

WHAT ARPU CAN DO FOR PUBLISHERS

As the industry progresses further toward advertising-based business models, online publishers seek to increase the market value of their advertising inventory. At the same time, they endeavor to increase the relevance of their websites in order to drive brand loyalty and repeat usage. ARPU's Lead- and Purchase-Enabled AdvertisingSM Network was developed to both enhance the value of a publisher's advertising inventory and to increase user retention by establishing ongoing billing relationships. How does Lead- and Purchase-Enabled AdvertisingSM accomplish this?

Why publisher's lead- and purchase-enable their advertising

ADVANTAGES TO PUBLISHERS

- Enhances value of advertising inventory by 5-50X
- Generates new revenue stream from existing user base
- Increases user retention through added "stickiness"

At the most basic level, it ties an online advertisement to existing contact and/or billing information, enabling an advertised product or service to be obtained with a single click. When a consumer responds to an advertisement on a site with lead- or purchase-enabled inventory, ARPU's platform gives him or her the choice to sign up using the contact information or payment instrument already on file with the publisher or used in an immediately preceding purchase. Results demonstrate that this consumer convenience increases the conversion rate of the advertisement by a minimum of 500 percent—enhancing the market value of that inventory. What's more, the subscription-based nature of many of the products and services offered provides users with a reason to return to that publisher's website: to manage their subscriptions.

Proven distribution models meet differing business needs

The Lead- and Purchase-Enabled AdvertisingSM Platform was specifically designed to be flexible and meet the differing business and technical needs of our publisher partners. ARPU supports two basic distribution models which publishers elect depending upon their business objectives: advertising-based distribution and shopping-cart-based distribution.

a consumer can take through the flow, the rate at which orders are successfully placed is maximized. This controlled approach to the registration/purchase flow ensures the highest conversion rate possible for a given offer—and therefore the greatest increase in the value of the ad inventory. Publishers can also choose to layer on relevant up-sell

Advertising-based Distribution

In the first—advertising-based distribution—the consumer clicks on a lead- or purchase-enabled ad on the publisher’s website and is then guided through a registration/purchase flow that exposes him or her to only the information required to obtain that specific offer. By minimizing the number of decisions and limiting the alternative paths

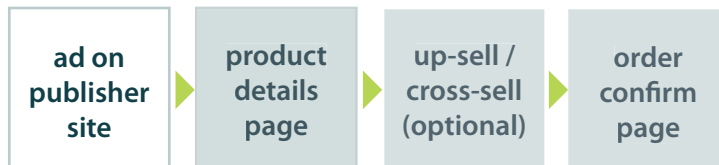
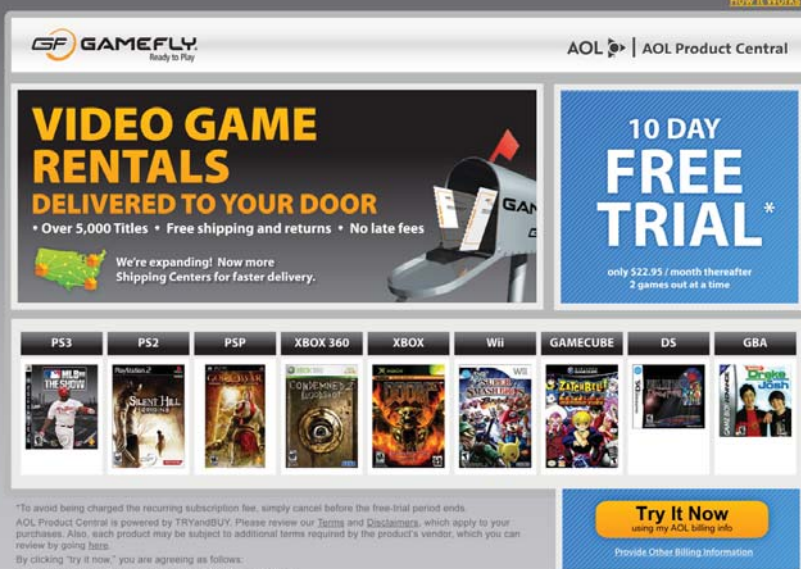


Figure 1. Advertising-based distribution model

and cross-sell offers either before or after the initial sign-up is completed, which still allows for a focused flow while increasing the revenue generated by a single order.

