Engagement: The Emperor's New Clothes?

After much buzz, the Advertising Research Foundation (ARF) came forth at their annual conference recently with a proclamation about the **new** way to measure advertising effectiveness. They called it "engagement."

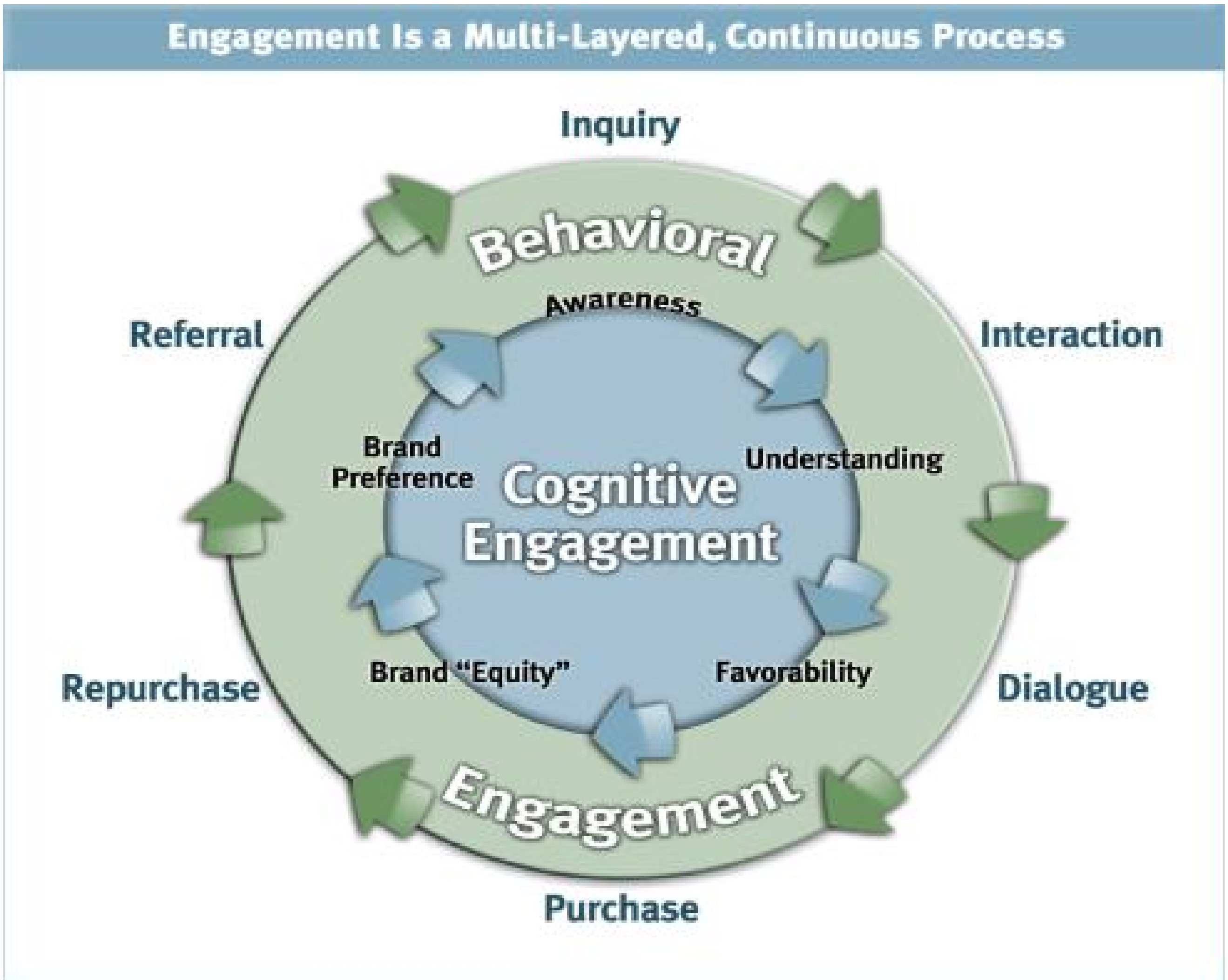
When I think of customer "engagement," I tend to think in terms like repeat purchasing, loyalty, customer referrals, or perhaps even just an inquiry. As you can probably tell, I'm hung up on the idea of actually making profits from mutually beneficial customer interactions.

