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Consumer Engagement Perspectives: A Tool for Ensuring Advertising's Impact?

by Maria N. Cummings

A thesis submitted in partial fulfillment of the requirements
for the degree of Master of Science
in the School of Print Media
in the College of Imaging Arts and Sciences
of the Rochester Institute of Technology

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Certificate of Approval

Consumer Engagement Perspectives: A Tool for Ensuring Advertising's Impact?

This is to certify that the Master's Thesis of

Maria N. Cummings

has been approved by the Thesis Committee as satisfactory
for the thesis requirement for the Master of Science degree
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Consumer Engagement Perspectives: A Tool for Ensuring Advertising's Impact?

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To my family, with love

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Glossary of Key Terms and Acronyms

AAAA - American Association of Advertising Agencies

ANA - Association of National Advertisers

ARF - Advertising Research Foundation

Consumer - One that consumes, especially one that acquires goods or services for direct use or ownership rather than for resale or use in production and manufacturing (consumer. n.d.).

Consumer Engagement - The brand idea or media the consumer experiences which leaves a positive brand impression.

COP (Communication Optimization Process) - Scenario planning which helps define and measure marketing ROI.

CPP (Cost per Gross Point) - Cost of broadcast schedule / GRPs

CPP (Cost per Rating Point) - Cost per spot / Rating

GRP (Gross Rating Point) - A measure that represents the total delivery or weight of a media schedule during a specified time period. GRPs are calculated by multiplying the reach of the media schedule by the average frequency.

OTS - Opportunity to See (Briggs & Stuart, 2006)

MI4 - Measurement Initiative: Advertisers, Agencies, Media and Researchers

ROI (Return on Investment) - A performance measurement used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments. To calculate ROI, the benefit (return) of an investment is divided by the cost of the investment. The result is expressed as a percentage or a ratio (ROI, n.d.).

RSS - A family of web feed formats used to publish frequently updated digital content, such as blogs, news feeds or podcasts).

Abstract

The twenty-first century has enabled many changes in the way consumers seek out, become interested in, and purchase goods and services. Not only are there more purchase options available, there are also more media vehicles utilized to search for and purchase goods and services. Both marketing professionals and advertising agencies recognize that consumers are now in the driver's seat regarding choice of media channels. No longer are the traditional metrics, such as reach and frequency, enough in selecting media to target messages to create buyers, in addition to loyal, and perhaps life-long, customers.

Consumer Engagement is one response advertising and marketing professionals have suggested as an antidote to these changing times. The Advertising Research Foundation (ARF), the American Association of Advertising Agencies (AAAA), and the Association of National Advertisers (ANA), have taken on the challenge of defining this concept, as well as developing metrics to better grasp the importance and relevance of the emotional connection to buyer behavior as delivered through advertising. In many industries, marketers are constantly reminded that no longer are the media metrics of ratings, readership, listenership, and click-through rates sufficient in measuring the return on investment (ROI) required to justify their advertising spend, or expenditures. Creating this new metric has proven difficult, however, as scholars and industry professionals have

voiced many different opinions and concerns regarding the topic, which varies depending on the type of media used.

There were three objectives of this research. The first, through a formal literature review, was to analyze the definitions that have been developed regarding engagement and assess their core similarities. The second was to contrast these definitions with other past and present theories on how advertising makes an impact. Third, a survey was administered to a targeted sample of four advertising agencies and six printers in the Rochester, NY area regarding their opinions on consumer engagement. The researcher's other objectives for the questions asked in the exploratory interviews were:

- Consumer Engagement—Awareness and Definitions

If the companies interviewed in this study are representative of advertising agencies and printers in general, then it appears they have proprietary strategies for defining and measuring Consumer Engagement through identifying campaign and customer goals.

Only half of the exploratory interview participants had heard of Consumer Engagement. The other half had either not heard of it, or were familiar with the concept in other terms. More of the advertising agencies were familiar with Consumer Engagement than the printers interviewed.

- Similarities of Consumer Engagement to other Constructs

Printers were more likely to relate Consumer Engagement to Relationship Marketing, whereas Advertising Agencies were likely to base their definition of Consumer Engagement on the goals of each of their clients' campaigns.

- What do the Marketing Professionals using Consumer Engagement think about it?

Most of the participants expressed the need for Consumer Engagement and felt that it would help improve the media selection process.

There was a wide range of responses from participants interviewed regarding the most engaging medium. However, the three media mentioned by both Advertising Agencies and Printers were the Internet/Interactive media, Broadcast-based media, such as television or event media, and Direct Mail.

Chapter 1

Introduction

Mainstream media supported by advertising, such as television, radio and print, are finding it difficult to grow advertising revenue in these times of media fragmentation and the rise of the Internet. In addition, with Return on Investment (ROI) becoming increasingly important, media planners want assurance of what they are getting from the advertising before they buy it. Media selection is based on buying GRP (Gross Rating Points), or reach x frequency, with pricing based on a cost per point (CPP) measure. Reach is a measure of the number of different audience members exposed at least one time to a media vehicle in a given period of time. Frequency refers to the number of times the receiver is exposed to the media vehicle in a specified period (Belch and Belch, 2004). The different ways that reach can be measured for TV, radio, and magazines is presented below (Briggs & Stuart, 2006).

Television

The average quarter-hour of TV programming is measured with a People Meter that electronically monitors when the TV is on and what it is turned to. The household that has agreed to have a People Meter capture its viewing habits is supposed to push a button on the People Meter device that indicates who is, or who is not, in the room. However, research shows that individuals are only so good at following the rules, and

that the People Meter cannot determine that people are actually paying attention to the TV program and not doing something else.

Radio

Arbitron measures radio ratings, which rely on consumers remembering what they were listening to in 15-minute increments.

Magazine

Magazine pollsters show consumers a set of flash cards that contain magazine logos and ask consumers if they read that magazine shown. If they say yes, they are counted as readers. This method does not measure advertising, just that the person remembers reading the magazine. The Audit Bureau of Circulation provides these independent, third-party circulation audits of print circulation and readership. Starch Ad Readership Studies also evaluate magazine advertising success as compared with competitors and industry norms. These studies are designed to measure readership, reader interest and reader reactions to a magazine's advertising and editorial content.

Exposure—Challenges and Solutions

It is important to note that reach (exposure) can include people who were not even tuned in to the station when an advertisement aired, so it is not a consistent metric across media. It only measures the number of different audience members exposed at least once to a media vehicle in a given period of time; it is not capable of measuring if those audience members were actually impacted by the advertisements. Reach is useful directionally, but it is difficult to compare two media because of the different methods of counting reach.

Not only is this troublesome for media buyers, but it also has a trickledown effect on the media industry as a whole. Although many groups are impacted, the focus of this paper is how advertising agencies and printers are dealing with this problem.

In response, a consortium of organizations involved in the advertising industry has called for a new way to buy advertising. The ANA/AAAA assembled 16 professionals (named the MI4 Task Force for Measurement Initiative: Advertisers, Agencies, Media and Researchers), to develop a measure of the emotional response to advertising that they call Engagement. Engagement is a term that has been debated in the advertising industry since about 2003. Bob Barocci of ARF states that the purpose of “the definition of engagement aims to make an improved ability to measure the concept of when a consumer’s¹ mind is ‘turned on’ to a brand idea enhanced by the surrounding context ... the concept of engagement has emerged as ‘more of a demand creation’ paradigm than the ‘reach or awareness focused’ paradigm of the past twenty-five years” (Barocci, 2006).

Many professionals in the industry hope that an Engagement metric identifies a new way to ensure a given ROI in relation to advertising spend, or expenditures. However, they follow the philosophy that “it is the job of all advertising to be as engaging and compelling as humanly possible ... [and] the idea that we need to point this out, name it or even say it out loud is a serious indication of how many people working in the marketing and media industry should ‘engage’ in another line of work” (Palmer, 1999). At the very least, there is controversy about what Engagement is and whether it will deliver the solution to the challenging problem of accountability in media buying.

¹ “Consumer” is defined as “one that consumes, especially one that acquires goods or services for direct use or ownership rather than for resale or use in production and manufacturing.” (consumer, n.d.)

While the validation and operationalization of Consumer Engagement metrics is still being sought, the purpose of this research is to assess whether the Engagement metric is the “silver bullet.”

This research is designed to help the Engagement definition effort and has three objectives. First, by analyzing the literature that has been published to-date regarding Consumer Engagement, the researcher’s goal is to identify the similarities and differences between the many existing definitions of Engagement. The second objective is to contrast these definitions with other theories on how advertising works that are used to identify relevant metrics to assess advertising effectiveness. Third, the researcher will interview local advertising and printing professionals in order to see what their thoughts are on Consumer Engagement, and what they believe the Consumer Engagement metrics should be.

Researcher Interests

The researcher initially became interested in this topic because of its unique combination of marketing management strategies and the psychological theory it is based on. This is especially vital given the current importance and emphases of ROI in relation to advertising spend (expenditures). This is a very exciting time in the advertising industry, one in which some say is turbulent. One thing is certain; the landscape and players are changing and it is the researcher’s desire to be right at the forefront.

Chapter 2

A Review of the Literature in the Field

To understand the impact of advertising, we must draw upon research on how advertising affects buyer behavior. A four-stage model (Figure 1) adapted from the work of Vakratsas and Ambler (1999) begins with advertising exposure, or the target audience's opportunity to see the ad. The second stage reflects the audience's propensity to pay attention, which varies by their level of motivation to notice and comprehend the advertising message. The third stage (named Advertising Goal because this is often how ad campaigns are defined) specifies the desired change in the audience. This stage is often stated in terms of awareness, beliefs, and brand preferences. The model's final stage is buyer behavior, which can be tracked in a number of different and observable measures, such as inquiry, choice, and/or repeat purchase.

As the arrows indicate in Figure1, the normal progression of the model is from Stage 1, to Stage 2, to Stage 3, to Stage 4. It is also possible however, for advertising to affect buyer behavior through Stage 1 directly to Stage 4.

