Measures of Engagement
Volume II

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Introduction

By Dr. Joe Plummer

Last year, the cross industry task force MI4 (representing the ANA, 4A's, DMA, IAB, and ARF) publicly announced a working definition of engagement at *re: Think*, the ARF Annual Conference. That working definition reads, "Engagement is turning on a prospect to a brand idea enhanced by the surrounding context." Considerable conversation, debate, and research have been swirling around the definition in the past year.

At the same Annual Conference, the ARF distributed a whitepaper entitled "Measures of Engagement." The whitepaper was filled with new, operational measures of engagement -- some around measuring the engagement in the brand, some with engagement in the brand message, and some with focus on engagement in the context. All the measures described in the whitepaper had been reviewed by the MI4 task force and seen to be worthy of consideration by industry players.

While new research measures and new research companies continue to enter into the world of "engagement measurement," the Whitepaper has been a "bestseller" in the past year. We therefore felt compelled to begin working on "Measures of Engagement, Volume II." Volume II is rather heavy on the measurement of engagement in brand messages, but that is a welcomed shift in focus. This area (affectionately known as copy testing) has seen little innovation in theory and measurement in the past several decades. So, we are pleased to feature a range of innovative, yet empirically tested approaches to measuring engagement in the brand message.

In order to frame these measures, we have included a seminal paper by Robert Heath from Bath University on predicting attention and predicting engagement. I urge you to read it and think about how it relates to your situation, campaigns, and challenges.

Will there be a Volume III? It depends upon your continual interest, feedback, and support. We certainly want to know about new and valuable measures of engagement. The entire industry will benefit.

Warm Regards,

Joe Plummer
Chief Research Officer
The ARF
March 30, 2007

I. Engagement Framework

How Do We Predict Attention and Engagement?

Dr. Robert Heath
University of Bath School of Management
Brief Summary of paper presented at ARF Annual Convention 2007

Abstract

This paper develops two new definitions for attention and engagement. *Active attention is primarily a conscious rational construct*, and level of attention therefore defined as the amount of conscious 'thinking' going on when an advertisement is being processed. *Engagement is a subconscious emotional construct*, and level of engagement is therefore defined as the amount of 'feeling' going on when an advertisement is being processed. I present evidence to show these two constructs operate independently of one another and discuss how research can predict the levels of emotional engagement and rational attention that advertisements are likely to generate.

Introduction

In 2006 Heath Brandt & Nairn conducted a two part online research study (2006). The first part tested a total of 43 currently on-air TV ads (23 in the USA and 20 in the UK) for their emotional content and rational content using a research technique called the CEP™Test (Cognitive Emotive Power Test). This test, operated by OTX, quantifies two constructs: Cognitive Power™, which measures the potency of the message and rational information in the advertisement, and Emotive Power™, which measures the potency of the emotional content or creativity in the advertisement. The second part used an independent sample to measure favorability towards each of the brands being advertised, using a 10 point scale. In this test, respondents were also shown selected video sections of each of the advertisements to ascertain whether they had seen them before. The brand favorability scores were then split between those who did and did not recognize the advertisement, enabling the difference in brand favorability created by exposure to the ads to be calculated.

With these two data sets it was possible to examine the correlation between the three different constructs: Emotional Content (Emotive Power™), Rational Content (Cognitive Power™) and Shift in Brand Favorability. Despite differences in advertising styles across the two countries, the results were consistent. Emotive Power™ showed a significant linear relationship with the shift in favorability, but Cognitive Power™ showed no significant relationship at all.

The implications from this study are that it is not the rational 'message' that drives favourability towards brands and makes them strong emotional, but the emotional 'creative' content. If this is the case, then it means we have to re-examine the idea that the main purpose of engagement is to make the message in the advertising more effective.

A) Defining Attention and Engagement

In this article, I define the level of attention as *'The amount of cognitive resource being deployed'*, in line with MacInnis & Jaworski (1989). In layman's terms this means the level of attention is the amount of 'Conscious Thinking' directed at the advertising.
It is also important to be clear about what is meant by the word 'emotion'. The definition I have adopted in this paper is to use emotion to signify *any* stimulation of the feelings, at any level. It follows that emotional content in advertising represents *anything* that is capable of stimulating the feelings of the viewer. Note that using this definition, emotional content does *not* have to produce an *overt* 'emotional' response by the consumer. So you don't have to laugh or cry for something in an advertisement to be categorized as emotional content.

Processing of Emotion

Feelings are much more important and influential than we in the West tend to think they are (Gordon 2006), and are processed much more quickly than we think they are. Zajonc was the first to assert this (1980), concluding there were three main reasons why feelings must be pre-cognitive: First, they are unavoidable: *'One might be able to control the expression of emotion but not the experience of it'* (1980: 156); Second, they operate without the need for words and are very hard to verbalize: *'The communication of affect relies… on non-verbal channels… Yet it is remarkably efficient'* (1980: 157); Third, they are hard to measure: *'If … preferences were nothing more than cognitive representations …then the problems of predicting attitudes, decisions, aesthetic judgments, or first impressions would have been solved long ago.'* (1980: 158).
Damasio recently has provided evidence that emotions and feelings are formed in what is called the *'proto-self'* (sic), whereas thoughts are formed in what is known as *core consciousness* (Damasio 2000). He shows that activity in the proto-self always precedes activity in core consciousness. This therefore means that emotions and feelings are always formed pre-cognitively (2000: 281).