As an example of an advertising-based implementation, ARPU operates a storefront on behalf of Internet services provider AOL®, which is branded AOL Product Central. AOL’s advertising sales unit offers its advertising clients lead- and purchased-enabled advertising. When an AOL user clicks on ad for a product or service that has been lead/purchased enabled, he or she is directed through the AOL Product Central registration flow and is able to sign up using contact and/or billing information on file with AOL. For purchased services, the customer returns to AOL Product Central to manage that subscription. Common subscription management functions include canceling, re-activating, upgrading or downgrading service, updating billing information, etc.



*To avoid being charged the recurring subscription fee, simply cancel before the free-trial period ends. AOL Product Central is powered by TRYandBUY. Please review our Terms and Disclaimers, which apply to your purchases. Also, each product may be subject to additional terms required by the product's vendor, which you can review by going [here](#).

By clicking "try it now," you are agreeing as follows:

- You agree to our Terms and Conditions and Privacy Policy.
- We may provide you with important information online or by e-mail.
- You agree to share your payment information on file at AOL/My Account with TRYandBUY, operated by ARPU, Inc. and for TRYandBUY to charge your payment method for the fee(s) stated above, plus any taxes, fees, or prorated amounts, until you revoke this consent or cancel your subscription(s). Subscription fees are charged at the beginning of each subscription period. Your first charge may include a prorated amount for the portion of your first billing period after your promotional period expires. Price does not include taxes or fees (if any). If your offer includes a free trial, there is one free trial per customer per product, and the free trial begins immediately. To avoid the recurring subscription fee, simply cancel before the free trial period ends.

Shopping-cart-based Distribution

The second approach—shopping-cart-based distribution—applies to ARPU’s purchase-enabled solution only. The consumer clicks on a purchase-enabled ad and is similarly guided through a purchase flow, but this purchase flow mirrors a more traditional online shopping experience. The consumer is able to save the advertised product in a shopping



Figure 2. Shopping-cart-based distribution model

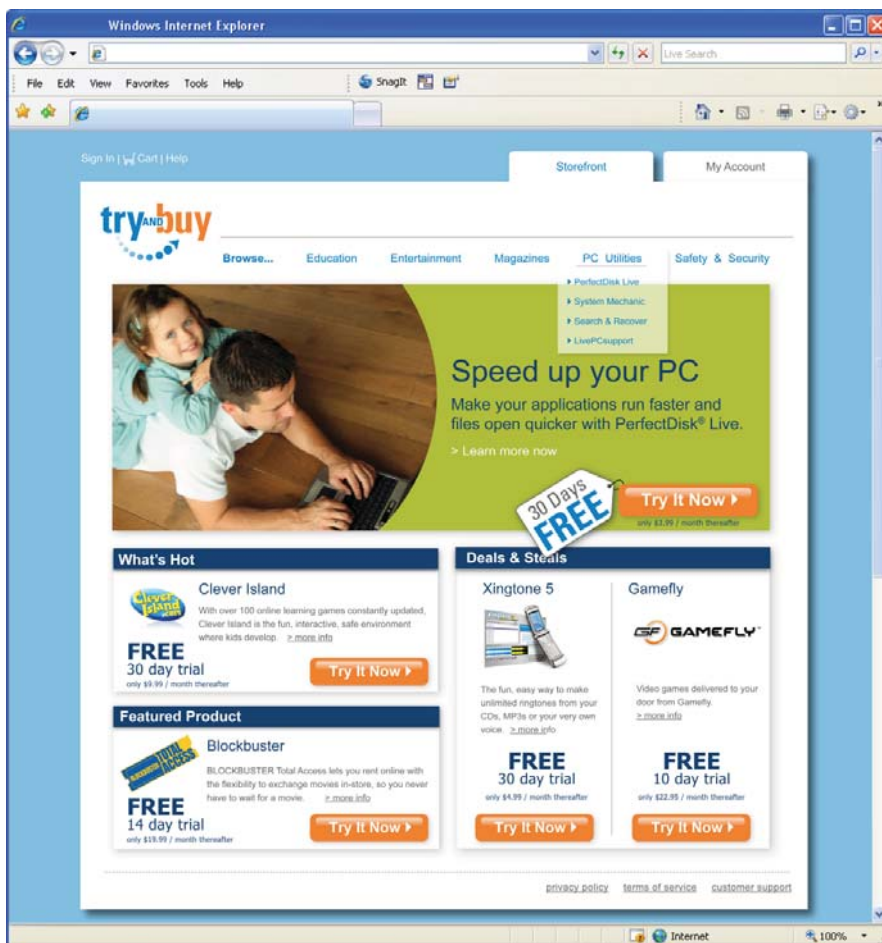
cart and continue shopping within the storefront. Then, when finished browsing, the user can choose to purchase all items in the shopping cart with the billing information on file