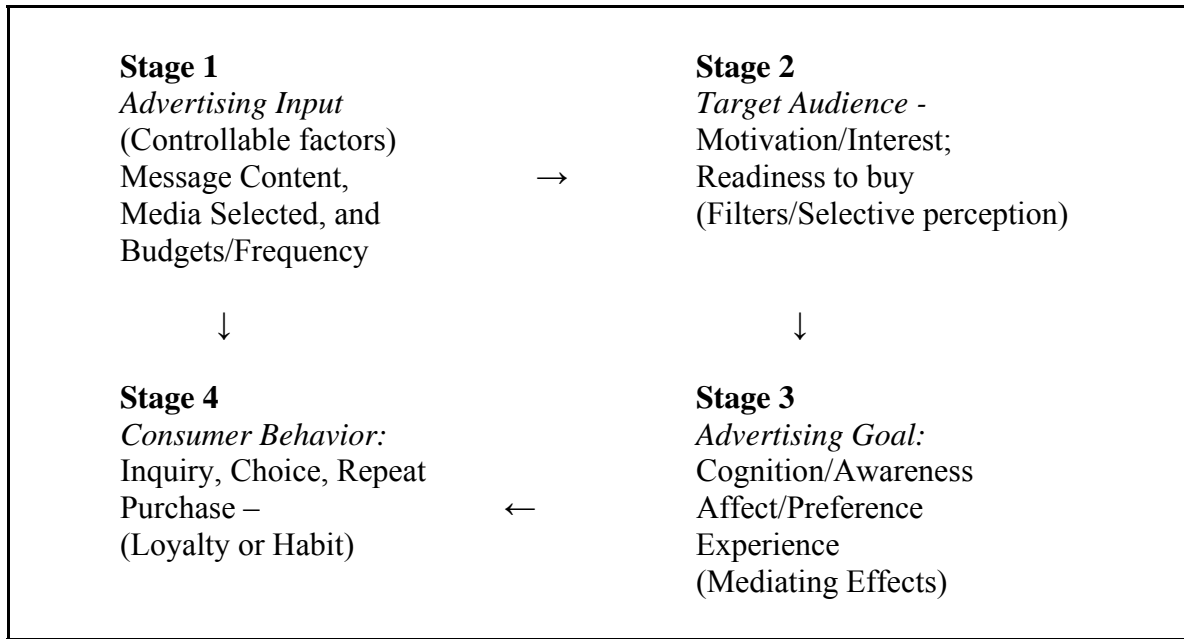


Figure 1: Advertising Effectiveness Theoretical Framework

Source: RIT Printing Industry Center, adapted from Vakratsas and Ambler, JM, January, 1999

In the search to define the new Engagement construct, the author will review other constructs that have been developed over 30 years to see what more engagement can offer beyond existing measures of the impact of advertising. These include:

- Measuring Attention to Ads (Stage 2)
- Involvement (Stage 2)
- Attitude and Affect/Emotion (Stage 3)
- Direct Behavioral Response to Ad (Stage 4)
- Relationship Marketing/1:1 (Stage 3 and 4)
- The Medium is the Message (Stage 1)

Measuring Attention to Ads (Stage 2)

Attention is defined as “a concentration of the mind on a single object or thought, especially one preferentially selected from a complex, with a view to limiting or clarifying receptivity by narrowing the range of stimuli” (attention. (n.d.). If the

definition of Consumer Engagement is Attention, it could then be represented as a consumer's attentional resources to information.

Considerable academic research has been done surrounding the area of human attention to advertisements. In an experiment in 1993, Janiszewski provided eye tracking data, which gave real time evidence to attentional focus. Over a decade before Janiszewski, Sperling and Melchner (1978) and Posner (1980) concluded that individuals can devote attentional resources to information that is not in focal view. Additionally, eye tracking data may accurately reflect where subjects are focusing their attention, but it does not accurately reflect where subjects are devoting attentional resources. Important to note is that eye tracking equipment can be rather awkward and does not reproduce normal viewing behavior. It has been concluded that measures of attention that do not interfere with normal viewing behavior, and that provide better insight into the allocation of attentional resources, are needed (Wells, 1997).

It is true that people may be unaware of an advertisement simply because they are either paying attention to the editorial copy on the page, something else in their environment, or to a limited, sub-cognitive impression that identifies the material as advertising, and then they move on. If however, the advertising falls within their peripheral field of vision, something may be communicated. Advertising, at least most print advertisements, registers and communicates something, as long as a person is exposed to the visual field that contains the advertisement. This is exemplified by a page of a newspaper or magazine, where even if a person's attention is held by other material in that visual field. Although that "something" may not be that the brand was a special feature, but perhaps a simple positive response to the brand.

Related work done by Kroeber-Riel, 1988, 1993; Percy, 1993; and Ruge 1988, has suggested that a person does not need to fully pay attention to advertising for it to have a positive effect. Kroeber-Riel felt that predominant visual images—when appropriately and uniquely matched to a brand and its primary attribute—can produce positive associated responses without cognitive processing of the advertisement. The eye must only cross the page for this to occur (Wells, 1997).

Consumers' attention to advertisements is measured by unaided and aided brand recall. In-house measurements include Starch Readership studies for magazines and Burke tests for day after recall for television ads.

Involvement (Stage 2)

While no consensus exists, many researchers define involvement as the extent to which a stimulus or task is relevant to the consumer's existing needs and values (Buchholz & Smith, 1991). Laczniak, Muehling, & Grossbart (1989) reviewed past conceptualizations in advertising studies and established two basic tenets of involvement in advertising. As consumers become more involved they will pay more attention to the advertisement's message and focus more on brand processing as opposed to non-brand processing.

Active brand processing is captured by High Involvement Processing. High Product Involvement (also named the Persuasive Hierarchy model) assumes that the consumer is taking in brand information, forming preferences based on this information, then buying the most preferred brand. A simplified representation of this is:

“Think” → “Feel” → “Do”

In contrast, the Low Involvement Hierarchy is characterized by lower interests in products, such as purchasing convenience goods. Brand preferences are formed after purchase or trial, rather than through advertising exposure before the purchase. A simplified representation of this is:

“Think” → “Do” → “Feel”

In many advertising response models, the degree of consumer involvement is expected to influence both the amount and quality of the consumer’s cognitive response. In terms of the amount of cognitive response, involved consumers engage in more labored information search and acquisition strategies. When actively searching for product-related information, interest in brand advertising is at a maximum, as is the desire to think about the advertisement, its claims, and the brand (Buchholz & Smith, 1991).

In addition to increased cognitive effort, most advertising models predict a qualitative difference in message processing as involvement increases. Involved consumers are more likely to process brand information at a “deep level” where they actively evaluate the message. These cognitive evaluations can be directed toward the importance, persuasiveness, or relevance of the advertisements content (Buchholz & Smith, 1991).

Krugman (1965) suggested that at the highest level of involvement consumers produce “personal connections” or “bridging experiences,” whereby they relate the advertisement content to meaningful aspects of their own life. Greenwald and Leavitt (1984) built upon this conceptualization, stating that “the audience experiences ‘personal

references' or 'connections' to the advertising message, [which] corresponds to the highest level of involvement, elaboration."

In low-involvement situations, Petty & Cacioppo (1983) studied the effects of message repetition on awareness, recall, and attitude formation (Buchholz & Smith, 1991). They found that in low-involvement situations, repeating different versions of an advertisement prevented early decay of advertising effects. Vakratsas and Ambler (1999) concluded that habit and affect are much more important than cognition for low involvement products.

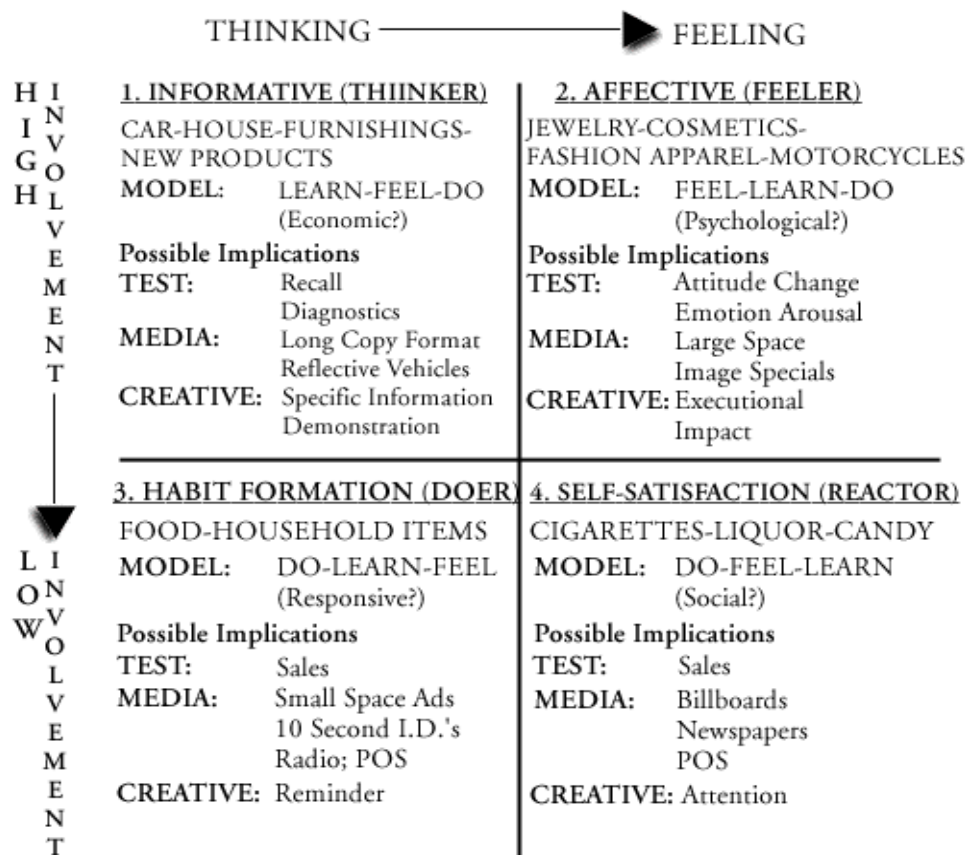


Figure 2: FCB Grid

Source: <http://www.ciadvertising.org>

Consistent with the above approaches, a practitioner approach to involvement is the FCB Grid (Figure 2), which uses involvement (high–low) and thinking and feeling as the two dimensions for classifying product categories (Vaughn, 1980, 1986). The FCB Grid (Vaughn, 1980, 1986) uses involvement (high-low) and think/feel as the two dimensions for classifying product categories. Vaughn’s theory is that purchase decisions are different when thinking is mostly involved versus purchase decisions primarily involved with feeling. Different situations exist, which result in decision-making processes requiring more or less involvement. Vaughn created the product category matrix based on these two dimensions. He indicated that the horizontal side of the matrix is based on the hypothesis that over time, consumers move from thinking to feeling. His theory also stated that high and low involvement (the vertical axis of the matrix) is also a continuum and proposed that high involvement can decay to relatively low involvement over time. The FCB Grid potential helps advertisers develop their strategies based on consumer relationships toward a product according to: information (learn), attitude (feel), and behavior (do) issues.

If the definition of Consumer Engagement is similar to Involvement, it could be represented as the extent to which a stimulus or task is relevant to the consumer’s existing needs and values.

Attitude and Affect/Emotion (Stage 3)

The theory goes if you make 'em laugh, cry or sigh, then maybe they’ll buy (Elliot, 1997). Attitude and Affect are the underlying concepts behind this statement, which can be defined as the emotional connection, or response, between the consumer

and the brand/product/firm. This can be displayed by their attitude toward an advertisement.

Consumers' emotional ties to a brand versus emotional response to an advertisement need to be separately analyzed. They are two different things. ARF states that advertising does not have to be informative in order to be effective, or need only to be verbal, and that emotional and visual elements enhance preference. Whether or not preference equates to effectiveness will be examined.

