% of the teen market (case study). Some features include music, games, sports, news, and homework help (aol.com).
- AOL's partnerships focus primarily on improving search capabilities and Internet speed (AOL to Expand).
- AOL introduced a new local search service, giving users an easier, more accurate way to navigate local directories (aol.com).
- AOL announced a partnership with Road Runner, Time Warner's high-speed Internet service (aol.com).

Google
Brand Image
The Google brand image focuses on simplicity and accessibility. Google is a popular search site and has even become a verb in the American vernacular. The following recent
Recent Developments
Search engine capabilities constantly expand and improve. To keep up with the pace, Google frequently adds new features and improvements. This section details these changes.

- Google added a video search option, allowing users to stream previously aired television content from networks like ABC, PBS, FOX News, and C-SPAN (O'Malley).
- Google improved its localized search and mapping services by partnering with Keyhole, a digital-mapping company, to provide users with digitally photographed maps (O'Malley).
- In 2004, Google registered the gbrowser.com domain name and hired developers from Mozilla Foxfire, leaving many to speculate that Google plans to launch a new Web browser (Gupta).
- Recently, Google launched an e-mail program called Gmail. Still in the beta testing stage, it offers 1000 MB of free storage and has an archival retrieval system that allows users to search for old e-mails (google.com).
- Google may introduce a chat service soon (google.com).

Secondary Competitors: Teen Websites
Teen Websites pose a potential threat to Yahoo! if the company opts to develop a teen-specific interface. Though many of these sites appear unpolished, they offer many services tailored specifically to teens' interests. Such sites include girlzone.com, gurl.com, cyber teens.com, and free2talk.com. Many others exist; however, these are the most notable teen-oriented sites.

The monthly "Webzine," Girlzone.com, offers a variety of information to teenage girls. This site has quizzes, stories, games, and interactive content. Gurl.com, the interactive Website for teen girls, has games, quizzes, message boards, advice, comics, and health information. Cyber teens.com, another teen site, offers games, news, message boards, art by the site's registered users, and links to homework help. These services appeal to both males and females. Free2talk.com, by Verizon Wireless, focuses primarily on technology and cell phone trends but also offers young adults links to other popular teen Websites. Visitors are also entered to win Sony products upon signing up for Verizon Wireless service. It is important to note, however, that the biggest competition may not even exist yet.
Competition by Category

Messenger

Seventy percent of teens use some sort of instant messaging service. AOL Instant Messenger leads this category with 69% of the teen market followed by MSN with 39%, as seen in Figure 1. Twenty-two percent of teens who use an instant messaging service use

<table>
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<tr>
<th>Percentage of IM users (12-17) using each Instant Messaging Service (2005)</th>
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<tbody>
<tr>
<td>AOL Instant</td>
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<td>69%</td>
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AOL Instant Messenger.

Yahoo! Messenger: This messenger service offers themed backgrounds called IMVironments, audibles, and other customization options to users. Yahoo! also gives users the ability to create cartoons of themselves called “avatars,” which teens can dress each day with a variety of outfits and accessories. AOL Instant Messenger lets teens customize IMs with buddy icons, emoticons, wallpapers, and sounds. Additionally, it allows person-to-person file sharing and is now compatible with the long-standing ICQ messenger service. MSN Messenger lets users animate their IMs with sounds and enables them to track their message history of recent conversations.

Mobile

Recent technological advances allow teens to access the Internet via mobile phone. As shown in Figure 2, Yahoo! leads in mobile Internet access with a 16% share of this category. It lets teens play Yahoo! Games, download cell phone ringtones from LAUNCH, instant message, and do everything they can do on Yahoo! on their cell phone. Mobile Web destinations are currently niche-oriented, but Yahoo!’s ability to offer diverse content could be a competitive edge in this market.

<table>
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<tr>
<th>Percentage of Mobile Internet Users Visiting the Competitors’ Sites</th>
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<tr>
<td>Competitors</td>
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<tr>
<td>aol.com</td>
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<tr>
<td>20%</td>
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Music

Music is the most popular program category for teens, and Yahoo!’s LAUNCH reaches more teens ages 12 to 17 than any other music site (See Figure 3). Due to its recent acquisition of Music Match, LAUNCH’s audience level among teens grew from 800,000 to just under 2 million in one year (Case Study). AOL and MTV also enjoy a large share of the category, and iTunes might receive a boost from the growing popularity of Apple’s iPod.

Search

Yahoo! Search comes second only to Google, based on unique audience in the search category (See Figure 4). Search is the only category where Yahoo! seriously competes with Google at this time, and as Google continues to expand its offerings, Yahoo! may face tough competition (Case Study).
E-mail

Figure 5 shows that more teens use Yahoo! Mail than any other e-mail service. However, MSN's Hotmail and AOL Mail follow closely. Google's Gmail is not offered to a mass audience yet, but the unique features of G-mail could threaten e-mail competitors.

Games

As evident in Figure 6, Yahoo! Games leads in the gaming category. This service offers mobile games, video games, and tournament leagues. MSN and AOL gaming services offer similar options that enable users to play and communicate with each other. GameSpot, now partnering with Yahoo!, strives to be the best online information resource for PC gamers. Pogo hosts family-based games including card, board, trivia, and word games. EA online offers information on interactive entertainment for advanced software systems such as PlayStation, XBox, and Nintendo Game Cube.

Opportunities and Challenges

Analysis of the current industry and competitors reveals that Yahoo! should be aware of several issues.

Opportunities

- Yahoo! has relationships with television and movie studios, which could lead to more product placement advertising and sponsorships.
- Yahoo! leads in all service categories among the target audience except for search and instant messenger.
- Yahoo! teamed up with GameSpot, which could result in improvements to Yahoo!'s current gaming services.
- Yahoo! acquired MusicMatch and could offer more music choices on LAUNCH.
- AT&T Wireless and Yahoo!'s partnership leaves the possibility of introducing new and improved mobile services.
- Yahoo! teamed up with Mozilla Firefox and now allows the browser's users to customize their Internet options.

Challenges

- AOL constantly updates and adds new features to its instant messaging program similar to those existing on Yahoo! Messenger.
- The teenage market uses Google most frequently for searches.
- Google's Gmail could threaten Yahoo!'s current dominance in the e-mail category.
- MSN continues to improve its teen-oriented programs like three degrees and its search services.
- MSN and AOL now provide new options in the gaming category similar to Yahoo!'s.
- AOL RED and three degrees pose a powerful threat in the teen-only Website category.
- New teen Websites emerge constantly.
**Analysis**

"Groovy" and "peace" are out. "Pimp" and "wicked" are in. Welcome to the new era and meet the new teens. But just who are these elusive teens? What language are they speaking? More importantly, what do these teens want from a Website?

The following sections will show how to understand and interact with teens successfully. Secondary and primary research explains the driving forces behind teens' actions and the extent of their financial powers. Research details their Internet savvy and what they want from the marketplace.