The ARF, a learned and highly professional organization dedicated to the study of advertising effectiveness, took a different approach. In a press release issued last week they said: *"Engagement occurs as a result of a brand idea or media the consumer experiences which leaves a positive brand impression. It is now a critical advertising model to replace GRPs in the 21st century. It is important that we think hard about engagement to develop a robust measurement of when consumers are strongly engaged in brands, brand ideas, and their surrounding environments."*

The ARF deserves applause for trying to push beyond the GRP as the standard measure of advertising. Imagine how difficult it must be for an association like theirs to straddle the incredibly diverse and often conflicting interests of its membership. But this definition of "engagement" appears to leave the emperor shivering naked in the cold.

For starters, the term "engagement" implies an active level of involvement with the brand. Yet their definition suggests that achieving a passive "positive brand impression" fills the bill. It doesn't. Advertising history is chock-full of examples in which famous campaigns have created favorable impressions but failed to make the registers ring sufficiently enough to cover the investment.

Further, the proposed definition of engagement doesn't even require achieving a level of brand preference. It stops at favorability. The implication is that an advertising campaign could be deemed successful in engagement terms if it created widespread favorability without actually engendering any incremental preference for the brand on an emotional or rational level. When faced with the actual purchase decision, and confronted with variables of price, convenience, competitive presence, etc., a consumer who is only "engaged" at the level of favorability is highly unpredictable. Even those who have actually developed a brand preference will defect in significant numbers in the face of actual buying conditions.



It would be difficult to argue that creating engagement as they define it is a worthwhile goal for many brands — particularly those mired in the perennial parity of mature categories with few distinguishing product/service characteristics. But while the recommended shift from the exposure-driven concept of ratings to the consumer-centric element of favorability is a step in the right direction, it stops far short of being a practical measure of success.

Rather than adopt a single, broad-sweeping, lowest-common-denominator definition of "engagement," the advertising community would be better served to recognize engagement as a progression from awareness to interest to favorability to preference to purchase to repeat purchase. True, this linear relationship doesn't always reflect the reality of the consumer buying process in every category, but it is an effective starting point for companies to begin to ask themselves what they really know about the patterns of progressive engagement in their key categories. Some will need to add elements of "participation" to the chain to reflect voluntary dialogue pre- or post-purchase. Others will want to include referral as a crucial measure of engagement. It can (and should) be customized to the needs of the circumstances.

The key is to recognize that "engagement" isn't a stage, it's a process. It should be measured in a time series with frequency distribution of prospects and customers at various points along the evolution spectrum. Volume, mobility, and velocity of movement between stages should be the key metrics of engagement. Taken together, they tell a story of continuous improvement and help to predict the economic value of investments targeted at promoting movement earlier in the process.

Contrary to debate within the research community, the greatest challenge for the ARF model of engagement will not be engineering a technically valid and reliable mechanism for reporting (and pricing) on engagement. Rather, if the favorability-focused definition is adopted as the emerging metric for the effectiveness of advertising in the 21st century, marketers (and media and agencies) will cement their positions nearer the bottom of the credibility ladder in the eyes of their C-level peers who will struggle mightily to understand the very subtle differences in the proposed approach vs. the broadly discredited ones of the past. It will not help marketing (or finance) get a better grip on advertising effectiveness. Only efforts focused on bridging the gap between the spending and financial value recognition can do that. Short of that, we’re just shifting the traditional marketing vs. finance argument to a new set of words.

The ARF deserves recognition and thanks for having steered their members onto the right train. Let’s just be careful that we’re not getting off a few stops too early to really help advertisers understand the economic value of further investment in advertising.