Ad Likeability and Brand Attitude

Advertisement likeability has been an area of great interest to researchers. It has been suggested that in order for advertising to be effective, it must be liked by consumers. The rationale is that if an advertisement is liked, then consumers will pay attention to it and create an awareness of the product or brand. If attention is present, an opportunity to facilitate consumer involvement exists, and the likelihood of motivating and affecting behavior is significantly increased. In short, if a consumer likes an advertisement, the recall process will be greater. This behavioral change can be long term, as brand associations develop, thereby facilitating loyalty. These effects are generally achieved over a long period of time and the consumer will consider other variables; i.e. product quality, price, promotions, competitors' activity, media-consumption habits, attitudes towards advertising, and cultural values (Fam & Waller, 2004).

The relationship between dimensions of an advertisement—emotional content, information content, and format characteristics of advertising stimuli—has been previously researched. Basic dimensions of attitudes toward advertisements have been

found, with one component capturing the affective response of consumers. All dimensions contribute significantly to the attitude toward the brand, which is positively correlated with purchase intention. The types of commercials that lead to the most positive affective response are the very creative ones that use humor, combined with some warmth or fear appeal (De Pelsmacker, Dedock, & Geuens, 1998).

Shimp established likeability as an important causal mediator of the effect that advertising has on brand preference. Biel and Bridgwater suggested that likeability does have a persuasive effect, as it can directly affect feelings towards a brand, “when we like the advertising, we are more inclined to like the brand as well. It is just a form of traditional emotional conditioning” (Fam & Waller, 2004).

One study, however, determined that no correlation exists between likeability and effectiveness in the marketplace, although the analysis did establish a correlation between persuasion scores and empirically conclusive effectiveness. Thorson (1991) concluded that “ad likeability is an important determinant of advertising impact, regardless of the involvement level of the product or the viewing situation.” There are also two distinct dimensions to ad liking—emotional and cognitive—and it differs from the concept of brand liking. Thorson proposed that ad liking has the capability to predict brand attitude beyond prior brand conditioning. The implication is that ad liking represents an important determinant of impact, which is independent of the intrinsic interest of the category. The inference was that viewers would pay more attention to the ads they prefer. Walker and Dubitsky (1994) determined the relationship between liking and persuasion to be more of a function of prior brand attitude than an effect of the ad. Walker and Dubitsky did, however, determine that “ads [which] are better liked are more

likely to be noticed and remembered. Thus liking should contribute to efficient delivery of the message, leveraging the advertiser's media investment.”

Franzen observed strong indications that ad likeability directly affects brand attitude. He argued that ad likeability may also play an important role with all products that do not perform either an instrumentally or symbolically important function. For commodity goods, ad likeability may influence brand choice (Fam & Waller, 2004).

These opposing viewpoints raise the question as to what comes first—the ‘chicken or the egg’ per se—regarding the relationship between ad liking and brand attitude. Liking a commercial does not necessarily equal to liking a brand; variables such as image and price also contribute to brand preference. Also, when ad liking translates to brand liking, it may not have an immediate impact on sales figures. This is because brand preferences are built over time, which means that even gradual changes may not be immediately noticed. Other variables like price, promotion, competitor activities, and other marketing-related factors are also taken into consideration.

Day-to-day decisions are often based on material stored in long-term memory, with good memories often being kept. If a consumer is bored with a brand they use, or has had a negative experience with it and wants to consider another brand, they are more likely to choose one that is correlated with a good advertising experience that is stored in their long-term memory. In lieu of this, Brown (1992) implies that the influence of ad likeability on brand attitude is a long-term effect. He believes that it only occurs when a brand has been advertised for years in a way that a consumer appreciates. Brown has concluded that it may not be possible to correctly measure such a variable with attitude-

shift questions immediately after exposure. A consumer will most likely not switch brands just because they saw a commercial they liked.

Psychological studies on emotion as well as moods and likeability of ads, have also been studied. One empirical study based on factorials regarding how certain stimuli lead to an affective response on emotion was conducted on 240 students working towards their Master's in Business. The independent variables in the study were two levels of the stimulus factor ad novelty (high and low); two levels of the stimulus factor ad complexity (high and low); and whether the product was unfamiliar or familiar. The dependent variables were the "attention-getting" potential of the advertisement; self-reported arousal; ad and brand evaluation; ad and brand intensity; recall and recognition of the brand and advertisements; delayed measures of ad and brand evaluations as well as ad and brand intensity. Co-variables were brand schema complexity, ad schema complexity and the mood states of the subjects (Saliagas, 1984).

Results from the study showed support for the proposed model; the stimulus factor of advertisement novelty significantly influenced the perceived "attention-getting" potential of the ad as well as brand and ad evaluation. Thus, it appears that ads which produce the affective response are more important mediators of brand evaluations than ads that do not produce the affective response (Saliagas, 1984).

Many advertising messages are processed by consumers in a mode where brand attribute information is not fully paid attention to. Advertising processes and effects under these situations, and their implications for repetition minimization strategy, have been investigated experimentally in a series of studies. Existing models of advertising were supplemented and integrated in various ways. It has been determined that

consumers have affective responses to execution likeability as well as cognitive responses to attribute argumentation, which were conceptualized as hedonic and utilitarian. These two categories of mediating responses are shown to differentially influence two different components of brand attitudes (Rajeev, 1984).

Purchase intentions were shown to be influenced by the two attitude components as well as by brand familiarity. The relative influence on purchase intentions of ad attribute argumentation, execution likeability, and brand familiarity—operating through the two categories of mediating responses and the two components of brand attitudes—is shown to depend on the level of “message response involvement” (MRI) (Rajeev, 1984). This construct (the “depth” of actualized message processing) was determined to take less of a priority than the consumer’s motivation, ability, and opportunity to process brand attribute information in the ad. It was operationalized through the number of cognitive responses that were generated. The research determined that purchase intentions are influenced by advertising in low MRI situations primarily through the effects of brand familiarity and execution likeability. In high MRI situations, however, the primary influence is attribute argumentation. Based on this information, it was hypothesized that repetition “build” on attitudes and purchase intentions should be greater for low levels of MRI antecedents. An experimental study showed this to be true for a motivation/ability manipulation, but not for the opportunity [ad execution] manipulation (Rajeev, 1984).

A study conducted at one Midwestern University in 1985 looked at the role of emotion in memory for television commercials. It applied an associative coding model to discern how emotions experienced during television commercials affect the strength and content of viewer memory of the commercials. College students, consisting of 25 males

and 49 females, participated in the study. Emotion was measured by viewers continuously turning a dial as they watched four categories of emotional messages: neutral, positive, negative, and poignant. Memory was measured by the probability of recall and the content of the recall protocols. Following recall, subjects indicated how much they liked the commercials. Results showed that emotional commercials were more likely to be recalled and generated more retrieval of “executional” information, descriptive words, and inferences than neutral commercials. Emotional commercials were also better liked. Only in repetitions of product category and in generating product characteristics did neutral commercials out-perform emotional ones. Results suggested that a model of episodic memory detailed enough to include emotional events yield a better picture of how people process television messages (Friestad and Thorson, 1985).

A current initiative in industry developed by the Nine Network’s Client Strategy Unit (CSU), has commissioned Colmar Brunton and Neuro Insight to study how consumers’ brains respond to TV programs and ad breaks, using “engagement” and memory as the key measures. It found that product integration is not necessarily as effective as originally thought. Product integration can be defined as the assembly of products from the product components, ensuring that the product, as integrated, functions properly, and delivers the product. GAP Research’s John Grono said, “The limbic part of the brain that registers engagement and memory is nonverbal; you can’t put it into words. But research has largely been interview-based because it’s cheaper; the problem is people’s behavior is completely different to what they are saying” (Alarcon, 2006). He questions why research is directed toward asking people questions that they cannot answer.

The motivational and advertising goal factors of the Advertising Effectiveness Theoretical Framework have been discussed and now we will continue on to Stage four of the model, which includes the factors associated with consumer inquiry, choice, and repeat purchase.

Direct Behavioral Response to Ad (Stage 4)

The ultimate goal of advertising is to have consumers buy products and services. One of the strategic methods used to accomplish this goal is through consumer response to advertising, or direct marketing.

While direct marketing is usually thought of as junk mail, it can also be a part of almost any media; e.g. TV, print advertisements, and online ads. Market response can be measured through interactive TV, clicks on Internet URL links, the amount of time a user spends viewing pages on a website, coupon redemption, and/or direct order. Direct marketing has as its core a “call to action,” rather than just brand building or name recognition. This is a distinguishing feature from other strategies and perspectives.

According to the American Marketing Association (AMA), direct marketing campaigns have four possible objectives (*AMA Publications*. (n.d.).

- To generate qualified responses
- To convert and retain prospects
- To build customer relationships
- To develop and leverage a customer database

Direct marketing ROI is measured by cost per lead, e.g. how much a company spent on advertising and marketing costs for each lead that is a result of their effort. The costs per lead figures are derived from an analysis of the number of spots during a week, or

perhaps per day, that an advertisement aired on a particular media outlet; this number is compared to the cost for placing those ads and the number of viable leads generated from the advertising run; and the result is the cost per lead, which gives a picture of how effective the campaign has been so far.

The type of media selected for an advertising campaign depends on the objective. Loyalty cards, direct mail and other techniques build brand loyalty. Direct mail and direct TV advertising allow some interaction with customers, but the process can be expensive and inefficient. The creation of the Internet, however, has changed the information landscape by putting the customer in charge. Media has become more fragmented over the past 10 to 15 years (Sorce, 2006); TV and radio are now supplemented by websites, blogs, news sites, search engines and RSS feeds. The way people access information has also changed. Rather than deciding between programs on a set TV schedule or sifting through piles of envelopes and catalogues that come in the mail, people increasingly now seek out news that is particularly relevant to them online. Internet usage rates continue to grow as well.

Although media options have increased, reaching a broad audience is still achieved through traditional media like TV, print, and radio (Briggs & Stuart, 2006). These types of media can reach large numbers of consumers and are important tools for brand building. Direct mail reaches out to consumers, who may not have heard of a new product or service, through interaction with the piece they receive. The Internet, however, is the most direct, informative, interactive environment. The Internet is especially appealing to consumers who are already interested in a subject, as it makes the information very accessible and valuable. They are usually a smaller, more targeted

group. The probability that they will act is greater than through traditional methods because they are proactive in searching for information rather than the information being pushed onto them. The ongoing challenge is determining how to use the Internet in order to actively, and consistently, interact with the target market. The Internet may be just one component in attaining the objectives of an effective marketing communications campaign.

Dedicated websites, embedded links in web pages, pop-up ads, ads embedded in web pages, and e-mail advertising all represent efforts to create a structure to facilitate—and in some cases “force”—interaction with consumers. Some of these activities have been successful while others have prompted consumers to limit unwanted interaction through spam blockers, pop-up ad blockers, etc (Briggs & Stuart, 2006).

While interactivity can potentially be quite beneficial, it is important to recognize that it is not solely interaction that is valuable. In some cases, interactivity can create value by producing a better understanding among consumers and advertisers, and building better interactions. An important benefit of interactivity is the potential for better product design as consumers help product development teams by evaluating new product concepts and prototypes quickly, accurately, and economically. This assumes that consumers want to help with these efforts and that the structure of these interactions provides benefits for all parties involved.