**Secondary Research: A Study of Teens, 13 to 17**

**Market Size and Online Penetration**

"Teens represent one of the fastest-growing population segments, registering a growth of 16.6% between 1990 and 2000" (U.S. Teen Market). Today, 78% of the 25 million teens between the ages of 12 and 17 in the United States have Internet access. By 2007, online penetration among teenagers is expected to grow to 86% (Case Study).

**What Teens Want**

According to Jakob Nielsen, a principal at Nielsen Norman, "most Websites miss the boat. If you don't get it right for teenagers, they're gone from your Website in a split second..." (Baig). Teenagers want a sense of belonging from these sites. They also want them to be visually stimulating and easy-to-use. Complex or incomplete Webpage content and navigational problems can turn them away (Baig). Teens dislike long download times and registration processes. They flock to sites that offer social and interactive activities that connect them with other teens.

**Online and On the Phone**

Teens want to be entertained and are attracted to online services that appeal to their entertainment interests (Case Study). Figure 7 shows what online activities teens use.

Although instant messaging with friends does not appear on the chart, 70% of teens 13 to 17 instant message online, according to the article Age, Sex determines kids' technology use. Instant messaging, e-mail, and research, respectively, are currently the most popular online activities among the target audience. In addition, cell phones have also become an entertainment tool. Nearly 40% of teens 13 to 17 use cell phones, according to the article. By 2007, that number could reach 50%.
Cell phones with Web capabilities allow teens to visit their favorite Websites from their phones. Many teens also download custom ringtones from the Internet for use on their mobile phone. This could be a powerful marketing tool.

**Entertainment**

Today's teens are not building tree houses or playing outside. They are going to the movies and watching TV. According to Simmons, 88% of 13 to 17 year olds have seen a movie in the past 30 days. They prefer comedy and action/adventure with nearly 70% of teens having watched one of the two in the past month. Watching television is another popular activity among teens. About 64% of the target audience watches situational comedies and nearly 38% watch animation during primetime. More than 53% of teens watch shows on NBC and 56.5% watch FOX.

**Purchasing Behaviors**

Teenagers tend to try new products and technologies more than others. As a result, they are quick to alter their brand attitudes and usage. Caught between childhood and adulthood, their sense of identity can swing between the need to belong and the desire to be their own person. According to the article The Lure of Generation Y, “...products facilitate self-expression without permanence and give teenagers flexibility to change their image as often and when desired and keep up with the latest trends.” At this stage in life, peer influence can strongly affect purchasing and usage behaviors. To fit in, teens feel pressure to keep up with new trends. Pop culture also influences the target market's purchasing decisions. Teens do not necessarily pay attention to what celebrities are selling; they emulate the cultural trends that they set.

**Purchasing Power**

Mounting purchasing power makes the target market an increasingly important audience because they have the ability to hugely improve brand sales. Since teens have fewer financial responsibilities, they have more disposable income. Teens spent nearly $95 billion last year, and by 2006, their buying power could top the $182 billion gross domestic product of Russia (Online Teens). Figure 8 shows the spending of this group compared to other U.S. age brackets.

**Teens Can Get What They Want**

Today's teens rely less on their parents to make purchases. In fact, “teens are increasingly in control of purchasing decisions, both for themselves and within families,” said Don Montuori, Acquisitions Editor of Packaged Facts. “Since 1999, we have seen jumps in the economic influence of teens' preferences in almost every product area, including clothing, personal care items, technology, and entertainment” (The U.S. Teens Market). This translates into Internet usage as well. According to a recent study from marketresearch.com, “households with children use the Internet at a much higher rate than households without them. Despite this tremendous purchasing power and influence, nearly 81% of teenagers 13 to 17 do not even use an ATM card, according to Simmons. Because of this, many teenagers cannot make direct purchases online or buy special online program packages. Therefore, teen Websites that center around shopping can enjoy only marginal success.
Primary Research and Campaign
Pretesting: An Inside Look at Teens

A total of fifty 13 to 17 year olds participated in three focus groups; 27 girls and 23 boys participated. Figure 9 shows a breakdown of participants' ages.

![Breakdown of Respondents by Age](image)

The focus groups included a word association exercise, a drawing activity, photo sort, and a sentence completion exercise. These projective techniques helped answer the following questions.

- What is the prevailing perception of Yahoo!, Google, MSN, and AOL users?
- What do teens look for when choosing and using a Web portal?
- How do teens spend their time online?
- What types of advertising appeal to teens?

Discussions centered around Internet usage, search engine preferences, online activities, television commercials, and television shows. Figure 10 shows the focus group procedure.

The discussions yielded the following points. They highlight general insights first, and then insights about each of the main competitors. Those insights ultimately led to content and positioning recommendations.

General Insights

Who They Are
- Teens feel hindered by sites that ignore teen-specific content.
- Participants say they take pride in being able to do what they want online and off.
- Participants state that "online games are huge," and nearly all play them on a regular basis.
- Teens prefer online radio sites to broadcast radio.

What They Want
- Respondents agree that they want an easy-to-navigate Website with a simple interface, many entertainment and gaming choices, and a variety of music.
- Respondents say they do not want to customize Webpages; they prefer a preset site tailored to their interests.
- Teens say they do not want to weed through Website links and irrelevant information

Consumer Analysis
when searching for a specific topic; they want advanced search options.

- Respondents unanimously like having music choices from a Website.
- Teens say online research for school projects is difficult; they lack access to credible sources.
- Respondents express interest in having Ask-a-Teacher and homework help options.
- Participants express interest in receiving sports updates on their cellular phones and on a central Website.
- Teens want an object similar to the Microsoft paperclip to entertain them while performing certain functions. One teen suggested that a cartoon yak would be entertaining.
- Teens agree that "free stuff" is the best enticement to switch to a different instant messaging service.

Yahoo! Insights
"Who uses Yahoo? I guess if you're looking for somebody, you use Yahoo!"

The following points detail key findings and insights about Yahoo!:
- Most focus group participants do not have a clear perception of the typical Yahoo! user.
- Many teens are unaware of Yahoo!'s various product offerings.
- Teens are likely to use Yahoo! Messenger if their friends switch from AOL Instant Messenger or if Yahoo! offers incentives such as free music for signing up.
- The target audience identified Yahoo! as the place to go when looking for somebody to talk to.
- Teens perceive Yahoo! as having a cluttered interface and being difficult to navigate.

America Online Insights
"I'm on AOL because my friends are on there."

A majority of participants use AOL's instant messaging program. The focus groups yielded the following key findings pertaining to AOL:
- Teens say that they are accustomed to using AOL since their parents originally purchased it for the parental control options. Many still use it as their Internet service provider.
- Teens agree that people of all ages and races, and primarily families, use AOL.
- The teens believe that AOL services are easier to use than other content providers.

Google Insights
"It's just cool to say, 'Let's Google it.'"

