INTRODUCTION
In 2006, the Advertising Research Foundation (ARF) provided one of the first marketing-focused definitions of “engagement” as “turning on a prospect to a brand idea enhanced by the surrounding context.”1 The phrase “turning on” would appear to encompass any communication from a brand that improves consumers’ attitudes and sentiments or that induces a positive change in consumer choice in favor of the brand.

Some criticized the ARF interpretation as being too broad for such an important indicator, but it has since morphed into multiple definitions, depending on the medium of context.2 Many are the result of the impact of the Internet, social media, and mobile devices on the nature and extent of communications between a brand and its consumers.

Engagement no longer can be considered to be simply a one-way communication from a brand to the consumer. Instead, it now needs to incorporate consumers’ ability to easily provide digital feedback of their own—at scale and with the communication being either positive or negative.3

From desktop/laptop computers to smartphones to tablets to game consoles, there are myriad ways for a brand to digitally engage with consumers. With each tool comes a different set of means to measure that engagement. The traditional “softer” measures of advertising engagement—attitudinal shifts in brand recall, likability, and purchase intent along with harder measures of sales lift—often are used to measure consumers’ engagement with digital advertisements. And they all still have value.

But, the computerized nature of digital also means that many other engagement metrics—from clicks, to viewability, to “Likes” and “Shares”—are available today. The challenge for marketers is to identify the metrics that matter to their return on advertising investment (ROI) versus those that either are nice to know or downright misleading.

DIGITAL-ADVERTISING METRICS
Why the “Click” Matters Less
One of the first measures of online engagement was the “click” on a display advertisement, with the use of a computer mouse. Although click rates in the early days of online advertising reached levels of 3 percent or higher—and it’s true that clicks remain meaningfully high for search advertisements—average click-through rates for display advertisements today have dropped to an abysmally low level of 0.1 percent. Or, in other words, only one in a thousand advertising impressions in a campaign generate a click.

Further complicating the click credibility is that research has demonstrated the absence of any relationship between clicks and effectiveness (Fulgoni and Morn, 2009).

Despite the greater understanding we now have of the metric, many in the advertising industry still use click-through rates as measures of engagement and effectiveness. In a 2014 survey4 of publishers, agencies, and advertisers, approximately four out of ten professionals said they used the click “always or most of the time” to measure the effectiveness.
Only one in a thousand advertising impressions in a campaign generates a click. Further complicating the click credibility is that research has demonstrated the absence of any relationship between clicks and effectiveness.

of display advertisements. It’s likely that simplicity, low cost, and speed are the drivers of the continued use of clicks—which is unfortunate in light of their lack of relevance to advertising effectiveness.

Buyers and sellers of digital advertising also use other engagement metrics. These include

- website reach
- number of page views
- time spent
- demographics.

Although these certainly are relevant to the size and quality of the audience reached, the relationship of these measures to advertising engagement and the effectiveness of brand advertising carried on the site is tenuous at best.

By contrast, GfK researchers have demonstrated that consumers’

- attitudes toward a website,
- motivations for using it, and
- overall opinion of the site

are the most relevant metrics that need to be taken into account in gauging engagement with brand advertising. In particular, trust in the site appears to be an extremely important metric for driving consumer response to advertising.

How Viewable Is Your Ad?

From a negative perspective, the very nature of digital technology results in some unique impediments to any consumer engagement with digital advertisements, including low viewability and ad-blocking software.

Needless to say, if the advertisement isn’t even in-view to the consumer, then engagement can’t occur. Digital in-view rates (i.e., the percentage of advertising impressions in a campaign that are in-view to the consumer) often are found to be lower than 50 percent (mainly because the user doesn’t scroll down the page far enough to see the advertisement or because the “viewer” is a fraudulent computer with no human user).

With that evidence in hand, it’s not surprising to see leading advertisers such as Unilever and the world’s largest media buying agency, GroupM, demanding assurances from publishers that their advertisements are actually seen.6

The realization that the metrics provided by ad servers were misleading—and that many digital advertisements were not in-view to consumers—also has prompted the measurement of how long in-view advertisements are actually in-view.

Sometimes referred to as “attention,” this concern has led to the suggestion that this is another valid engagement metric. The industry’s accreditation group, the Media Ratings Council (MRC), has specified that as long as 50 percent of a display advertisement is in-view for at least one second (two seconds for a video advertisement) then the advertisement can be classified as being in-view.

Some marketers and their agencies have criticized this definition as being far too lax.7 A Millward Brown study showed that the impact of digital advertisements climbs sharply after the advertisement has been in-view for some time,8 suggesting that a longer in-view definition might be more appropriate.