Relationship Marketing/1:1 (Stages 3 and 4)

With the media choices available today, companies can promote and develop richer relationships with their customers. The communication is two-way: marketers speak directly to consumers and consumers provide valuable feedback that helps fine tune companies products and services.

At the root of Relationship Marketing's definition is an organization's effort to develop a long-term, cost-effective connection with individual customers. Measures of relationship marketing are trust, commitment, and interdependence. The following definitions of key constructs are taken from Sorce and Edwards (2004):

Trust – Customers trust employees or firm; honesty; integrity; fair

Commitment – Implicit or explicit pledge of relational continuity; an expression of loyalty; willingness to make a short term sacrifice to realize long-term benefit

Interdependence – Mutually beneficial connection between buyer and seller

How do you know you have a relationship with a customer? You can measure self-reported trust, commitment, and interdependence or you can get customers to initiate communication with the brand. This latter process is known as Participatory Marketing and enhances the interactive consumer experience, so that the consumer acts as the co-producer with a product (Solomon, 2005).

Participatory Marketing

Advertisers are beginning to tap into participatory marketing methods by encouraging consumers to create their own expressions of brands, and in some cases,

even help craft advertisements. The ease and growth of digital photo and film technology, easy-to-use desktop editing software as well as increased consumer empowerment online has created masses of consumers ready and willing to define brands on their own (Morrissey, 2006).

Creative marketers can capitalize on consumers' participation in the marketplace to stage events, both offline and online, that blur the boundaries between production and consumption. However, they share a common drawback in that they focus upon the efforts of marketers to initiate this connection, and to dominate the nature and content of the resulting dialogue. Adopting a participatory marketing perspective can stimulate new ideas and spawn new technologies that enhance interactive customer experiences (Solomon, 2005).

Damian Keogh, digital and business development director for the Multi Channel Network (MCN) states, "I think we're moving from an interruption model to an engagement model, where rather than the message being pushed down to the consumer, you create an environment where the consumer can pull down information" (Cincotta, 2005).

Given the advances that have been made, and importance that has been placed on relationship marketing in both academia and industry, the researcher seeks to further examine how trust, commitment, and interdependence relate to engagement thus far. Again, we can measure trust, etc., via surveys. The participatory marketing response is communication initiated by the customer. However, the question remains, is this a better way to help define "Engagement?" Do the variables partly comprise the engagement metric as the ARF's current engagement measurement model suggests, or are they

separate from it in relation to calculating brand impact and sales? Does trust revolve solely around advertising's impact on attitudes about the brand, or is consumer trust in employees and/or the firm, honesty, integrity, and fairness that is shown in another way? Is this crucial?

The last perspective we will examine occurs in Stage One of the Advertising Effectiveness Theoretical model. This is the only stage in which the factors are controllable, and can lead directly to a consumer response.

The Medium is the Message (Stage 1)

Little research has been conducted on the intangible nature of a medium's impact on advertising. The most famous theory is by Marshall McLuhan who believed that the medium itself impacts the reception of a message and acts independently from content. However, he also believed content is not completely unimportant; there cannot be a medium without content. He questioned if a medium did not have content, what it would be a medium of (Levinson, 1999).

Medium measurements include the length of time spent focusing on reading and viewing, for example grabbing and holding a consumers attention. Consequently, McLuhan made an analogy between media and content as being "the juicy piece of meat carried by the burglar to distract the watchdog of the mind." Then it might be inferred that the most successful media messages are those whose content is best suited to a specific medium.

In response to McLuhan's work, one of the researcher's questions is: can a medium stimulate "engagement?" McLuhan believed that the mere use of a medium has a greater impact on society than any particular way in which that medium is used. This is

shown in the fact that the world changed drastically when people started watching television, regardless of what they were watching. He also observed that one medium suddenly becomes more noticeable and comprehensible when it is superseded by a newer medium. He argued that awareness of the narrative nature of the novel increased when novels were adapted for the movie screen. By the 1960s, television was beginning to have the same effect on film by increasing appreciation of film's art. VCRs and cable created awareness of network television's content-highlighting. Due to advertising time, for example, half-hour TV programs are really only about 20 minutes long. McLuhan pointed out that a medium in an earlier stage of development celebrates prior content. Ads have also become "artifacts" with the creation of cable, VCRs, and DVRs.

The Internet has been set up to overpower all prior media. Its content is composed of all previous media and is quickly becoming "the medium of media." When the Internet began, it only contained text, but now offers telephone, radio, and television. McLuhan stated, "any hot medium allows less participation than a cool one, as a lecture makes for less participation than a seminar, and a book for less than a dialogue...the content of any medium is always another medium...[but] the 'message' of any medium or technology is the change of scale or pace or pattern it introduces into human affairs." Mullen (2006) also commented that McLuhan's efforts "instilled an urgent awareness of the media environment as a basic force shaping the modern sensibility." This concept was understood about TV 10 years prior to McLuhan's writings, when critics began to realize that it was not ideal for either stage plays or movies.

Other research since McLuhan's work has been completed regarding medium engagement and its measurement. Ball State studied engaging the ad-supported media

(2006). Ball State determined that there were “two general approaches to defining engagement circulating in the industry press: a media centered view and an audience-and-context-centered view” (Holmes, Papper, Popovich, & Bloxham, 2006). The researchers empirically approached engagement in the study by addressing the following key elements: medium, audience, content, and context.

Media-Centered View

The researchers found that in the media-centered view of Engagement the audience is engaged by the medium. The media channel can be emphasized and there are systematic and measurable differences among media as to their potential to engage audiences in useful ways (Holmes et al., 2006).

In the channel-based approach, engagement is an attribute of a medium. It is a supplement to, or replacement for, frequency as a value multiplier in media planning metrics (Mandese, 2005).

In the content-based approach, engagement is an outcome of the content delivered by a medium, not the medium itself. Different media have dissimilar potentials to connect with audiences—such as text and audiovisual, passive and interactive, short episodes and long episodes—and therefore should be differentially valued by advertisers. Yet, even in the content-based approach, engagement can be partial due to the medium. Engagement may not be fully attributable to features of specific content. The surrounding content also influences engagement (Holmes et al., 2006).

Audience-and-Context-Centered View

The audience-and context-centered view places engagement in the behavior and experience of the user; the audience connects with the medium or content. The key elements involved in this view are: audience (incidence of media exposure, time spent with media, audience demographics); context (location, hour of the day, day of the week, mode of exposure, life activity, episodic structure, and primary and secondary attention to concurrent media exposure); and content (at the level of genre) (Holmes et al., 2006).

Engagement is minimally defined as the combination of exposure and meaningful attention to a medium or content; alternatively, as a process of attention that has impact by influencing user attitudes, choices or behaviors (Pilotta, 2005). Some believe that engagement is the audience's overall relationship with the medium, including media gratification preferences, cumulative time spent, and loyalty. A question that still remains regarding engagement's measurement is if it merely signifies "full attention."

Chapman, Selvarajah, and Webster (1999) explored two other studies that examined user engagement in two types of multimedia training systems: a more passive medium (videotape) and a less passive medium (interactive software). Each study compared engagement in three formats: the text format contained text and still images, the audio format contained audio and still images, and the video format contained audio and video images. In both studies, engagement was lower in the text condition than in the video condition. However, there were no differences in engagement between text and audio in the videotape-based training and no differences between audio and video in the computer-based training.

In the first study, participants were randomly assigned to the video, audio, or text training formats. Groups ranged from 2 to 8 students. Four researchers used a script to explain the testing procedure; participants would watch a videotape on job search skills and afterward would take a quiz. Participants were given a questionnaire immediately after that assessed control variables, medium richness, engagement, and knowledge required. Control variables included work experience and gender. Medium richness was measured using a four-item scale, with a seven point response format ranging from “not at all” to “a very great extent.” A seven-item engagement measure, using a seven point response format ranging from “strongly disagree” to “strongly agree” was used. Participants were tested on their knowledge of the training session by answering a 10-item multiple choice quiz.

In the second study, the participants used a multi-media based, educational software package, *The Managers Workshop: Motivation*, designed to teach principles of managing and motivating people in a company. Multiple training sessions, each consisting of 50 minutes, took place. Six lab assistants administered the sessions and advised the participants that they would be given questionnaires, after working and experimenting with the software. Students worked individually using headsets. The questionnaire contained control variables, manipulation check measures to compare formats (feedback and medium richness), engagement, and a quiz on the material contained in the software. Measures were similar to those used in study one. Engagement contained nine items such as “when using the software, I was totally absorbed in what I was doing.” Performance was a straightforward test of recall and

inference and was calculated as the number of correct responses to a seven-item multiple choice quiz based on the instructional content of the software.

The media-centered and audience-and-context-centered views show the many ways to view engagement with a medium. Later advertisers' practitioner approach regarding mediums and Consumer Engagement is examined.

Defining Consumer Engagement

Consumer Engagement was first discussed in 2003, and the MI4 Task Force was established in 2005. As of this writing, however, no formal metrics have been established. This leads to the question; what is taking so long?

Advertisers are seeking tools to improve ROI, a system for improving consumer measurement of advertising's impact that is apparent at the time of the media buy. "Fueled by the rise of interactive media and consumer-powered consumption, industry leaders and trade groups such as the ANA, ARF, and AAAA have announced a steadfast need to adopt the notion of consumer engagement in the measurement mix," said Jonathan Carson, president and CEO, Buzz Metrics (Kalehoff, 2005).

Overall, engagement is more than a search for accountability. Organizations such as ARF, AAAA and ANF currently characterize the term engagement by the "brand idea or media the consumer experiences which leaves a positive brand impression" (Barocci, 2006). It is their belief that advertising impacts consumers' brand ideas, which are influenced by their surrounding media environments, and that this imparts the likelihood of a measurable response.

Joseph T. Plummer, chief research officer at the ARF who spoke to the September 2006 Consumer Engagement convention on efforts being made to define engagement,

states that “from a research standpoint, [Engagement] is momentary and driven by emotion...[it] happens inside the consumer, not inside the medium. All the measurements we have now are media metrics: ratings, readership, listenership, click-through rates” (Elliott, n.d.). He added that “it’s turning a mental model of the industry on its head, compared with previous benchmarks like awareness and recall, which are more long-term and have a rational basis” (Elliott, n.d.). This is another differentiator, in comparison to traditional metrics. It is also important to note is that measures of awareness and recall are not media-based.

As shown in Figure 3, the medium utilized for the advertising message is what determines engagement, along with the brand idea/message.