According to participants, Google is the most popular search engine. The findings about Google follow:
- Participants say that Google has the largest and most credible database.
- Teens are extremely familiar with Google and associate it with schoolwork and researching.
- Respondents state that they usually visit Google first when searching.
- Participants have difficulty describing the typical Google user. They consider it a search engine for everyone.
- Respondents say that Google is a newer search engine and the "cool" thing to do.

MSN Insights
"I feel that only smart people use MSN for stocks and stuff."

Focus group results revealed that the participants use MSN seldom, if at all. Many of the respondents vocalized that MSN is for older generations and is not teen-friendly. Key points are listed below.
- Participants describe MSN users as business professionals looking for financial information.
- Participants say they like MSN's hotmail, and many use it as their primary e-mail service.

Opportunities and Challenges
After compiling and reviewing the secondary and primary research of Yahoo!'s target consumer, the company must consider several factors...
issues in developing a 2005 to 2006 marketing campaign. The following sections will summarize key findings from consumer research to lay the groundwork for future recommendations and executions.

Opportunities
Secondary and primary research revealed several opportunities Yahoo! could monopolize on to stay a true leader in the teen market. Yahoo! already offers many services that teens want. By launching a new marketing campaign, Yahoo! can effectively send the message to teens that Yahoo! is the Life Engine for people like them.

- Teenagers want a Website made especially for them.
- Yahoo! offers a free account to registered users.
- Teens say that most search engines lack credibility.
- Yahoo! is the leader in mobile, music, e-mail, and gaming categories.
- Teens like sites that offer online games.

Challenges
Secondary and primary research highlighted several challenges that Yahoo! should be aware of. By addressing these, Yahoo! can remain a leader in the market.

- Sixty-nine percent of teens continue to use AOL Instant Messenger services because their friends are on it.
- Teens believe that Google has the largest and most credible database.
- Not all Web browsers support Yahoo! services.
- Teens simply do not know what Yahoo! has to offer.

Recommendations and Positioning
The following recommendations stemmed from primary research results and prevailing opportunities and challenges. These recommendations laid the foundation for the suggested positioning and creative strategy.

Recommendations
Product
- Weave Yahoo!’s products and services with pop-culture, fun, and self-expression in order to pull in teenagers 13 to 17 years old.
- Offer many entertainment, gaming, and academic help options for teens.
- Provide a credible source of academic information for teens.
- Provide teenagers with a simple, easy teen-tailored Website instead of expecting them to customize one themselves.
- Create this Website to compete head-to-head with AOLRED and MSN’s threedegrees.

Marketing
- Make teens more aware of Yahoo! product offerings and services.
- Use promotions and prize giveaways to attract this teenage market.
- Invest in product placement advertising in upcoming action or comedy movies.
- Consider partnerships with various companies.

Segmentation
Yahoo! has the option of segmenting the target audience; however, research revealed that this is not necessary or efficient. Based on primary and secondary research, teenagers between 13 and 17 years old like the same online activities such as music, instant messaging, and gaming. During focus groups, teens across the age range expressed the same feelings regarding school and research issues. Furthermore, younger teens tend to emulate older teens. In light of these insights, marketing to 13 to 17 year olds as one, unified audience will most efficiently reach the campaign objectives within the allotted budget.

Positioning
The following statement summarizes Yahoo!’s positioning: “Yahoo! is the most accessible and fun Internet portal on the Web.” Because research revealed that teens want entertainment offerings, a variety of games, multi-genre music choices, and navigational ease, this positions Yahoo! as the entertaining and fun yet simple Website that teens want. All creative concepts stemmed from this position.
Creative Plan

Industry and consumer research inspired the development of the campaign presented here. This campaign will appeal to the teen audience and will bring Yahoo! an increased share of the online market. The idea is: Yahoo! gives teens the power to be independent through its services and products. With this as the backbone of the Power Up campaign, teens will feel empowered to discover Yahoo!'s product offerings, register for those services, and make Yahoo! their Life Engine.

A Place for Teens
Introducing you.yahoo.com, a Website customized exclusively for teens. Yahoo! offers many teen-relevant services that teens simply do not know about. This site harnesses them in one place, making them easy and fun to use. Teens stated they prefer a customized teen site pre-made for them. Yahoo!'s new teen interface answers that in an organized way. Divided between an academic and a fun section, you.yahoo.com represents a Life Engine for teens (See Figure 11).

Registration
A registration button highlighted at the top of the page makes it simple for teens to register for Yahoo!'s advanced services. When visitors register for you.yahoo.com, they should provide their age, e-mail address, cellular service provider, and school name with location along with other information.

Upon registering, users receive full access to the site's capabilities and an e-mail detailing what "Your School Engine" and "Your Life Engine" offers.

Your School Engine
"Your School Engine" houses school-related tools. For instance, teens can use the new Y! Library to run academic searches, an option usually only available through universities. Through development of the online database, this option allows registered users to search for electronic academic resources like journals, newspapers, and periodicals. Students must register with Yahoo! to use Y! Library services to receive articles in a printable version sent directly to the student's Yahoo! e-mail account. In addition to this, the site will offer an Ask-a-Teacher service. With this option, they can log into a chat room to interact with teachers about school subjects. A general search option is available as well.

Your Fun Engine
"Your Fun Engine" houses the site's entertainment services. Since a large percentage of teens use an instant messaging service, a button offers a Yahoo! Messenger service
option. “Your Fun Engine” also has a sports and games option meant to appeal to males in the target audience and the many teens that participate in online gaming. Since all respondents want a music service, the site offers a LAUNCH option. Users can satisfy their music needs by clicking through to this service. By going to Yahoo! Mobile, they can stay connected to their favorite site options wherever they go. “Your Fun Engine” also has entertainment and e-mail options.

Why will teens choose this site over other teen Websites?
1. The site’s simple categorized offerings allow teens to quickly find what they are looking for on a Website. Without having to customize it themselves, they will find the most teen-relevant services to help them finish homework and have fun faster.
2. The Ask-a-Teacher option lets teens interact directly with an educator about school-related subjects.
3. A personal assistant tool acts as a help tool for using the Website. (This will be further detailed in a later section.)
4. None of Yahoo!’s top competitors offer an academic database for teens to do serious research on school papers.

Each of the above points helps achieve the objective of increasing differentiation.

### Concept Testing

#### Initial Testing
Concept testing was conducted among 30 teenagers who had previously taken part in primary research. The concept test assessed the believability, fun, persuasiveness, and uniqueness of the creative statements listed in Table 1. Each respondent rated the statements in terms of the four qualities, on a scale of 1 to 10 with 1 being “not at all” and 10 being “absolutely.” Table 1 further details these results, showing that of the three strategies, statement two received the highest rating in each of the four categories.

Additionally, the respondents vocalized which statement would be most persuasive in terms of getting them to try Yahoo!’s teen services or increasing current usage habits. Nearly all respondents said that statement two was the most persuasive in influencing trial. The respondents that currently use Yahoo! said that statement two would be most likely to increase their usage activities. Given these positive results, the idea that “Yahoo! lets you assert your independence” will drive the creative executions.

