



## FROM THE EDITOR'S BLACKBERRY™

Too often this summer, my 10-year-old son's most frequent companion has not been his mother, his friends, or even his trusty Game Boy. It has been the Internet site Neopets.com, a strangely addicting combination of Pokemon-type creatures, role-playing games, and arcade amusements. He accumulates "Neopoints," lives in a strange little Neohut, and sells bizarre objects in his own store on the site.

Though it may seem derivative, and even downright amateurish at times, Neopets knows how to build relationships that pay off in dollars and cents. My son has bought about \$50 worth of stuffed animals and trading cards through the Neopets magazine—which itself goes for \$9.99; yesterday he picked up the "Neopia" board game at Toys "R" Us. Multiply those purchases by about 25 million—the number of people who have Neopets accounts worldwide—and you have quite a business model. Maybe that's why MTV (a division of Viacom) recently purchased the site for its portfolio of "tween" destinations.

Neopets is an example of a powerful new brand. It is incredibly targeted, well conceived, and well executed. The creators have captured the imagination and free time of many young people. However, do advertisers or sponsors on Neopets, however limited, understand how their brand works in this new medium? How does this medium fit the marketing needs of movie or TV producers, or kids' staples like McDonald's?

Questions like these are core to this issue of *KNOW*, which focuses on marketing impact—also known by the somewhat overused acronym "MROI." Marketers today feel under extreme pressure to prove the value of their efforts; but the metrics for that proof are often vague, or even nonexistent. Is the marketing community truly committed to living by—and measuring—ROI in the long term? John J. Lewis raises this and other provocative questions in his kickoff article for this issue of *KNOW*.

In this month's *KNOW* interview, the leader of ESPN's research and sales team, Artie Bulgrin, offers

his forward-looking take on media and marketing—from the changing expectations of advertisers to the real impact of DVRs on TV viewing. He also expounds on the growth of ESPN's enviable brand, which has become synonymous with sports and sports fans.

To maximize the value of any medium, we need to understand what makes an ad in that medium effective—what sticks with consumers, and why. We report here on an unusual collaboration of a publisher (Meredith), an ad agency (Foote, Cone & Belding), and a research firm (Knowledge Networks), providing insights into which metrics and devices can help media planners make the most of magazines.

Of course, any marketing decision is only as good as the information it is based on, so the reliability of consumer insights is a key business issue for the industry—one that speaks directly to impact. Patricia Graham and Daniel Slotwiner report on a groundbreaking new study providing clear evidence that different research approaches deliver different levels of accuracy, especially in the field of online research.

Cindy Trish explores an important new tool for taking "consumer-centric" marketing to the next level. And Pat Millea provides an expert's perspective on the ways that marketers and manufacturers alike can tap into loyalty card databases to improve their chances of sales success.

Of key importance to me is your return on time spent with *KNOW*. Has being a *KNOW* reader paid off for you? How could we make the experience more rewarding? Give us your thoughts and ideas—they are the ultimate return on our investment in publishing this magazine.



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