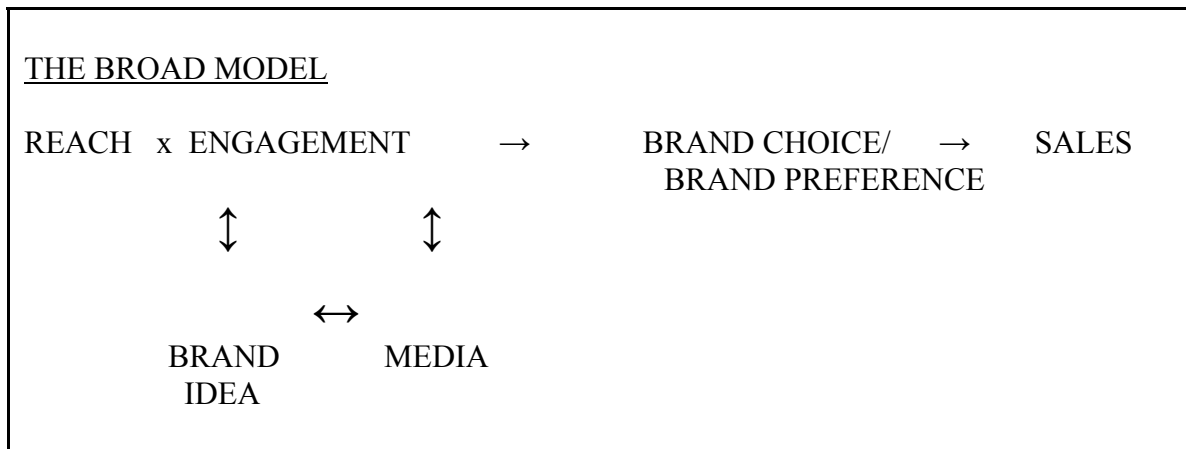


Figure 3: What has the ARF learned?
 Source: ARF, “The Research Authority”

“What we need is a way to determine how the targeted prospect connected with, got engaged with, the brand idea,” Plummer stated. “With engagement, you’re on your way to a relationship instead of just a sales transaction” (Elliott, n.d.). This is vital as it explains “how” the target gets connected!

The ARF's additional "learning to-date" includes the following. The incorrect question is if an ad is emotional or rational, because all good advertising includes an emotional component to some degree. Emotion and cognition are much more "intertwined" than originally thought. The dynamics of Engagement ebbs and flows, but the best ads peak or attract attention at key branding moments.

Max Kalehoff recently created a blog entitled "Engagement by Engagement Blog" after attending the Consumer Engagement conference held in New York City in September 2006. He interviewed many industry professionals via video regarding their opinion of Consumer Engagement. The most notable key words/phrases from a few of the interviews are summarized below (Kalehoff, 2006).

- Co-ownership of brand through *co-creation*
- Customer is brand owner
- Measure meaningful communication in people's minds
- Need measurements that predict *response*
- Consumer *attention* is scarce due to media clutter
- Ratings, *loyalty*, copy testing can't be thrown away—they measure consumer interaction with ads
- Need to focus on measurements of *attention*
- Difference between consumer curiosity and profitable engagement, which can be measured
- Intensity of *page views* by average number of users, site by site, category by category
- Cognigraphic data and *usage* intensity
- Integration of interest relative to metrics
- New notion of *attention*
- Very difficult to measure what people are *thinking*
- No one holistic, encompassing measurement
- "What sticks"
- Consumer's *connection with the brand* and the advertising
- How media environment affects consumer's connection/*attention*
- Personal brand to consumer = stronger brand
- Better knowledge of human psychology, neuroscience, and the unconscious mind leads to better advertising ROI

After Kalehoff completed his blog, he continued with an article that included additional view points on the topic.

He stated, “the discussion [of Engagement] too often gravitates toward packaged, controlled contexts, with as much attention directed to paid-media and television brand advertising as ever before. There’s nothing wrong with these traditional tactics in the marketing communications mix, but their failure to perform in a more cluttered, complex, consumer-empowered, Google-juiced world is precisely why we’re having this engagement discussion to begin with—isn’t it? If we presume marketing communications’ ultimate aspiration is to drive and sustain sales—whether directly or indirectly through brand loyalty, awareness, involvement or direct response—then we need to thrust this engagement discussion further. It needs to go way beyond the margins of the traditional paid-for and interruptive attention models that we all seem to agree (are) broken or eroding” (Kalehoff, n.d.).

Others have had similar thoughts regarding the current state of validation of the construct; one being that marketers shouldn't care about brand engagement. Instead marketers should focus on how to get people connected with each other, or the brand, and measure the number of times they have helped consumers do so. Rubel (2006) states that this connection is the reason that venues such as Second Life, YouTube, Facebook, and other social networks are so hot; they allow people to connect with each other. He continues in saying that if [advertisers] want to see engagement, [they should] find the right communities, build programs that empower people to connect, [and] then get out of the way. [The] brand will get a lift purely through association.

Currently buyers and networks have different, and proprietary, ways to attempt to calculate engagement. Relative to online engagement, Bill Gassman (2006) stated that “each organization’s version of engagement will be unique. It will be derived from a number of root metrics, probably under a dozen. Common root metrics will be frequency, recency, length of visit, purchases and lifetime value. Some organizations may include visitor actions, such as subscribing, providing personal information, writing a comment, or participating in a blog.”

While some in the industry believe that what constitutes engagement might vary from industry to industry, others would prefer to see some form of uniform measure emerge. Ted McConnell, manager of information technology research at Proctor & Gamble, said that even with all its resources, measuring engagement across all media (is) too big a job for any one company. “The industry needs to band together,” he said (Lafayette, 2005). But the question still remains: what exactly needs to be measured, and can it be measured? What do we not know about targeting, and is engagement the answer?

Table 1 is a condensed summary of perspectives that have been discussed in this research. The table was utilized during the interviews with advertising professionals, regarding their opinion of the usefulness of the engagement construct and the best way to measure it.

Table 1: Summary of Consumer Engagement Perspectives

Source of Definition	Definition/Construct
Measuring Attention to Ads (Stage 2)	Attentional resources to information
Involvement (Stage 2)	The extent to which a stimulus or task is relevant to the consumer's existing needs and values
Attitude and Affect/Emotion (Stage 3)	The attitude/subjective response towards the ad
Direct Behavioral Response to Ad (Stage 4)	Interactive TV/clicks on links, the amount of time a user spends (page views at a website), sales promotion, coupon redemption
Relationship Marketing/1:1 (Stage 3 and 4)	Trust, commitment, interdependence. A mutual exchange between business partners, often requiring personal communication
The Medium is the Message (Stage 1)	Grabbing and holding attention (medium). Length of time spent focusing on reading and viewing
Engagement	Turning on a prospect to a brand idea enhanced by the surrounding context

Chapter 3

Methodology

Qualitative research methods are based upon descriptions or analysis of circumstances, not dependent upon the measurement of variables. When applied appropriately, qualitative methods have the potential to contribute findings and insights which cannot be derived from “conventional” or “quantitative” research methods. This is accomplished through observation, interviewing, and document review. Due to the nature of this research, an exploratory, qualitative approach was chosen.

Based upon the researcher’s literature search a question set was developed. Thirty minute face-to-face interviews with 10 companies were conducted to gain insight into what they think about Consumer Engagement as well as what they think the engagement metrics should be.

Sample

Four advertising agencies and six printing companies participated in this research study. The advertising agency participants were asked seven questions and the printing participants were asked nine questions about Consumer Engagement. The following job titles were represented in the interviews (Tables 2, 3).

The researcher targeted the questions towards advertising and printing professionals with the following job descriptions, roles and responsibilities. All

professionals rely on their extensive experience and judgment to accomplish goals and perform a variety of tasks, and a wide degree of creativity and latitude is expected.

Table 2: Advertising Agencies Professional Job Descriptions

Creative Director (Advertising Agency #1): Responsible for directing audience promotions and advertising and assisting with audience research. The creative director is familiar with a variety of the field's concepts, practices, and procedures. They lead and direct the work of others. Typically reports to top management.

Chief Executive Officer (Advertising Agencies #2 and 3): Plans and directs all aspects of an organization's policies, objectives, and initiatives. CEO is responsible for the short- and long-term profitability and growth of the company. Demonstrates expertise in a variety of the field's concepts, practices, and procedures. Leads and directs the work of others. May preside over board of directors.

Media Director (Advertising Agency #4): Responsible for leading a team of Media Planners and Buyers. Oversees research, development, and implementation of media plan. Negotiates client projects and develops client relationships. Ensures client budget and target audience is met. Familiar with a variety of the field's concepts, practices, and procedures. Leads and directs the work of others. Typically reports to top management.

Table 3: Print Service Providers Professional Job Descriptions

Vice President of Sales and Marketing (Printer #1, 3, 6): Plans and directs all aspects of an organization's marketing and sales policies, objectives, and initiatives. Develops and oversees the sales function, ensuring the department employees and sales plan are organized to achieve maximum sales volume. Develops and oversees the marketing function, identifying key marketing outlets and competitive strategies. Leads and directs the work of others. Typically reports to top management.

Vice President of Sales (Printer #4): Plans and directs all aspects of an organization's sales policies, objectives, and initiatives. Develops the sales plan to fulfill the growth and revenue goals of the organization. Responsible for ensuring maximum sales volume of an organization's products and/or services. Manages all aspects of the sales function including inside sales, outside sales and customer service teams. Leads and directs the work of others. Typically reports to top management.

Director of Marketing (Printer #2): Directs and oversees an organization's marketing policies, objectives, and initiatives. Reviews changes to the marketplace and industry and adjusts marketing plan accordingly. Performs a variety of tasks. Leads and directs the work of others. Typically reports to top management.

Marketing Manager (Printer #5): Develops and implements strategic marketing plan for an organization. Stays abreast of changes in the marketing environment to best serve the objectives of the organization and adjusts plans accordingly. Researches and develops pricing policies and recommends appropriate sales channels. Generally manages a group of marketing professionals. Typically reports to an executive.

Questionnaire

The exploratory interview questions included the participant's thoughts on the following:

- Their familiarity with the concept of Consumer Engagement
- Ordering of Consumer Engagement definitions from most to least relevant
- Will the Engagement construct help improve the media selection process?
- Is there a need for Consumer Engagement? If so, how should it be defined and measured?
- Is one medium more engaging than another? If so, which one(s) and why?
- Is print helped or hurt by engagement?
- How might printers sell print differently using the engagement construct?
- What challenges does the changing media environment pose for their business and what tools are they using to address accountability?

Procedure

The researcher sent out letters to five Advertising Agencies and five Printers in the Rochester area, in addition to two alternates in each category. The letter asked for participation in a 30 minute face-to-face exploratory interview after which the researcher followed up by phone to schedule. The interviews took place at the participants' facilities.

The procedure utilized for coding was based upon collecting key words and phrases. All exploratory interviews were audio recorded for the purpose of data collection. In order to retain the interview participants' exact phrases, the researcher analyzed each interview intensively, noting key points and core similarities.

For confidentiality reasons the names of the participating companies are not published in this research. The companies are identified by number as Advertising Agencies and Printers.

Study Limitations

Limitations in this research study include a small sample size of 10 companies interviewed; all of the companies are local (Rochester, New York) advertising firms and print service providers; and the results are qualitative, thus no statistical inferences can be made.

Chapter 4

Results

The information captured from the interviews with the Advertising Agency and Print Service Provider participants are shown below.

Consumer Engagement – Awareness and Definitions

Question: Have Advertising Agencies and Printers heard of the concept of Consumer Engagement?