#### Further Testing
Figures 12 and 13 show two test ads developed from the creative strategy statement. Of the original 50 focus group members, 27 agreed to take part in copy testing. These respondents were asked to reveal how believable they found each ad. Twelve responded that Ad #1 was believable, 9 stated that it was very believable, and 2 stated that it was highly believable. On the other hand, Ad #2 only received 8 believable ratings and 7 very believable ratings. When asked how likely they would be to try Yahoo!’s teen services after viewing the ads, 15 responded positively after seeing Ad #1, while only 9 said they would after viewing Ad #2.

Next, respondents were asked to rank the sponsor of each ad in terms of being fun.

### Table 1

<table>
<thead>
<tr>
<th>Creative Statements</th>
<th>Believable</th>
<th>Persuasive</th>
<th>Fun</th>
<th>Unique</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement 1: Yahoo! simplifies the Internet by giving you only the content you want and eliminating the rest.</td>
<td>6.1</td>
<td>6.2</td>
<td>5.65</td>
<td>3.1</td>
</tr>
<tr>
<td>Statement 2: Yahoo! lets you assert your independence by letting you choose your genre of music, the people you want to talk to, and the information you want.</td>
<td>7.55</td>
<td>7.5</td>
<td>7.65</td>
<td>6.25</td>
</tr>
<tr>
<td>Statement 3: Yahoo! has changed to keep up with teens changing lifestyles by giving you the latest music, messaging, and mobile technology.</td>
<td>6.1</td>
<td>6.65</td>
<td>6.25</td>
<td>5.2</td>
</tr>
</tbody>
</table>
Non-traditional Advertising
Promotions
Traditional advertising components maintain top-of-mind awareness and attract new audiences, but promotions are crucial to encouraging teens’ trial of the new Yahoo! interface and Yahoo! product services among new and current users. Upon registering for you.yahoo.com, new users will be eligible and able to win a grand prize package and other giveaways. Some of the following promotions will not be advertised to all schools, but those that are interested can contact Yahoo! to participate in them.

Brain Power Pack
In August, Yahoo! will send Brain Power Packs to specific school districts in metro markets where a high percentage of teens have online access. Within these cities, 15 teachers at the top 3,667 based on enrollment will receive the Brain Power Packages. These cities and Internet access percentages are listed below:

1. Boston - 87.1%
2. Tampa/St. Petersburg - 83%
3. New York City - 82.5%
4. San Francisco - 82%
5. Miami/Ft. Lauderdale - 81.2%
6. Philadelphia - 78.3%
7. Dallas/Ft. Worth - 78.2%
8. Detroit - 77.2%
9. Washington, DC - 75%
10. Atlanta - 74.1%

(AOL RED Electronic Press Kit)
These packets include an information sheet, a Yahoo! Essentials CD that downloads a you.yahoo.com toolbar to users' desktops, and a list of all current and future promotions. The CD also includes a tutorial of how the Y! Library works and how the service can help users. Schools will encourage participation because the services provided can improve student’s schoolwork. This encouragement will drive registration among teens. As an additional incentive, schools will compete to win 10 computers based on the number of registrations per school. When students register for you.yahoo.com, they will receive two points. Additional logins earn them one point. To avoid “false” or “superficial” logins, users must be logged in for at least 20 minutes. At that point, they can begin earning points.

The competition will last from August until November. Since students are asked to give their school name upon registration, the database will be able to award the appropriate school with the correct points. At the end of the promotion period, the top 50 schools with the most points will receive 10 computers and a set of Yahoo! logo textbook covers. The award can be delivered to schools in December during Christmas vacation. Upon students’ return for the new semester, they will find new computers in their school and textbook covers for their books. This promotion should increase average time spent on Yahoo! by 25%. Upon evaluation, this promotion may be continued.

The Power to Transform
Upon registering for you.yahoo.com and visiting certain Yahoo! services, teens will be automatically entered to win a Power to Transform technology makeover. Since technology brand names are now more valuable than even clothing brand names, Yahoo! can partner with Dell to give ten winners a technology makeover package including a laptop, PDA, MP3 player, digital camera and photo printer, all-in-one printer, high speed Internet service for a year, flash drive, and a plasma TV. Approximately 1000 runners up will receive MP3 players, and 730 additional winners will receive digital cameras and a photo printer. The runner up prizes will be determined by which service is being used. For instance, teens that use LAUNCH are eligible to win an MP3 player. To win a digital camera, teens must use the Entertainment service. This giveaway will appeal to technology savvy teens and have a synergistic tie-in to the Power Up campaign. It will also achieve the objective to grow use of Yahoo! products by one on average.

Music Promotion
Teens stated that it would take a major incentive to switch from AOL Instant
Messenger to the Yahoo! Messenger. Teens responded positively upon mentioning a possible music and game giveaway idea. With MusicMatch technology, Yahoo! can give away music downloads to registered Yahoo! teens. Though not all downloading can be free, each day Yahoo! will give away a certain number of free songs at randomly selected times to users on Yahoo! Messenger. This will prevent users from signing on to receive the free song then signing off; they must be signed on for a certain period of time to increase their chances of being on Yahoo! Messenger at the right time.

At the Sports and Games service, registered users can download a “game of the week” for free. Each game is only available for one week as other games become the new feature of the week. Similar to the song giveaway, the game of the week will also be offered at selected times. A variety of games for all interests will be available to download. Users will also have the option to download the game to their mobile phones. This will encourage teens to stay signed on to specific Yahoo! services for extended periods of time and achieve the objective of increasing “average time spent” on Yahoo! by 25%.

Viral Marketing
Word-of-mouth is powerful in spreading trends among teens. In order for Yahoo! to spread word of its new you.yahoo.com site, viral advertising will be a key component of non-traditional advertising.

Power Up Patrol
Imagine walking down the street in New York City and seeing a Yahoo! bus drive down the street blasting the Yahoo! yodel. Imagine getting a free Dell MP3 player just for having the right ringtone. This is the idea behind the Power Up Patrol. Registered users can go to Yahoo! Mobile through the you.yahoo.com site to download the Yahoo! yodel ringtone. To download the ringtone from Yahoo! Mobile, users must give their cell phone number and cellular service provider information. As the Power Up Patrol travels to major metro areas across the country, it will award every person with the ringtone a free Dell MP3 player. The catch is that the Power Up Patrol must hear the ringtone. Members of the Power Up Patrol, an intern street-team, will also hand out flyers about upcoming promotions from you.yahoo.com. E-mails will update registered users about the Power Up Patrol’s trek across America, and users will be able to see when the Patrol will be heading their way. The Patrol will visit the cities outlined under the Brain Power Pack section; they were chosen based upon the percentage of teens with online access.

Guerrilla Advertising
“In your face” advertising will attract the teenager target market. Sending advertisements directly to teens means that they will be more likely to respond to Yahoo!’s message.