Further complicating the situation is that in the case of video advertisements, measurement of consumer engagement encompasses not only whether the advertisement was ever seen and how long it was viewed but also whether or not the audio was switched on.7 Speaking at the Internet Advertising Bureau’s (IAB) Annual Leadership Meeting in February 2015, CBS Interactive Chief Revenue Officer David Morris commented that the introduction of viewability had been somewhat chaotic for the industry, both in terms of measuring the MRC’s standard effectively and the confusion the concept itself has inflicted on the marketplace.7

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The Battle Against Ad Blocking

As advertisers seek more effective ways to engage with consumers and measure that engagement, their efforts are hampered by ad-blocking software. About one in ten U.S. consumers have ad-blocking software installed on their computers; the ratio is even higher in some other countries. Advertisement blocking is especially popular on mobile devices, where slow load times are particularly annoying to users and the slow loading of advertisements can be considered to increase the cost of consumers’ data plans.

Advertisement blocking is a problem across any digital platform, including the viewing of video content. Publishers view its very nature as threatening the “unspoken agreement” between content providers and consumers that advertising is necessary because it pays for the content consumers enjoy for free. Some have suggested such solutions as

- producing more advertisements that consumers actually want to view while simultaneously reducing ad clutter;
- insisting that a site’s content not be made available unless the consumer accepts the advertisements or that sites install software that recognizes and deactivates advertisement-blocking software;
- using more native advertising that isn’t delivered by an ad server and therefore can’t be blocked;
- taking legal action against the authors of the software.

It’s too early to predict how the advertisement blocking issue will be resolved, but because it clearly represents a serious obstacle to the ability of advertisers to communicate directly with online users—and to be able to measure that engagement—we can expect it to get intense industry attention.

Social-Media Metrics

One of the best examples of how digital technology has changed brand engagement from one-way to two-way communications—and the related metrics—is the impact of social networks.

Approximately 50 percent of consumers say they use social media to post positive or negative brand comments (Sexton, 2015)—although criticisms seem to attract the most attention—on a multitude of social sites ranging from Facebook to Twitter to YouTube to Yelp that are viewed by hundreds of millions of people.

Measurement of the number of postings and whether they are positive or negative, how many times shared, and how many users reached, have become important metrics of social engagement with brands that are initiated by consumers.

Whether simply an extension of human nature (or the nature of those most vocal on social), social networks are inundated with negative comments regarding brands—and the numbers are increasing every day. The challenge for any marketer is to respond to negative engagement in a timely manner. Unfortunately, it appears that as many as 70 percent of companies fail to do just that, thereby risking damaging consequences (Sexton, 2015).

Organizations long have monitored changes in brand equity that are driven by their own marketing efforts. But it has become apparent that monitoring and responding in real time to inbound comments expressed on social media should be every bit as important as monitoring the impact of a marketer’s outbound communications.

The other side of the social coin is that positive consumer engagement on social media can yield impressive results. Brands can use paid or organic communications to reach their target segments and then benefit from any engagement (e.g., “sharing”) that subsequently occurs and which extends persuasive reach.

Warc, the London-based publisher of the Journal of Advertising Research, awards annual prizes for the best examples of how brands have successfully incorporated social engagement into their marketing strategies (Fulgoni, 2015). Many of these successfully leveraged consumer engagement with a wide variety of branded content that led to sharing and a dramatic increase in reach.

Brands have learned that they can maximize the impact of their social-marketing programs by leveraging a framework that helps them move beyond a measurement of the simple number of fans/followers or “Like” metrics. These metrics haven’t yet been proven to drive positive business results, whereas measures of actual sharing of content have been shown to deliver measurable marketing ROI.

That said, it’s also apparent that some sharing metrics for organic content (as opposed to the sharing of paid content) are problematic. This occurs because of the difficulty of computing the true number of unduplicated people who ever saw the content.

Simply adding the number of followers of the person posting content assumes that all saw the original post. In fact, that’s frequently not the case, and such simple math also fails to de-duplicate the same

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8 “Ad blocking unleashes anxiety across the ad industry.” Financial Times, October 5, 2015.
people across followers. As a result, it’s very likely that the simple aggregation of followers will overstate the true number of people receiving the shared content by a large amount.

**MOBILE-ENGAGEMENT METRICS**

Arguably the most significant change in consumer engagement has been the result of the use of mobile devices. Digital-media time in the United States has surged recently—growing nearly 50 percent in the past two years, with more than three-fourths of that growth directly attributable to the mobile app.13

Mobile has grown so fast that it’s now the leading digital platform, with total activity on phones and tablets accounting for 62 percent of all digital media time spent. It is important to note that apps—which help make it easier for consumers to visit and buy at websites—represent the vast majority of digital mobile time at 87 percent.13

As the use of mobile devices has surged, so have the ways in which consumers can engage with brands. Because of this, it’s vital for marketers to ensure they capture their “fair share” of consumers’ mobile engagement.