Only half of the exploratory interview participants had heard of Consumer Engagement. The other half had either not heard of it, or were familiar with the concept in other terms. Advertising Agency Respondent #2 stated, “Yes. [Consumer Engagement has] been tossed around a lot. I think there are many definitions of it. We certainly believe in the holistic approach of consumer engagement.”

More of the advertising agencies were familiar with Consumer Engagement than printers were; only one printer was familiar with the terminology. More specifically, Print Service Provider # 3 mentioned, “I have not [heard of Consumer Engagement]. I know it in other terms such as customer relationship and being involved and participating. It’s a buzzword.”

Question: Do you think the Engagement construct will help improve the media selection process and do we need it?

All but one of the interview participants responded that Consumer Engagement is needed. The only participant who did not answer yes was not sure.

Regarding if the concept will aid in the media selection process, the responses were slightly more varied. All of the participants stated that Consumer Engagement is needed, but some printers were not sure that it would be a benefit. Their responses do lead to the question of why it is needed then. Advertising Agency Respondent #3 was not sure that the Engagement construct was specifically the answer.

Advertising Agency Respondent #1 expanded on his response that Engagement will help improve the media selection process by saying:

“[We are] always searching for tangible, mathematical, empirical devices and formulas in our business that takes the empirical subjectivity away. Actually there’s far more that we do than people generally think. It’s a tricky, different, new world out there, so if there was a magic formula that said plug in a, b, c, d, e, and f variable, and someone said yes this is penetrating or not penetrating the hearts and minds of your audience that would be a great thing.”

Advertising Agency Respondent #2 said that they’re “not huge believers [in] that there is only one media [or] medium that you should advertise in at any single period of time. Even with the slimmest budget, [they] think that there needs to be synergism so that you look at your target demographic group realistically.”

Print Service Provider #2, who responded that Consumer Engagement is needed, focused on their organization’s role in contributing to the creative process. They

explained that their “customers are trying to get their customers to notice things: signs promoting the latest and greatest in their retail stores.” The print service provider continued by saying:

“You have to engage a consumer within the first seven seconds or they’re going to move on. For our customers, that is of the utmost importance to grab their attention and make them pick it up and put it in their baskets and actually walk out of the store with it. We do a lot of structural design in order to create shapes to engage the consumer at the Point of Purchase. We have a lot of people come to us for ideas on how to create ideas on how to package, etc., and we have the ability at the design stage to affect their decision on how they are going to present their product. That is one of our value added services and makes us a valuable partner.”

Similarities of Consumer Engagement to Other Constructs

Ordering of Consumer Engagement definitions

The advertising agencies and print service providers were asked to rank the Consumer Engagement definitions that they were given. The researcher gained insights into the differences between advertising agencies and printers from their rankings and definitions. Print Service Providers see Consumer Engagement as relationship marketing. Print Service Provider Respondent #3 explained their rationale.

“[We] believe it is important first to create an environment of trust for the consumer and thereby be able to obtain their attention and attract and excite interest while moving toward developing a long standing consumer relationship

with them. It's important to "engage" them in the process and speak to them how, when, and where they are most likely to be receptive to our message."

In contrast, the only Advertising Agency that ranked the definitions stated that "context is absolutely critical to brand ideas" and reiterated a quote from Leo Burnett that "if you don't get noticed, you don't have anything." More specifically regarding the definitions in the table, Advertising Agency Respondent #1 noted that "brands build trust over time," and that it is not possible to control the attitude and subjective response towards an ad. "Consumers will either love or hate it."

The other two Advertising Agencies chose not to provide ranking feedback. It is their opinion that the relevance of the definitions is largely based upon the nature of their individual clients and the importance of each can change with every campaign.

Advertising Agency Respondent #2 said that the definitions "are all wonderful things to really look at and consider and rate based on the specific product or service, and life cycle of the particular product or service, because every single campaign that we enter into is different than the one before."

Advertising Agency Respondent #3 had similar sentiments and said "the problem is that every campaign is different and every campaign has different objectives. So for me to rate [the definitions] from 1 to 7 isn't relevant. Some campaigns we want clicks on a link, some we want to build a brand. Consumer Engagement to me is what we do every day—what do you want the consumer to do."

What are Marketers Who Use Consumer Engagement Thinking About it?

Question: Is one medium more engaging than another? If so, which one(s) and why?

The interview participants' responses to the most engaging medium were far ranging. The only three media mentioned by both Advertising Agencies and Print Service Providers were:

- Internet/Interactive
- Broadcast based: TV or Event Media
- Direct Mail

Others responses stated that it depends on the client and demographics and that all mediums need to be intertwined and are important.

Advertising Agency #3 emphasized direct mail and the Internet by saying:

“Online [the Internet] and direct mail are the two mediums I find most engaging.

I think you can track those a lot better. We do a lot of testing on direct mail too.

We'll send out the same direct mail pieces to different groups with a little bit of a change in each one, maybe it's the way the price is set up. Testing is real important.”

In contrast, Advertising Agency Respondent #2 emphasized the importance of broadcast media saying, “universally, the medium that can be very engaging is television because you get sight, sound, motion, which evokes an emotion. It has a really, really high retention rate because of all of those things.” Regarding the importance of consumers' interaction with direct mail, this Agency also said that:

“When it gets in that mailbox; you have to make a decision. You have to pick it up, you have to touch it and read a portion of it, and make a decision if you're

going to keep it and read it, keep it and put it down and read it later, or toss it out. So, it has a very high propensity to get noticed if the creative is done right.”

Print Service Provider Respondents #2, #3, and #6 all shared similar thoughts on the need of multiple media to achieve Engagement. Print Service Provider Respondent #2 stated that “the Internet will not take over everything—you need multiple levels of engagement to get people into your store. You have to offer and appeal to everybody,” whereas Print Service Provider Respondent #3 said that “it depends on the consumer and/or demographic. Any of them can be engaging. There needs to be a mix.” Print Service Provider Respondent #6, however, focused more on consumers, explaining that:

“It depends on the recipient, and the problem is I don’t think we know enough about the recipient to know which one is more engaging. So I think what’s important is somehow being able to capture information about individuals to the point where you can customize whatever the media is that they might respond to.”

An important point from Advertising Agency Respondent #2, in lieu of the Internet’s success, is that they’ve also seen its failures, stating that:

“In the last 2–3 years a lot of companies thought with the Internet I’m going to save so much money, I’m not going to have to print anything anymore, and that has proven not to be the case. E-newsletters have been a huge disappointment. Only 5–15% [of people] open the newsletter. So you have missed up to 95% of your audience.”

The summary of all interview participants' opinions on the most engaging mediums is shown in Table 4 (be sure all text references and final table numbers are consistent – re-review full document for this consistency.)

Table 4: The List of Respondents' Most Engaging Mediums

Responses	Ad agencies	Print Service providers
Internet/Interactive	2	1
Client Specific/ Demographics	2	1
All media need to be intertwined and are important	1	1
Broadcast based: TV or Event Media	2	1
Direct mail	2	1
Print	0	1
Gorilla Marketing/Public Relations/Promotions	1	1
I don't think we know enough about the recipient to determine which are most engaging	0	1
Trade Shows/Expos/One- to-One selling	0	1

Question: Is print helped or hurt by Engagement?

During the interviews, Print Service Providers were asked two additional questions, the first being their thoughts on if print is helped or hurt by Engagement. Only half stated that it is helped.

Print Service Provider Respondent #2, believing that print is helped by Engagement stated that:

“There’s still that segment of the population that likes to look at things, likes to read, likes to clip that coupon, likes to look at what’s on sale this week before they go to the store. Advertisers in circulars could be one of the cheaper forms of

communication. You have to add a presence on the Internet, but I just don't see print going away for what we do. Books, magazines, newspapers are hurt. I think TV, radio, [and the] Internet [is] instant gratification and you have to appeal to that part [of your audience], but once you get them in a store, you have signs directing them."

Print Service Provider Respondent #6, also thought that print is helped by engagement, yet focused more on the measurement benefits saying that it:

"Can serve as reinforcement, especially if the print mirrors the other media. And also because it gives you a means to be able to track results better. In relation to TV and direct mail, the second piece might drive me to an action or call me to an action. You could encourage me to do something. Maybe it's the combination of the two media that really drove the complete result. Maybe I wouldn't have paid attention to that piece if it hadn't reminded me of the ad, so I think print can help."

Question: How might you sell print differently using the Engagement construct?

The second question only the Print Service Providers were asked was how they might sell print differently using the Engagement construct. Although the responses were different for each printer, one of the points given was that printers should focus on delivering their own advertising messages better in addition to providing excellent printing. The second point was the need for more personalization in order to drive higher Return on Investment.

Print Service Provider #1 stated, "Too often when you're putting [on] a promotion or any kind of brochure representing your company it doesn't have a point. It's

not delivering a message. If you look at most printers' self promos it tells you they do great printing, but doesn't tell you anything about them. I think that's the thing you have to use print for, you have to tell people about who you are and what you do, the key being in a very short message. I don't think you have much time, especially direct mail, even if it's a highly targeted list. You still don't have much time because even those people get tons of mail every day. So you have to stand out, you have to have a concise message."

Print Service Provider #6, however, stated that:

"When you look at the world we live in now, we have the ability to sell a service using print and drive results using print. And the way we're doing that, we're speaking to an audience of one, and trying to gather enough information about that person, or that audience, to have them know we know something about them, and then try to capture that information. So now you're having a dialogue with that person. So in order to have the dialogue with the person or sell print differently, now you're not going in talking to someone about a product and what it's going to cost to produce a product. You're now talking to them about what are you trying to drive, what's the result you're trying to achieve, what kind of information do you have about your target audience, and then how can we use print, and the data and graphics that you have, to customize something to your recipient that's going to call them to action. So it's very different."

Other Insights

Question: What challenges does the changing media environment pose for your business?

Advertising Agencies and Print Service Providers were also asked how the changing media environment affects their business. Echoing one of the most common responses, Advertising Agency Respondent #2 noted the:

“Constant change of more and more and more media outlets is making business a bit more complicated and more challenging for us to test different combinations of things that work and the best combination with each other. Twenty years ago there were three networks and we tested specific programming with specific radio stations with maybe a specific billboard campaign, and now today those choices are limitless.”

Advertising Agency Respondent #3 stated another popular response, being that “you need to be able to mesh the traditional with the non-traditional. It’s very important. Last year we saw a huge change. The market changes so rapidly now you have to be one step ahead.”

The response from Print Service Provider #1 suggests an interesting new model where:

“The expectations are different of what a ‘traditional printer’ is. We’re expected to be more than ink on paper now. Interactive, CD, DVD, distribution, mailing, everything, to the point where some printers are now kind of going back in time where they’re bringing agencies back inside their facilities. Design and layout seems to be coming back. Customers are looking for printers to be more than printers.

Table 5: What challenges does the changing media environment pose?

