

Media Metrix, the pioneer and leader in Internet and Digital Media measurement, and AdRelevance, an innovator and pioneer in Internet advertising measurement and intelligent agent ad tracking technology, have combined forces to capture and deliver a more complete understanding of the digital marketplace for advertisers, advertising agencies, media companies, Web sites, financial institutions and e-commerce marketers.

Q: Why did Media Metrix acquire AdRelevance?

A: This transaction creates the opportunity to leverage the strengths of two companies with a shared goal of providing the most comprehensive Internet and digital media measurement services to meet the expanding needs of our customers worldwide.

Q. What is the structure of the transaction?

A. The transaction is a stock-for-stock exchange, under which AdRelevance will become a 100% owned subsidiary of Media Metrix.

Q. What does AdRelevance bring to Media Metrix?

A. The AdRelevance Ad Reporting Service adds a new dimension to the Media Metrix product portfolio by offering industry-specific data on Internet ad spending, impressions, placement, creative execution and competitive online advertising market share. In addition, AdRelevance brings an advanced engineering team and the intelligent agent ad tracking technology they have developed.

Q. What will clients and the industry gain from this combination?

A. The companies will offer expanded Internet and Digital Media measurement services covering audiences, advertising, communications and commerce. Additionally, the combination offers advanced data delivery systems, strong leadership on both the east and west coasts, the opportunity for accelerated product development and broader product offerings to support client needs.

Q. What's the difference in what the two companies track today?

A. Media Metrix tracks Internet and online user behavior and demographics using its patented PC Meter methodology. This approach provides significant breadth of Internet usage data (and demographics) across all digital media, including over 20,000 Web sites and online properties, through its sample of over 50,000 people under measurement from home and work.

AdRelevance tracks actual ads and advertiser behavior through its proprietary OMNIAC™ intelligent agent technology. By scouring commercial sites on the Web and monitoring advertising activity 24 hours a day, the AdRelevance system provides significant depth of competitive advertising tracking information.

Q: How does Media Metrix measure Internet and digital media usage behavior?

A. Media Metrix measures audience behavior, e-commerce activity and user demographics using its PC Meter-based audience measurement system. The Media Metrix software-based meter captures actual, real-time behavior and "follows" the PC user minute-by-minute, page-by-page, click-by-click, tracking over 50,000 people at their homes and businesses. The meter is unique in that it automatically captures the complete digital stream of user behavior, including Web usage, proprietary online usage such as AOL, streaming media, e-mail and chat, as well as hardware and software ownership and usage patterns. Media Metrix also captures in-depth demographics for each person under measurement, including age, gender, household size and composition, income, education level, geographic location and more to link user behavior with important demographic characteristics.

Q. How does the AdRelevance intelligent agent ad tracking technology work?

A. AdRelevance's Online Media Network Intelligent Agent Collection (OMNIAC™) technology systematically scours over 2,000 sites and sub-sites 24 hours a day/ seven days a week, capturing detailed data on advertising banners, promotions, sponsorships, text links and rich media. Once captured, the ads are then systematically tabulated according to a number of relevant criteria, including type of message, impressions, spending, media placement, industry group and sub-group. The OMNIAC™ system tracks over 90 percent of all commercial online advertisements, combing 40 million pages and reviewing close to 18,000 unique ads per month. The current AdRelevance database consists of over 50,000 unique online ads distributed over eight of the largest, most active industries on the Web. Additional industries are to be added in the near term.

Q. What are the advantages of the AdRelevance methodology for tracking ads and advertisers on the Internet?

A. The methodology is based on a system developed by AdRelevance's experts in Internet probing technology—the same experts who built MetaCrawler™ search engine and Jango™ shopping agent at Netbot™. The key is that they have identified how to measure advertiser behavior electronically, providing information demanded by Web marketers.

This method is well-suited for tracking advertiser behavior on the Web in that it offers clients the level of granularity required to analyze online ad activity on a product-by-product and sub-site basis.

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Q. What products and services do the combined companies provide?

A. Media Metrix and AdRelevance provide a broad portfolio of Internet and digital media measurement products and services:

- Audience Measurement Services
- Advertising Measurement Services
- E-Commerce Measurement Services
- Technology Measurement Services
- Qualitative Measurement Services
- Advanced Data Delivery Systems
- International Measurement Services

Q: Who uses Media Metrix and AdRelevance products and services?

A: The Media Metrix client list includes more than 500 companies, including advertisers, advertising agencies, new and traditional media companies, financial services companies, e-commerce marketers and technology companies. The same customers who buy Media Metrix audience measurement products are prospects for the AdRelevance ad tracking services.

Q: How are the companies' products used?

A. Clients can use Media Metrix and AdRelevance products and services to understand Internet usage patterns, audience characteristics, advertising activities and e-commerce. Specific applications include:

- Planning, buying and selling new media advertising
- Developing advertising, marketing and e-commerce strategies
- Understanding consumer behavior
- Gaining competitive market intelligence
- Making smarter investment decisions

Collectively, the Media Metrix and AdRelevance products can be used to help build a more effective and measurable interactive medium to benefit the industry.

Q. What are your plans for product integration?

A. Media Metrix and AdRelevance products and services are complementary and when used together can provide a more complete understanding of the digital marketplace to advertisers, advertising agencies, media organizations, financial analysts and e-commerce marketers.

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Q. How will the combined company be structured?

A. AdRelevance will become a wholly owned subsidiary of Media Metrix, Inc., with Will Hodgman remaining as president and chief executive officer of AdRelevance and reporting to Mary Ann Packo – President & COO of Media Metrix. Otherwise, each company's management and reporting structure will not change.

Q: Where are the offices and headquarters?

A. Media Metrix headquarters will remain in New York City (Manhattan). AdRelevance's main offices will remain in Seattle. The companies will share sales and service offices in New York City, Seattle, Atlanta, San Francisco and Uniondale, NY. In addition, Media Metrix has active operations in Europe (MMXI Europe), and Australia.

Q: What is the number of employees now that the companies are combined?

A. Media Metrix today has 115 employees and AdRelevance has 32. We are in the process of hiring and anticipate a total of approximately 175 employees by the end of 1999.

Q: What is the vision of the combined companies?

A. The two companies have a shared vision of providing the most comprehensive, reliable and timely measurement products and services to support the growth of Internet advertising, marketing and commerce worldwide.