Fundamental to this is the need for metrics that measure:

- how much mobile time is spent on a marketer’s own brand website versus competitive sites;
- how much of that time is spent via the use of a mobile browser versus mobile app.

Because of the extreme importance of app engagement, any shortfall in consumer downloading and use of a marketer’s app could be disastrous.

The winners will be brands that are able to derive methods to measure and understand consumer demands for mobile engagement and then deliver against those needs.

**Engagement with Mobile Ads**

Certainly, advertising remains important in a mobile world, and the IAB has reported that mobile advertising is the fastest growing format in the U.S. (up 73 percent in the fourth quarter of 2014 versus the prior year), accounting for 28 percent of all digital advertising dollars.14

Research also has shown that the impact of advertising is surprisingly higher on mobile than on desktop.9 This suggests higher consumer engagement because there is far less advertising clutter on mobile, and advertisements can be delivered closer to the actual point of purchase—further increasing relevance and, therefore, engagement and impact.

The larger impact of mobile devices, however, goes well beyond advertising. They have allowed consumers to initiate engagement with branded content whenever and wherever they choose. There’s a dizzying array of ways in which this can happen, which Google describes as “micro-moments.”15 These unfold through a variety of common “I-want” scenarios that help people take steps or make decisions such as:

- I want to know.
- I want to go.
- I want to do.

These micro-moments can occur anywhere—including in-store. Google has found that consumers often are more attentive to their in-the-moment needs than they are loyal to a particular brand or product. At the same time, they’re attracted to those brands that best address those in-the-moment needs. Immediacy and relevance in an “I-want” world, therefore, would appear to trump loyalty nowadays. The winners will be brands that are able to derive methods to measure and understand consumer demands for mobile engagement and then deliver against those needs.

**CONCLUSIONS**

Marketers have only scratched the surface of measuring new levels of consumer engagement, given a digital marketplace that remains in flux. For digital advertisers, it’s clear that some of the metrics produced by ad servers are problematic. In particular, the “click” on a display advertisement has been shown to have no value in terms of predicting effectiveness.

By contrast, the traditional metrics of attitudinal changes or sales lift remain critically important and useful to marketers.

Digital advertising also is muddled because of a lack of consensus between buyers and sellers regarding the basic definition of an ad impression in terms

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Mobile devices also allow consumers to engage with brand content whenever they so choose and in a plethora of different ways.

of time in-view. Consensus on the issue might simplify matters. But given the ability to measure optimal time in-view of an advertisement—and research showing that impact increases with time in-view—it would not be surprising to see advertisers demand paying only for those advertising impressions that are guaranteed to be in-view for a specific period of time that they define. (For more on the topic of viewability, please see “The Effectiveness of All Advertising Impressions vs. Only Viewable Impressions,” an award-winning case study by Adobe, on page 109.)

Meanwhile, massive use of social media means that marketers no longer can think of engagement solely as a one-way communication from a brand to consumers. The reality is that social media has provided consumers with the ability to impact a brand’s performance by providing public feedback—positive or negative—at scale.

Because of this, metrics that measure consumers’ comments on social networks are important. Advertisers need to respond quickly to negative engagement or risk financial damage. The good news is that social media also provides smart marketers with the ability to engage directly with targeted consumers in many creative ways that result in amplification of persuasive messages.

But to reap the rewards of positive ROI from social marketing, it’s clear that advertisers need to think beyond simple metrics such as “Likes” or “Followers” that have not been shown to be correlated with improved sales and embrace more powerful metrics such as “Shares.” However, in computing the total number of people reached by organic shares, it’s important to de-duplicate the counts of followers and recognize that not all “Shares” are ever seen by all followers.

Mobile devices represent the most important dislocation in the historical communication flow from brands to consumers. Not only does mobile usage now account for the majority of time spent online but also apps dominate that mobile time. And, under such circumstances, understanding how consumers are using apps to interact with brands is vital.

Mobile devices also allow consumers to engage with brand content whenever they so choose and in a plethora of different ways. There is an immediacy associated with most of these mobile communications that provides marketers with many engagement opportunities, and because of this, brands need to be able to measure and address engagement “in the moment.” But the very nature of this far-reaching engagement also means that measurement, for the moment, is a work in progress.

ABOUT THE AUTHOR

Gian M. Fulgoni is cofounder and chairman emeritus of comScore, Inc. Previously he was president/ceo of Information Resources, Inc. During a 40-year career at the c-level of corporate management, he has overseen the development of many innovative technological methods of measuring consumer behavior and advertising effectiveness. Fulgoni is a regular contributor to the Journal of Advertising Research.

REFERENCES