Intercept Advertising
“Mobile marketing is a value-added element of modern marketing because it meets the current, technologically-focused interests of consumers…” (Mehta). This type of advertising has a high response rate and low creation costs (Mehta). “Mobile campaigns offer the following: short concept to execution cycles, low production costs, instant evaluation, and on-the-spot improvements to increase return” (Return on Investment). Because of this, intercept mobile advertising yields excellent opportunities to target teens. Although the technology associated with this type of strategy is new, Yahoo! has a history of using non-traditional and cutting edge marketing tools. Yahoo! would send these ads to registered users based upon information gathered in the registration process and from those who download the Yahoo! yodel ringtone. Since some registered users may not provide their cell phone information or download the yodel, Yahoo! could launch this campaign through its partnerships with AT&T Wireless and Cingular. All executions are sent
innovative, cool, simple, trustworthy, and approachable. Responses were based on a scale of 1 to 10, with 1 being “not at all” and 10 being “absolutely.” Although both ads tested above 5 on each of the characteristics, Ad #1 ranked highest in all categories (see Table 2). When asked to describe in their own words what Ad #1 said, the majority of respondents described the ad as saying, “Yahoo! gives you the power to be different.”

The respondents liked the break-dancer in the ad because they said it “put motion in the ad,” but they did not like the cookie cutter image. According to this feedback, participants clearly favored Ad #1, so an advertising campaign materialized that reflected teens’ responses to the ads. The creative theme became known as “Power Up.”

| Table 2 |
|---|---|---|---|---|---|
| Ads | Fun | Innovative | Cool | Simple | Trustworthy | Approachable |
| Ad #1 | 7.25 | 7.25 | 6.05 | 7.05 | 6.4 | 8.1 |
| Ad #2 | 6.6 | 6.25 | 5.3 | 6.5 | 5.4 | 6.15 |

**Figure 12**

Ad #1

**Figure 13**

Ad #2

**Traditional Advertising**

**Print Executions**

The following advertisements focus on instant messaging, mobile, music (LAUNCH), and search. These simple and flexible executions can easily be extended to advertise other Yahoo! products and services. The following eight core elements define the ads:

- A “Power Up” headline tells teens how Yahoo! helps them have the freedom to run their lives the way they want. For example, ads focused on instant messenger carry the headline: “The power 2 b u.”
- A movement-oriented image of a teen conveys the freedom that Yahoo! gives them to do what they want online. It also complements Yahoo!’s fun and innovative attitude and the teens tested liked the active image.
- The Yahoo! logo appears as the source of the teens’ power to be active.
- Stars visually represent the empowerment from the Yahoo! logo.
- Body copy speaks to the audience in teen-lingo and details product offerings.
- The teens in the ads convey a sense of diversity.
- Building on Yahoo!’s current Life Engine positioning, each ad renames the specified service as some sort of “engine.” For example, Yahoo! Mobile is called the “On-the-go Engine.”
- Each ad tells teens to “Power Up” and make Yahoo! their Life Engine.

Creative Plan
Figure 14—This ad illustrates teens' ability to select their own music on LAUNCH.

Figure 15—Teens have the power to be themselves on Yahoo! Instant Messenger.

Introducing you.yahoo.com, the new Yahoo for you. Represent by designing an avatar that looks just like you and expresses your emotions on Yahoo! Instant Messenger. Talk to who you want and instant message with style using IMvironments. Let your instant messenger stand for more than words.

Power Up.

Make Yahoo! your in-touch engine.

Life Engine.
Figure 16 - Mobile technology allows teens to break free from the computer.

The Internet was meant to take you places, not tie you down. So, you.yahoo.com moves with you. Using mobile technology, do everything you do on Yahoo! anywhere you want. Break loose from your computer.

Power Up.
Make Yahoo! your on-the-go engine.
Lifeline.

Introducing you.yahoo.com, the new Yahoo! for you. On it, you can find Yahoo!'s improved search feature. It gives you advanced search options to find the information that gets you going faster.

Power Up.
Make Yahoo! your find-it-fast engine.
Lifeline.

Television Executions

The TV executions extend the same idea as the print. The major addition of music appeals to the range of 13 to 17 year olds since music was identified as a commonality among all of them (Figures 18.1-18.5).

Figure 18.1 The spot begins with a tight shot of the Yahoo! logo. Then it pans out to a record with the engine type that represents the Yahoo! feature being advertised.

18.2 The shot expands to show our DJ. He's spinning a popular song. He says to the audience, "Who's your life engine?"
18.3 The crowd yells “Yahoo!” in the yodel, of course. And the Yahoo! logo spins off the record and begins dancing through the air.

18.4 As the Yahoo! circles a teen girl, she begins to dance and morph into an avatar that bears a striking resemblance to her.

18.5 We see a shot of the newly formed avatar with a skateboard that showing that with Yahoo! Instant Messenger, you have the Power 2 b u.

Internet Executions
Banner ads will reiterate the theme executed in print. The following ads show the three-frame progression of the banners, including a banner to advertise one of Yahoo’s various promotions for 2005 and 2006. These should appeal to teens without being obtrusive (Figures 19-22).
as a text message. An example of one of the executions reads, “Want to find more options for radio edited ringtones? Power Up! Download your favorite jam by going to you.yahoo.com and connect to LAUNCH.” Another text message sent to registered users would read, “Visit you.yahoo.com to download the Yahoo! yodel ringtone and you could win an MP3 player from Dell.” This will spur registered users to increase usage of Yahoo! services.

Product Placement

Movies

Yahoo! can advertise through product placement in a teen-specific movie. Yahoo! has a relationship with MGM Studios and should place in one of its productions. In the movie, a teen could use you.yahoo.com and click the option to access Yahoo! Messenger. Although the specific movie vehicle is uncertain at this time, a teen movie currently in production will be selected. Simmons data indicated that comedies and action/adventures are most popular among the target audience. Yahoo! should invest in product placement in either a comedy or action movie to open on a popular release date such as Christmas Day. Money has been allotted for this product placement; however, Yahoo! would need to plan this activity far in advance to work with the movie’s production schedule. Placement will promote the new Yahoo! teen interface and encourage trial of the Website.

In-School

In-school placement will tie in with the Yahoo! Library promotion. The Yahoo! logo will appear on paper book covers, a popular product in schools. These textbook covers will be sent along with the 50 computer prizes in November; 17,500 book covers will be distributed among the 50 schools. Distribution patterns will be decided based upon registration points from the competition to win the 10 computers. On average, each school will receive 351 textbook covers. This number is subject to change based upon the number of registrations which will vary based upon school population and participation.

The Yak

During the initial pre-testing phase, a respondent suggested that Yahoo! have an animated cartoon character similar to the Microsoft Office paperclip helper. This yielded the Yahoo! Yak that pops up during certain executions at you.yahoo.com. During a test of this concept, respondents expressed interest in having an interactive and entertaining character at their disposal. The solution: the Yahoo! Yak. Yodeling as he appears, the Yak will act as a personal assistant to the Website for both help and entertainment purposes. Teens will also have the option of accessorizing the Yak with a robe, jewelry, or sunglasses. Other attire can be themed with the seasons and holidays. When the Yak is not in use it hibernates on the Website. Instead on z’s coming from his mouth, y’s will float out. The Yak will let users know when they win free songs and games.