with the publisher. Additionally, the storefront itself can be promoted as a destination site, rather than one specific offer. As with the advertising-based model, a publisher can choose to add on up-sell and cross-sell offers pre- or post-purchase. This model is designed to maximize the revenue generated by a single order, rather than conversion rate for single advertised product.

Flexible Configuration Options

Beyond the choice of distribution model, publishers further customize their storefronts and flows based on the demographic and psychographic profile of their user base, as well as their business and marketing objectives. There are four areas of customization.

Offers and Price. ARPU partners with a variety of advertisers, creating a roster of products and services for publishers to choose from that is broad enough to appeal to any target audience. Spanning the categories of education, entertainment, consumer electronics, PC optimization, and Internet security, publishers are able to match their offer set to the interests of their users. Also, offers can be tested at different price points,



in order to optimize conversion, retention and, ultimately, profitability.

Branding. Developed and managed by ARPU, a publisher's storefront or purchase flows can be private-labeled, bear ARPU's consumer brand of TRYandBUY, or display the supplier's brand only. The choice depends upon whether the publisher's primary focus is on revenue generation, customer retention or a combination of both. It is also a function of the type of products and services advertised—with more prominent brands performing strongly bearing only their brand name and lesser-known brands benefiting from the halo of the publisher's brand.

Customer Support. ARPU offers a tiered service program that leverages web-based support and communication tools. Phone-based support can be added on as requested.

Help Content. ARPU provides extensive help content that allows customers to find answers to general questions about storefront accounts, storefront services, and to address common issues for which there exists a self-service resolution capability. This help content can be published within relevant content areas of the publisher's website, as well as within the storefront.

Web-based Self Service. For common tasks related to the administration and management of a customer's account and services, self-service functionality is available through the storefront. These web-based self-service capabilities include: upgrading, downgrading, canceling and re-activating services;

and updating contact, billing and shipping information.

Email-based Customer Support. For inquiries and issues not addressable via the Help Content or Self Service, customers can submit questions through a form in the storefront which is delivered to an email inquiry queue staffed by professional customer support representatives.

Designed to be flexible and meet publishers' differing business and technical needs, the Lead- and Purchase-Enabled AdvertisingSM Network empowers publishers to enhance the value of their advertising inventory, increase the stickiness of their website, and generate new revenue streams. Contact us for more information on how we've helped online publishers achieve these objectives.

CONTACT US

Ned Brody, CEO
202.446.1801
ned.brody@arpuinc.com

Mark Ambrose,
VP Corporate Development
202.446.1825
mark.ambrose@arpuinc.com

ARPUinc
3333 Water Street NW, 4th Floor
Washington DC 20007