

Name _____ Date _____

Marketing Essentials
Chapter 25 Price Planning

eMarketing Worksheet Activity: Cost Per Impression

Directions Cost Per Impression (CPI) or Cost Per Mille (CPM) are two pricing models for online advertising campaigns. Work alone or in small groups to complete this two-part worksheet on cost per impression.

A. Discuss Online Businesses and Their Impact on Physical Distribution

1. What is the cost of one impression when an advertiser is quoted a rate of \$10 CPM?

2. How much will an advertiser pay if quoted \$15 CPM and had 50,000 impressions in one month?

3. Use hypothetical advertising rates based on CPM to prepare three mathematical problems related to calculating the cost of online banner ads. Write the problem on one side of a 3 x 5 inch index card and write the calculations needed to solve the problem on the back of the card. Exchange problems with classmates to see if they can answer your math problems correctly and if you can answer their math problems correctly. Report any answers with which you disagree to your teacher to see which person is correct—the writer or the test taker.

Name _____ Date _____

B. Research Internet Advertising Pricing Options Conduct Internet research to find other terms and examples of online advertising pricing options. Prepare a short, written summary of your findings and note which method you would recommend for a big multinational company and for a small local restaurant. Your report will be evaluated on the basis of its logical organization, continuity, details, neatness, legibility, spelling, and grammar. Use the space below to prepare an outline of your report.

I. Online Advertising Pricing Options

A. Cost Per Thousand _____

B. _____

C. _____

D. _____

E. _____

II. Pricing Recommendation

A. Large multinational company _____

B. Small local restaurant _____