Teens do not like to wait through long downloads; therefore, when a user downloads a song or game, the Yak will appear on the screen to entertain during the wait. Depending upon the current execution, the Yak can perform a number of functions, such as dancing, offering advice, or announcing various promotions. This will add to users’ experiences on you.yahoo.com and offers a unique way for them to interact with the site.

![Yak illustration]

Figure 23

In order to successfully spread Yahoo!’s new creative theme, the advertisements will be presented through a variety of traditional and non-traditional media vehicles. The media plan will cover the upcoming “Power Up” campaign period of August 1, 2005 to July 31, 2006.
Media Strategies and Tactics

In order to satisfy these objectives, the following strategies will guide the 2005 to 2006 media plan. The selected media types are recommended to meet the needs of each individual objective. Advertising will effectively engage teenagers through the chosen media. For this campaign, 87% of the media budget has been allocated to traditional advertising while 13% has been allotted to non-traditional advertising. A detailed breakdown of specific media used for the Power Up campaign is provided above in Figure 24. The following sections provide rationale for the suggested media strategies and detail specific media vehicle tactics.

Traditional Advertising

Advertising on network television, cable television, teen magazines and the Internet accounts for $7,943,164 of the media budget. Network television accounts for 45.1% of the traditional advertising expenditures. Magazines and the Internet represent 24.1% and 20.2% of traditional advertising expenditures, respectively. The remaining 10.6% of the traditional media expenditure is distributed as per the following breakdown:

- Guerilla Advertising: $39,000
- Viral Marketing Tactics: $144,900
- Product Placement: $50,000
- Production: $195,000
- Research: $156,826
- Contingency: $10,000,000

Non-Traditional Total: $1,200,000

Traditional Total: $7,943,164
Table 4

<table>
<thead>
<tr>
<th>Vehicle</th>
<th>Reach</th>
<th>CPM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Magazines</td>
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<td></td>
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<tr>
<td>GamePro</td>
<td>8.3</td>
<td>11.08</td>
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<td>Seventeen</td>
<td>23.4</td>
<td>14.18</td>
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<td>Teen People</td>
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<td>Teen Vogue</td>
<td>19.2</td>
<td>13.06</td>
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<td>Cable TV</td>
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<td>25.2</td>
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<tr>
<td>Nick U Pick Live</td>
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<td>80</td>
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<tr>
<td>Network TV</td>
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<td>Saturday Night Live</td>
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<td>The Simpsons</td>
<td>14.4</td>
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<td></td>
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<td>0</td>
</tr>
<tr>
<td>Yahoo! Sports</td>
<td>1.9</td>
<td>0</td>
</tr>
</tbody>
</table>

Reach and CPMs for all vehicles are listed in Table 4.

Benefits of Using Network TV
- Cost effective
- High reach of selective and mass markets
- Sight and sound for dynamic selling

Network TV Tactics
Specific vehicles have been chosen to collectively reach teens that watch network television between 5:00 pm and 11:00 pm. These vehicles make up 45.1% of the traditional advertising budget. Simmons data showed that 14.4% of teens watch The Simpsons five times a week and 6.78% watch WWE Smackdown! four times a month. Additionally, 9.13% of teens watch Saturday Night Live four times a month, and those who spend 20 hours or more a week online are 84% more likely to give their full attention to Saturday Night Live. These vehicles were chosen for their cost effectiveness and large cult following among the teen market. Network television will follow a flighting schedule during the heavy months of August, December, February, and May.
Cable TV

Cable TV Strategy
Cable television has the potential to deliver specialized, national audiences at a relatively low cost. Secondary research shows that households wired with cable tend to watch less network television (Sissors and Baron). This means that advertising to both cable and network television viewers will not result in audience duplication. Simmons data revealed that 13.4% of the target audience watches MTV daily from 5:00 pm to 7:00 pm. Simmons data also showed that teens who spend 20 hours or more per week on the Internet are 163% more likely to watch 10 hours or more of MTV and 184% more likely to watch Nickelodeon 10 hours or more in one week. Therefore, by using these cable television vehicles, Yahoo! can efficiently grab the attention of teens to achieve the aforementioned media objectives.

Benefits of Using Cable TV
- National audience
- Added reach and frequency
- Relatively low cost

Cable TV Tactics
For the Power Up campaign, Yahoo! will advertise during MTV’s Total Request Live at 5:00 pm and Nickelodeon’s Nick U Pick Live between 5:00 pm and 7:00 pm. The combined advertising expenditures total 10.6% of the traditional advertising budget for Yahoo. Advertising on both cable networks will follow a flighting schedule during the heavy months of August, December, February, and May. Through effective advertising efforts, cable television will help maximize frequency and successfully achieve all other media objectives.

Magazine

Magazine Strategy
National magazines are useful in targeting niche markets. Magazines offer teen-specific content and are a valuable visual medium for the creative campaign. According to the cost per thousand (CPM), magazines are also relatively cost efficient. Seventeen, Teen People, Teen Vogue, and Sports Illustrated have some of the highest readerships with 23.4%, 20.6%, 19.2%, and 12.8% respectively. Data from SMRB showed that those who use the Internet 20 or more hours a week, are 57% more likely to read Gamepro Magazine. Additionally, compared to all 13 to 17 year olds, readers of Seventeen are 37% less likely to not use the Internet at home; readers of Teen People are 39% less likely to not use the Internet at home; and readers of Teen Vogue are 49% less likely to do the same. Based on this data, Yahoo! will advertise in these teen magazines in order to achieve all media objectives.

Benefits of Using Magazines
- Long shelf life
- Pass along audience
- Fine color representation
- Reaches light TV viewers

Magazine Tactics
For the “Power Up” campaign, $1,916,464 will be spent on teen magazines. Gamepro Magazine was chosen because of its strong reach and low CPM of 11.1. Gamepro Magazine has a readership of 8.3% among the target audience. Though this is less than Sports Illustrated, Gamepro was chosen because of Sports Illustrated’s high cost. Simmons data shows that all three are low-waste vehicles that Yahoo!’s target audience reads. Because of this, advertising in these vehicles will help achieve the media objectives. Yahoo! will advertise in magazines on a constant flighting schedule during the months of August, September, November, December, February, March, May, and June.
Internet Strategy
Secondary research confirms that the Internet is the preferred medium among teenagers, with respondents specifying that they spend 17.4 hours per week on the Internet over television, radio, and magazines (Case Study). The Internet is an active medium with relatively low costs. It can provide clear visuals to display creative banner ads as well as deliver the message to a high reach of teens. The ads also remain on the Webpage for the duration of the users' visit. For these reasons, the Internet will serve as a successful medium in achieving Yahoo!'s media objectives.