Responses	Advertising Agencies	Print Service Providers
Staying on top/one step ahead of constantly changing market and media	3	1
Traditional media (TV, print, billboard, radio) is now only part of the mix	3	1
Learning the potential of all different media and how to integrate them	3	1
Expected to be more than a "traditional printer"/ changing business model	0	3
Variable data/1:1 marketing (XMPie) - Does the printer or advertiser sell idea to end customer and control of data?	0	2
Where to place clients' dollars becomes a bigger job	1	0
Advertising professional is less "siloed" - All positions are familiar with media, not just their specific discipline	1	0
Advertisers have new competition with printers, who are able to measure some results better	0	1
Annual Reports and Collateral Printing are in trouble	0	1
Being able to print extremely creative pieces developed by advertising agencies	0	1
Being able to respond as quickly as advertising agencies need us to	0	1
Depressed Rochester market/pulling in work nationally internationally	1	0
Greater national competition/Not a lot of one-on-one selling anymore	0	1
Much more collaboration at the beginning	1	0
Purchasing decisions are being centralized	0	1
Web and Database are the only two media that are growing	1	0

Tools used to address accountability

The Print Service Providers interviewed provided similar thoughts as the Advertising Agencies regarding the tools they are using to address accountability. Software and capital investments were the two biggest responses.

Print Service Provider Respondent #6 specifically spoke of tracking software, stating that:

“If we send a PRL out, we have the ability to immediately track if we’re getting response and what type of response, whereas in the past the traditional print model in itself wasn’t necessarily a top priority. We weren’t concerned about response; we just printed what the customer asked. In our new model, we have become concerned about if we’re providing tools to our customers that will drive a response. It’s almost a new service. We’re selling a service, which is if you use us and use our tools; we’re going to work with you to drive response.”

Advertising Agency Respondent #3 explained the many ways they are using the Internet to help with accountability stating that:

“Now with interactive we can actually watch and see. We get real time data on how many people open [an email]; once they open an email blast, where did they go? We usually build a landing page for a promotion and can actually watch where they go. Then, do they go to the client’s website? [We can track] where they go on there, how much time they spend on there, do they buy? The data we get back immediately is incredible.”

The same Agency continued by saying that:

“In the past, if something didn’t work, a lot of times (the marketer would) just blame the ad agency, and a lot of times it wasn’t the ad agency – it wasn’t the creative – it was that the offer wasn’t good. Now we can actually watch and see that a lot of people opened it but they didn’t sign on, they didn’t go for the offer. So that shows that the advertising was effective, but the offer was not effective.”

Table 6: What tools are you using to address accountability?

Responses	Advertising Agencies	Print Service Providers
Software that measures results, e.g. customer profitability and value-added, customer relationships	0	3
Making capital investments in order to remain competitive	0	2
Audits are performed	1	0
EFI software that is more distribution related	0	1
Go back to consumers	1	0
Knowing what your expenses and overhead are/Where you need to be to make a profit	0	1
Post analysis on TV, radio, and print buys	1	0
Pre-and post-research	1	0
Public Relations Task Force	1	0
Re-branding; changing company website	0	1
Secondary audits if clients are willing to invest	1	0
Use of the internet. The ability to backtrack in real time to watch what consumers are doing	1	0
XMPie, 451 software for customized printing	0	1

Chapter 5

Summary and Conclusions

Consumer Engagement, however defined, is considered to be an important aspect of the marketing communications process. Whether Consumer Engagement is the answer to the challenges of ensuring advertising effectiveness in getting consumer attention, conveying a message, and obtaining a response has not yet been determined. The objectives of this study were to:

- Define Consumer Engagement
- Identify the Similarities of Consumer Engagement to other Constructs
- Explore what the Field Thinks About Consumer Engagement, in terms of Awareness, Definitions, and Usefulness

Consumer Engagement Definitions

The ARF/MI4 Task Force (2006) has defined Consumer Engagement as “the brand idea or media the consumer experiences which leaves a positive brand impression.” The MI4 Task Force has also been charged to develop a measure of the emotional response to advertising that they term Engagement. Bob Barocci (2006) of ARF states that the purpose of the:

“Definition of engagement aims to make an improved ability to measure the concept of when a consumer’s mind is ‘turned on’ to a brand idea enhanced by the surrounding context ... the concept of engagement has emerged as ‘more of a

demand creation’ paradigm than the ‘reach or awareness focused’ paradigm of the past twenty five years.”

Many professionals in the industry hope that an engagement metric identifies a new way to ensure a given ROI in relation to advertising spend, or expenditures. Validation and operationalization of Consumer Engagement metrics are still being sought, however. The author also reviewed other constructs that have been developed over 30 years to see if the new notions of engagement can offer something more than existing measures of the impact of advertising, which are shown below.

Table 1: Summary of Consumer Engagement Perspectives

Source of Definition	Definition or Operationalization
Attention to Ads	Attentional resources to information
Involvement	The extent to which a stimulus or task is relevant to the consumer’s existing needs and values
Attitude and Affect/ Emotion	The attitude/subjective response towards the ad
Direct Behavioral Response to Ad Relationship Marketing/1:1	Interactive TV/clicks on links, the amount of time a user spends (page views at a website), sales promotion, coupon redemption Trust, commitment, interdependence.
The Medium is the Message	Grabbing and holding attention (medium). Length of time spent focusing on reading and viewing

Based upon the literature review, the researcher’s analysis of the Consumer Engagement construct is that it uses the same notions, and is defined by, previously established constructs shown above. The researcher believes it offers little new to the challenge of measuring advertising effectiveness. In addition, the interviews revealed that practitioners have been incorporating Engagement into their daily lives for quite some time, not necessarily with a defined, rigid formula.

What Practitioners Think About Consumer Engagement

While advertising trade organizations have been debating the concept of Consumer Engagement for over three years, many marketing professionals still are not aware of it. Only half of the interview participants had previous knowledge of the concept. Most of the participants, however, expressed the need for Consumer Engagement and believe that it will help improve the media selection process. Some, given their lack of knowledge of the term, were not sure of the potential benefits of Consumer Engagement.

If the companies interviewed in this study are representative of advertising agencies and print service providers in general, then it appears they have proprietary strategies for defining and measuring Consumer Engagement through identifying campaign and customer goals.

Based upon the ordering of Consumer Engagement definitions, print service providers are more likely to rank Relationship Marketing closest to Consumer Engagement. Only one advertising agency ranked the definitions; the other agencies stated that the definition of Consumer Engagement is dependent upon the needs of the client and the campaign goals, which continuously change. The interview participants cited the Internet, broadcast-based media, such as TV and event marketing, as well as direct mail as the most engaging media. Some also mentioned that all media need to be intertwined in order to be effective and that determining the most engaging medium is client-based.

Only half of the print service providers interviewed stated that they thought print is helped by Consumer Engagement. The other half said that print is either hurt, both

helped and hurt, or that it will eventually be helped by Engagement. Additionally, all of the print service providers gave a different response as to how they would sell print differently using the Engagement construct.

Advertising agencies and print service providers alike are continuously challenged to stay ahead of market trends and learn the potentials of integration of different media. These companies are redefining their strategies and business models in response to the rise of new media. However, they are not necessarily redefining with the same perspectives.

Although advertisers and print service providers partner together, the challenges they face as a result of the changing media environment are varied. The majority of the advertising professionals note that staying one step ahead of the constantly changing market and media was their biggest challenge, now that traditional media—including TV, print, billboard, and radio—is only part of the mix. They noted that learning the potentials of all media and how to integrate them is vital in order to remain competitive.

The majority of print service providers stated that their biggest challenge was that they are now expected to be more than a “traditional printer.” Some noted that they are bringing agency-like functions in-house. Whereas advertisers invest in the newest software to remain competitive, print service providers must invest in the latest state-of-the-art equipment.

Also, not all of the interview participants are unsatisfied with their current measurement systems. Print service providers with direct mail as a core business may have an advantage in comparison to advertisers, in being able to measure results.

Implications of Research

The outcome of this research has implications for advertisers, advertising agencies, print service providers, and researchers.

Advertisers

Advertisers are continuously searching for more effective tools to analyze their advertising's effectiveness, given the increased importance that marketers have in showing ROI. Consumer Engagement has been proposed as a solution to the challenges they are facing, however, advertisers shouldn't discard the tried and true tools methods they have been using. Blame tends to be placed on the agencies that serve advertising clients due to ineffective campaigns, but many agencies are now utilizing effective tools that provide real time data to adequately determine their clients' campaign effectiveness.

Advertising Agencies and Print Service Providers

This research has shown that many advertising agencies use effective, quantitative, and sometimes proprietary, tools to gain information about the effects of advertising on consumers. They are always searching for more effective methods of measuring advertising's impact given the constantly changing media environment. Both printers and advertising agencies recognize the importance of utilizing many different types of media in order to maximize their media expenditures. Many note that although the Internet has had great success, all campaigns are client specific and require different media in order to reach the largest percentage possible of their target audience. The future looks especially bright for the printers whose core businesses include personalized direct mail and related serves such as data mining, as direct mail is viewed as the most involving printed form.

Researchers

Researchers can utilize this research in order to stimulate future research involving the relationships between advertisers, advertising agencies, print service providers, and end consumers. The constantly changing media environment has a trickledown effect on all players in the media industry. In order for companies to stay competitive in today's global marketplace, decision makers need to have knowledge of the type of printing equipment required to continuously provide the most efficient and effective products, the software that provides the most efficient information about consumers and internal processes, as well as a thorough understanding of the ever-evolving and intricate area of Consumer Behavior.

Based upon the research findings and in response to Figure 3, the researcher has developed her own model, which is shown below. In this model, Engagement is client specific, uses established constructs and methods for measuring ad impact, and based upon the unique requirements of the advertising campaign for the target market.

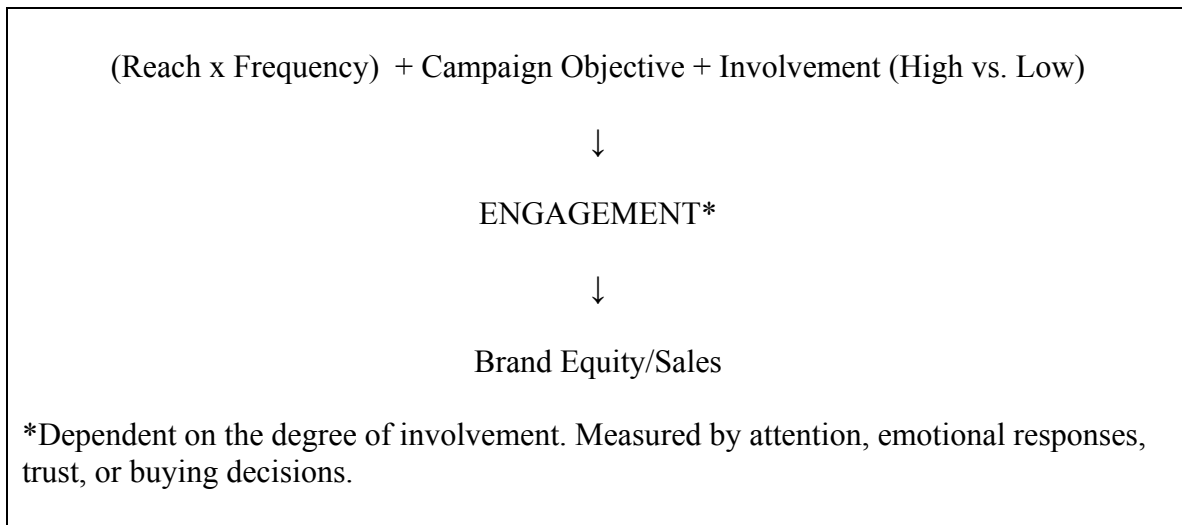


Figure 4: Researcher's Modified Model to What has the ARF learned?