Benefits of Internet
- Low cost for marketing research
- Supplemental information
- Easy documentation of effectiveness

Internet Tactics
Internet advertising accounts for 20.2% of the traditional media budget at $1.6 million. In using this particular medium, banner ads will be placed on 13 diverse Websites, 6 of which belong to Yahoo!'s services that receive high numbers of unique teen audience. Some of these Yahoo! sites are visited by teens that have not yet registered for specific Yahoo! services. The remaining 7 Websites were chosen based upon their cost effectiveness, content, and coverage. Internet advertising will follow a flighting schedule consisting of both heavy and light variations. Figure 28 shows the breakdown of Internet vehicles used for heavy months and vehicles used for light months. The heavy emphasis of the media schedule will take place during the months of August, December, February, and May, while the light emphasis will occur in September, November, March, and June.

Non-Traditional Advertising
Consistent with past marketing efforts of Yahoo!, several non-traditional advertising methods will be used in the Power Up campaign. Over 75% of non-traditional expenditures will fund promotions that include a technology makeover and a computer giveaway. Approximately 17.1% of

<table>
<thead>
<tr>
<th>Yearly Internet Expenditures</th>
<th>$0</th>
<th>$50,000</th>
<th>$100,000</th>
<th>$150,000</th>
<th>$200,000</th>
<th>$250,000</th>
<th>$300,000</th>
<th>$350,000</th>
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<tbody>
<tr>
<td>Websites</td>
<td>ABC Living</td>
<td>Universe</td>
<td>ESPN</td>
<td>MTV</td>
<td>WB</td>
<td>Wild Tangent</td>
<td>My Yahoo</td>
<td>Yahoo!</td>
<td>Yahoo! Games</td>
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Figure 28

<table>
<thead>
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<th>Non-Traditional Advertising Expenditure Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Placement</td>
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Figure 29
the non-traditional budget will be dedicated to producing viral marketing tactics and guerilla advertising, while the remaining 7.1% will be placed in an upcoming 2006 MGM movie for product placement. Figure 29 shows the breakdown of non-traditional advertising expenditures.

Promotion Strategy
Promotional advertising, combined with incentives, will be crucial in encouraging trial of the new Website interface, specifically the Y! Library. To encourage trial with specific Yahoo! products and services, prizes will be awarded based on the number of new registered users per school.

Promotion Tactics
Nearly 76% of non-traditional expenditures has been allocated to promote the Y! Library Brain Power Packs and the Power to Transform Technology makeover partnership with Dell. Of the non-traditional budget, $210,000 will fund the Brain Power Packs and Essentials CD for the Y! Library promotion. This amount is divided between the print and production of the Brain Power packs ($105,000) and the production and distribution of CDs ($105,000). Both will be distributed to 15 teachers, including the principal, in the top 3,667 schools based on high Internet usage, and school enrollment. All schools that participate will be eligible to win 10 computers for their school. The cost for each computer is $389, which has been rounded up to $400. The top 50 schools will receive 10 computers each, totaling $200,000 for the computer giveaway. All of the back-to-school promotions total $410,000. Promotions will begin in August to accommodate back-to-school and will run through November. This allows enough time for Yahoo! to distribute computers to the winning schools by December, and allow schools time to have them readily accessible for the Spring semester.

The Power to Transform Technology Makeover includes giving 10 registered users technology packages that totals $4,863 each.

A total of $48,630 is allocated to the grand prize portion of the technology makeover. In addition, approximately 1003 MP3 players totaling $225,685 and 730 digital cameras with photo printers totaling $225,685 will be given away to registered teens. A total of $500,000 will fund the grand prize technology makeover, digital cameras, and MP3 players. Table 5 below details these prize packages. These prize incentives will encourage the trial and registration of Yahoo!'s new teen site. Discounts are an option with Dell services, according to pricing lists and promotions at dell.com. Yahoo! could receive anywhere from 10% to 50% discount on the technology makeover items. See Table 5 for discount totals.

### Table 5: Power to Transform Technology Makeover

<table>
<thead>
<tr>
<th>Giveaway Items</th>
<th>Description</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laptop Computer</td>
<td>Inspiron 8600 - XP Home, 512MB Memory</td>
<td>1230</td>
</tr>
<tr>
<td></td>
<td>40GB Hard drive, CD-RW/DVD Combo drive and 2-Yr At-Home Service</td>
<td></td>
</tr>
<tr>
<td>MP3 Player</td>
<td>DJ20</td>
<td>225</td>
</tr>
<tr>
<td>Plasma TV</td>
<td>Dell 42&quot; Enhanced Definition Plasma TV</td>
<td>2300</td>
</tr>
<tr>
<td>PDA</td>
<td>Dell Axim X30 Handheld 312 MHz (non-wireless)</td>
<td>200</td>
</tr>
<tr>
<td>DigiCam w/small photo printer</td>
<td>Canon 400 w/dell photo 540</td>
<td>309</td>
</tr>
<tr>
<td>All-in-one printer</td>
<td>Photo all in one 962</td>
<td>150</td>
</tr>
<tr>
<td>High Speed Net</td>
<td>One year, approx cost (range of 250-500)</td>
<td>400</td>
</tr>
<tr>
<td>Flash Drive</td>
<td>KINGSTON TECHNOLOGY - 512 MB DataTraveler USB 2.0 Flash Drive</td>
<td>49</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>4863</td>
</tr>
<tr>
<td>With Discounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10%</td>
<td></td>
<td>4376.7</td>
</tr>
<tr>
<td>20%</td>
<td></td>
<td>3890.4</td>
</tr>
<tr>
<td>30%</td>
<td></td>
<td>3404.1</td>
</tr>
<tr>
<td>40%</td>
<td></td>
<td>2917.8</td>
</tr>
<tr>
<td>50%</td>
<td></td>
<td>2431.5</td>
</tr>
</tbody>
</table>
Discounted totals will be allocated into the technology makeover for more prize offers. This promotion starts in August. With the exception of December and July, the prize packages will be distributed each month.

Yahoo! will also offer free song downloads that can be sent to cell phones as ringtones or saved as music files on a computer. Due to Yahoo!'s acquisition of MusicMatch, the company can offer users this incentive at no cost. However, users' phones must support Internet browsing in order to download the song. The same conditions apply for the free game giveaway; users must have gaming capabilities on their cell phones.

Viral Marketing Strategy
Yahoo! will employ a Power Up Patrol, which will travel across the country in the Yahoo! Power Up bus searching for teens with the yodel ringtone. The Power Up Patrol will visit the aforementioned cities that have the highest levels of teen internet usage. Teens can download the Yahoo! yodel ringtone from you.yahoo.com to have the chance to win an MP3 player. Through viral marketing strategies, Yahoo!'s brand recognition will grow by word-of-mouth, which helps spread trends among the teen market.

Viral Marketing Tactic
If one of the Power Up Patrol members hears the Yahoo! yodel ringtone, an MP3 player will automatically be given to the teen using the ring. Approximately 640 MP3s will be given away to teens. The cost of each MP3 prize is $225, for a total of $144,900 allocated to viral marketing tactics. This strategy will be implemented in the months of June and July. All cities will be visited in this two month period.

Guerilla Advertising Strategy
This strategy, detailed in the creative plan, puts the advertising message in the consumer's face. The advantage of mobile marketing is the guarantee of reaching the right people, not just the masses.

Guerilla Advertising Tactics
Guerilla advertising makes up 5% of the non-traditional budget. Intercept advertising via cell phone text messages will reach teenagers outside of traditional venues. Mobile marketing tactics can be as cheap as $25,000 or as high as $150,000. Averaging the two prices together yields an estimate of $87,000. Mobile marketing campaigns can be accomplished in roughly 30% of price estimates (Mehta). This results in $60,000 being allocated to guerilla mobile marketing. These ads will be sent in correlation with the aforementioned promotions and corresponding advertising months.

Product Placement Strategy
Product placement is effective in creating awareness among the target audience. Since going to the movies is such a popular teen activity, product placement in movies can be very efficient. In an upcoming MGM movie, a main character will access Yahoo!'s new Website for teens. Product placement will also spread to schools through Yahoo! logo textbook covers. These book covers will be shipped to the top 50 schools entered in the Y! Library promotion.

Product Placement Tactics
Product placement accounts for 7.1% of the non-traditional budget. The name and release date of the MGM movie are still unofficial. The price of this is $50,000. Costs for production of the book covers are about $2.00 for 17,500 covers for the top 50 schools totaling $35,100. Schools can request more covers at no charge. By using product placement in various situations, teens can be exposed to Yahoo! more frequently.

Media Not Selected
Media not chosen for this campaign include radio and newspaper. Radio does have several benefits such as high reach, cost efficiency, and message style. However, based on primary research, teens stated that they rarely listen to radio. Instead, they access music online where they have the option to hear what they want when they want. The recent increase in the
number of teens that use Yahoo!'s LAUNCH program reflects this trend. The growing popularity of downloading music from Websites and using MP3 players to customizesong playlists affects teens' radio preferences. Based on these findings, radio would not reach the target as effectively as the chosen traditional media. Although, radio is usually cost effective, teens' media choices reflect a lack of interest in radio as a primary choice for listening to music. Consequently, this caused a lower reach in comparison to the chosen traditional media.

In general, radio advertisements can convey a message that tailors the commercial style to the target audience's preferred music style.

However, with Yahoo!'s Power Up campaign, radio cannot convey the visual elements of the creative executions, which is a vital element for the success of this campaign. As for newspaper, teen usage rates are too low for this to be a chosen medium.

Scheduling
The Power Up campaign for Yahoo!, effective August 1, 2005 through July 31, 2006, will consist of a flying schedule with both heavy variations and light variations. The campaign focuses heavily in August to advertise back-to-school promotions, in December to remind teens to stay connected to friends over the holiday break with Yahoo!, and in February and May to accommodate television sweeps scheduling. During these four months, all television, magazine, and Internet ads will run for the full month and achieve 469.6 TRPs for heavy months. The Power Up campaign focuses lightly in September, November, March, and June, achieving 172.8 TRPs for lighter months. Each of these months will complement advertising from the previous heavy month. The specific vehicles chosen for these flying months will achieve high TRPs, earn low CPMs, and maximize reach and frequency. Figure 30 shows the monthly TRPs for Yahoo!'s Power Up Campaign.

![Monthly Total Rating Points](image-url)
As part of this campaign, Yahoo! will not advertise in the four remaining months of October, January, April, and July. Although advertising on Yahoo!’s Website is free, even the banner ads will go on hiatus for four months to prevent possible loss of ad revenue for Yahoo!’s Website. Teens will recognize the synergy of the “Power Up” campaign and will want to register with Yahoo!. For a detailed media schedule, see Figure 32.

Plan Evaluation
Although promotions typically have only short-term results, they encourage trial, which leads to adoption. Yahoo! wants to create lifelong members, but for this to happen, users must adopt the product. The dynamic plan presented will help Yahoo! create a following among teens.

All promotions will be evaluated throughout the year. Online surveys will be sent to registered teen users to gauge the effectiveness of the promotions, and to gather teen perceptions about Yahoo! and its various services.

The outlined media plan will more than reach Yahoo!’s goal of 3 million teens becoming registered users. Figure 31 shows the estimated number of new users per month that traditional media placement should generate, which is 3.4 million. The estimates are based on conservative conversion rates for the chosen traditional media. For television, it was assumed that 10% of teens viewing the ads will go to Yahoo!, for magazines 5%, and Internet 15%. The estimates above are also based on the assumption that 13% of teens who view the you.yahoo.com site will decide to register. A separate rate was used for advertising appearing on Yahoo!’s Websites. Also note that in Figure 31, plateau lines represent months that lack advertising, though the viral components of the plan should generate registration during these months. The Y! Library promotion is targeted towards 3,667 schools in the cities where the largest percentage of teens have Internet access. Assuming that 75% of schools will participate and 50% of the students at these schools will register. This promotion alone can generate as many as 1.3 million new teen users for you.yahoo.com. Because of the incentives associated with this promotion, more schools may choose to participate, which will increase the number of new teen registrants. The other various promotions and incentives available throughout the year will also increase the overall response rate.

The high reach and frequency of the plan, coupled with incentives and the fresh creative executions will result in increased use of Yahoo! services, foster greater brand differentiation, and ultimately cause more than 4 million teens to “Power Up” and make Yahoo! their Life Engine.
## Media Schedule

**August 1, 2005 - July 31, 2006**

### Yahoo!

#### Network TV

- **Saturday Night Live**: 8 ads
- **The Simpsons**: 8 ads
- **WWE Smackdown**: 4 ads

#### Cable TV

- **Nick U Pick Live**: 8 ads
- **Total Request Live**: 8 ads

#### Magazines

- **GamePro**: 1 ad
- **Seventeen**: 1 ad
- **Teen People**: 1 ad
- **Teen Vogue**: 1 ad

#### Internet

- **A-Z Lyrics Universe**: 30 ads
- **Ehmmworld**: 30 ads
- **ESPN**: 30 ads
- **MTV**: 30 ads
- **WB**: 30 ads
- **WordTango**: 30 ads
- **MyYahoo!**: 30 ads
- **Yahoo!**
  - Home: 30 ads
  - Mail: 30 ads
  - Chat: 30 ads
  - Games: 30 ads
  - Movies: 30 ads
  - Search: 30 ads
  - Sports: 30 ads

### Monthly Totals

- **National Reach**: 93.9% 93.9% 93.9% 93.9% 93.9% 93.9% 93.9% 93.9% 93.9%
- **Average Frequency**: 5 5 5 5 5 5 5 5 5
- **Dollars**: $1,349,288 $645,563 $1,349,288 $1,349,288 $645,563 $1,349,288 $645,563

### Figure 32
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