Agenda for Future Research

Much research on effective marketing communications is generated for and by marketers, which impact their marketing strategies and decisions. Although no formal Consumer Engagement metrics have been published by the advertising trade organizations as of this writing, an area of future research may include exploring Consumer Engagement through the perspective of the end consumer.

Also, given today's ever changing media landscape and changing corporate business models, an area of further research could be to explore how print service providers and advertising agencies can work more effectively and efficiently together, continuing to improve upon Return on Investment for their clients, utilizing the powerful tools of variable data/1:1 marketing.

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Appendix A

Appendix A

Questionnaire for Advertising Agencies

1. What challenges does the changing media environment pose for your business?
2. What tools are you using to address accountability for how media/ad dollars are spent?
3. Have you heard of the concept of Consumer Engagement?
4. I am going to read you seven Consumer Engagement definitions from the table below. Please order them from most relevant or accurate to least relevant or accurate (1 being the most and 7 being the least):

Definition/Construct

- a. Turning on a prospect to a brand idea enhanced by the surrounding context
 - b. The extent to which a stimulus or task is relevant to the consumer's existing needs and values
 - c. Trust, commitment, interdependence. A mutual exchange between business partners, often requiring personal communication
 - d. Interactive TV/clicks on links, the amount of time a user spends (page views at a website), sales promotion, coupon redemption
 - e. Attentional resources to information
 - f. The attitude/subjective response towards the ad
 - g. Grabbing and holding attention (medium). Length of time spent focusing on reading and viewing
-
5. Will the engagement construct help improve the media selection process?
 6. Do we need it?

If yes, how should it be defined?

If yes, how should we measure it?
 7. Is one medium more engaging than another? If so, which one? Why?

Questionnaire for Print Service Providers

1. What challenges does the changing media environment pose for your business?
2. What tools are you using to address accountability?
3. Have you heard of the concept of Consumer Engagement?
4. I am going to read you seven Consumer Engagement definitions from the table below. Please order them from most relevant or accurate to least relevant or accurate (1 being the most and 7 being the least):

Definition/Construct

- a. Turning on a prospect to a brand idea enhanced by the surrounding context
 - b. The extent to which a stimulus or task is relevant to the consumer's existing needs and values
 - c. Trust, commitment, interdependence. A mutual exchange between business partners, often requiring personal communication
 - d. Interactive TV/clicks on links, the amount of time a user spends (page views at a website), sales promotion, coupon redemption
 - e. Attentional resources to information
 - f. The attitude/subjective response towards the ad
 - g. Grabbing and holding attention (medium). Length of time spent focusing on reading and viewing
-
5. Will the engagement construct help improve the media selection process?
 6. Do we need it?

 If yes, how should it be defined?

 If yes, how should we measure it?
 7. Is one medium more engaging than another? If so, which one(s)? Why?
 8. Is print helped or hurt by engagement?
 9. How might you sell print differently using the engagement construct?

Appendix B

Appendix B

Key Summaries of Consumer Engagement Video Interviews by Max Kalehoff

1. Dr. Joseph Plummer, Chief Research Officer of the ARF - September 27, 2006

Dr. Plummer is largely responsible for leading the framework for the Engagement initiative, including its working definition that “Engagement is turning on a prospect to a brand idea enhanced by the surrounding context”.

Core to Engagement is how advertisers are approaching and learning about it, including variables such as:

- Co-ownership of a brand
- Customer is the brand owner
- Getting there through the act of co-creation

Dr. Plummer continues that messages and the brand idea somehow triggers the associations, metaphors, symbols, and positive and/or negative experiences already in themselves, thus creating a richer personal relevant meaning (bonding relationship) and differentiation from other brands. Both of these are in the service of the customer. Service and enhancing the brand experience become very important, such as with mass media, events, and sampling. Attracting new customers, even those that are not familiar with the brand, also involves both push and pull balance.

As far as where Dr. Plummer thinks the industry is currently, he sees a very clear recognition among most in marketing and advertising that we have to move beyond creating brand awareness, such as moving toward things like Engagement.

His desire is for a convergence on what Engagement means, as not everyone has bought into the ARF definition.

2. Bob Barocci of the ARF - September 26, 2006

Bob Barocci, also a leader on the Consumer Engagement taskforce at ARF, has similar thoughts as Dr. Plummer. Mr. Barocci's opinion of Engagement is that it does not matter how it is defined. It is a word used to define something to measure the impact of media on the consumer that goes simply beyond the delivery, such as the gross rating points (GRP's), the circulation, etc. It is a scary thing because he believes that Nielson is going to publish its first commercial ratings, which are going to be less than then the program ratings and that the engagement ratings will be even lower than the commercial ratings.

Engagement measurement research is being led by advertisers like Proctor & Gamble, Microsoft, Kraft, McDonalds, and Ford Motor Company. Reach and frequency measurements, implemented 30 years ago, are no longer enough. Co-creation is where we want to go, and Mr. Barocci believes that advertisers can measure in people's minds the results in meaningful communication and therefore action.

Also similar to Dr. Plummer, Mr. Barocci's thinking is that it is time for ARF to stop talking about Engagement and get to the next stage, which is validation. Seven consortia are involved in beginning the validation project. Twenty advertisers are involved in the major piece of primary research, which is largely based upon experiential

marketing (a holistic approach to marketing that is predicated on the fact that consumers make both rational and emotional buying decisions). Although there is no consensus on the definition of experiential marketing, it is largely based upon the fact that consumers make both rational and emotional purchase decisions. Katharine Stone (2004) stated that:

$$\text{Connected Relevance} + \text{Meaning} + \text{Interaction} = \text{Experiential Marketing}$$

3. Erwin Ephron, Media Buyer - September 25, 2006

Mr. Ephron is not an advocate of Engagement in this debate. He suggests hope for the advertising business if it can get back to basics, focusing on actual measurements that predict response. He recently published a book, “Media Planning: From Recency to Engagement.”

One of the reasons why he is not a fan of the concept of Engagement is that he does not believe in “speechifying” as a substitute for research. He does not understand what direction the industry is taking with it, as ARF has been “obsessing” about the term for 2–3 years now. His impression is that the industry still has not figured out what engagement means, and that ARF’s definition highlights the problem and is “awfully glib.” It celebrates a description of what we’re trying to measure, without giving a clue on how to measure it. Mr. Ephron’s questions and opinions are as follows:

- What is a brand idea? Brands don’t have ideas, people do
- Surrounding context? Is that media environment? If it is, how do we know if it is enhancing? Media environment is enhancing if it helps turn on a prospect to a brand idea. That’s not research, it’s a big circle

He believes that advertisers need to focus on *how* to measure Engagement and less on how to define it. Attention is scarce and he says that the industry is in the middle of a

“tragedy of the commons” as there is a clutter problem. The Internet, TV, and radio all have clutter. Engagement isn’t one thing, but we know the components of it:

- It is delivery of audience by the medium
- It is the content of the advertising – does it engage people
- We have a lot of different measures that treat engagement, from ratings, to loyalty, to copy testing (all are valid). These are measures of consumer interaction with advertising. We cannot throw them away until we have something better
- Optimistic that we get back to basics and start thinking about engagement in terms of measurements that are possible. And those include measurements of ATTENTION

4. Dr. Robert Passikoff, founder of Brand Keys, Media and Marketing Modeling Firm - September 25, 2006

Dr. Passikoff offers a unique perspective on Engagement, as he is the founder of a marketing firm who has developed customer loyalty metrics. His firm works with many large corporations that are trying to justify their advertising spend and better the marketing mix. Dr. Passikoff volunteers the following in response to the Consumer Engagement measurement debate, “perhaps someone should point out to anyone who will listen that there is a big difference between consumer curiosity and profitable engagement and that both can be measured!”

5. Jack Flanagan, Executive Vice President of comScore Media Metrix - September 25, 2006

Jack Flanagan, who deals with the effectiveness of online media as vice president of a dot com, has a slightly different perspective on Engagement. He believes that it includes determining what the reach of an overall audience is and how engaged are they with the content. This includes the intensity of page views by average number of users, site by site, category by category perspective. Cognigraphic data and intensity of usage are part of the equation.

6. Mark Green, Senior Vice President at AC Nielson - September 22, 2006

Mark Green published a column on Engagement in November 2006. He believes that the integration of the internet, with relation to what metrics matter relative to key business decisions is vital. There is a new notion of attention, i.e. a new way of looking if someone is engaged, or not, with the media. He acknowledges ARF's June 2006 white paper on what Engagement is, stating that it's an abstract concept, an idea of moving a consumer in a direction toward a company's products. However, how far of a direction, and what type of movement is up for debate.

- He agrees that no one has a solid answer as to how to measure this. Essentially though, the industry needs to know what people are thinking in their heads, relative to media, which is a very difficult thing to measure. No one has a holistic measurement on the topic of Engagement.

7. Barbara Bacci Mirque, Executive Vice President of the ANA (Association of National Advertisers) - September 22, 2006

Ms. Bacci Mirque noted in her interview that metrics have not changed, but the way consumers are experiencing media has, and that nobody in the advertising industry is measuring eyeballs. Reach and frequency measurements do not work anymore, and everyone is looking for "what sticks." It goes way beyond television as all kinds of new media are now here. She states that the industry needs a metric that is encompassing for the twenty-first century, and that, unsurprisingly, people follow the dollars.

8. Michelle de Montigny, Senior Vice President of Millward Brown (Advertising Research Firm) - September 22, 2006

Ms. de Montigny believes that there are three different levels regarding Engagement, which are:

- Consumer's engagement with the brand
- Consumer's engagement with advertising
- How the media environment might affect the consumer's engagement either with the brand or the advertising

She views the consumer's engagement with the brand as the most important facet to be understood (at least from Millward Brown's perspective) as getting consumers to buy more of the brand is their main objective. Thus, knowing how the consumer is infusing their own personal meaning and significance, or co-creating meaning for the brand, is vital. She believes that the more personal the brand can be to a consumer, the stronger the brand will be to them.

Ms. de Montigny sees Engagement as the newest term that the industry is using to describe things that are related to how people react to the brand. She acknowledges that there have been many different terms and approaches used in the past to describe Engagement. Where she sees Engagement going to the next level is through the industry's new approaches given the better understanding of human psychology, neuroscience, and how human thinking might work on a more unconscious level. She believes that by applying these new dimensions to the kinds of things the industry has already been doing, will add another layer to understanding consumer behavior.