This concurs with Mast & Zaltman's view, that '*The processing that underlies (emotional) evaluation is enormously fast and does not require conscious effort'* (ARF 2006: 19). It also agrees with Norm Lehoullier's view, which is that the first level of engagement requires the consumer to be *'Emotionally receptive…'* (ARF 2006: 4). So this means that models like that of Lavidge & Steiner (1961), far from being about 'thinking' leading to 'feeling' which leads to 'motivation', should really be as in Figure 1:

Figure 1:

FEELINGS → CONSCIOUS THINKING → ATTITUDE CHANGE → DECISION

Emotion and decision-making

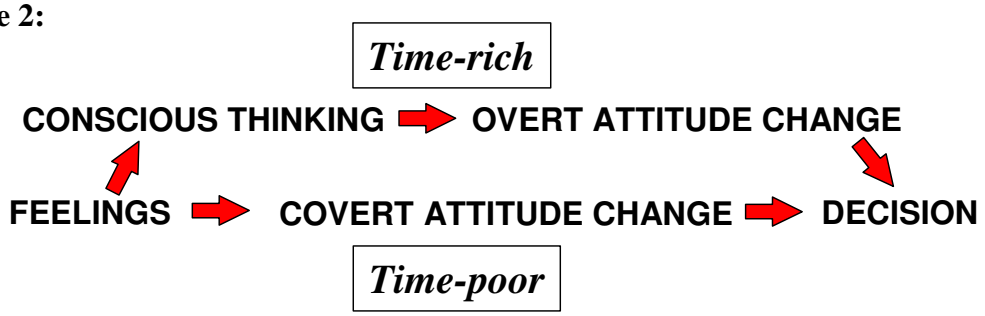
Lavidge & Steiner predicted that motivation would be the sole influence on decision-making. Psychology has shown this also to be an incorrect assumption. Damasio (1994), referencing cases where rational decision-making capability is impaired, has shown that emotions and feelings act as a gatekeeper to decisions. This he uses to explain intuitive decision-making, which he believes arises from *'somatic markers'* (sic) – defined as feelings associated with outcomes and embedded in semantic memory by past learning.
Damasio's theory has been validated by Shiv & Fedhorikhin (1999). They gave subjects an unrelated task to perform, and as a reward offered them the choice of either chocolate cake or fruit salad. Half the sample was told they had to make their minds up about the reward

immediately, and the other half was told they could decide later on. Those operating in the constrained time situation tended to choose chocolate cake, and those who had no time constraint tended to choose fruit salad. In other words, when time is limited our choices are likely to be driven by our feelings rather than by logic or rationality.

In circumstances like this the change in attitudes which occurs will not be overtly evident. So it is necessary to divide attitude change into overt attitude change, where the consumer is aware of and can answer to questions about their new attitudes, and covert attitude change, where the attitudes which have changed are subconscious and not evident. This corresponds to the idea of explicit learning and implicit learning (Heath 2001, Heath & Nairn 2005).

Reflecting Damasio's theory, two routes emerge for processing advertising, as in Figure 2.

Figure 2:



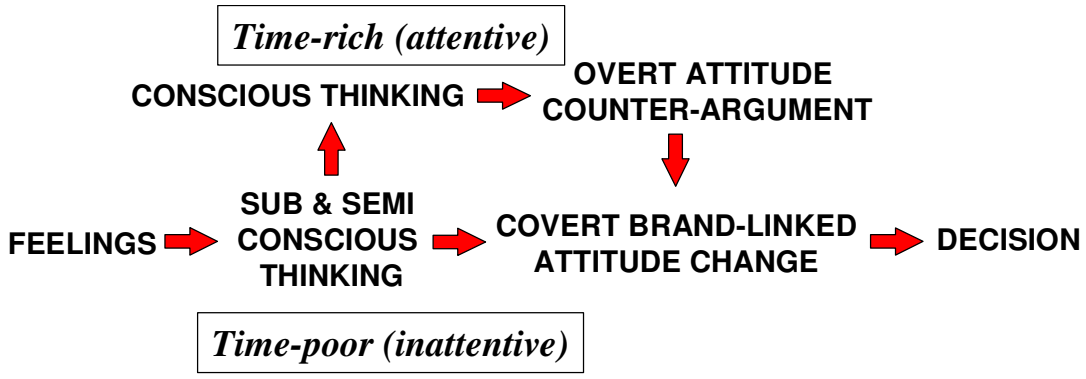
This model, however, will fall down, because the covert attitudes have no way of being attached to the brand. Brand linkage demands at least some passive learning to be taking place, even if this takes place at low levels of attention. So it is necessary to examine in more detail what happens in conscious thinking.

Conscious Thinking

Level of Attention is defined as the amount of 'conscious thinking' going on. Active Attention is when application is willful or deliberate, and the process is controlled by the individual's goals. Passive Attention is when the application of attention is inadvertent and is controlled by external stimuli. In respect of processing and learning from advertising, high attention fully-conscious thinking is called 'active learning', and low attention semi-conscious thinking is described as 'passive' learning. Learning which takes place without any attention is subconscious, and is termed 'implicit' learning (Eysenck & Keane 2000: 532).

Much of our decision-making happens at a subconscious level, and is reported to our conscious brain post-hoc. That wouldn't be a problem were it not for the fact that Attention operates only in our conscious brain, not in our subconscious brain. This enables us to interpret Damasio's two routes slightly better, as in figure 3:

Figure 3:



All this is really saying is that we have *always* formed an attitude about a decision through emotional and a subconscious rational processing before we start to consciously and actively 'think' about it, so our conscious thinking tends either to support the decision or counter-argue it.

Definition of Engagement

If, as in our model, attitudes can be changed without active conscious processing, then the level of Engagement a consumer has with advertising is going to be *entirely* dictated by the amount of 'feeling' that goes on at the start of the process. So 'Level of Engagement' should rightly be defined as *'the amount of subconscious 'feeling' going on'*. This then operates as an 'affective' equivalent to the 'cognitive' definition of attention defined earlier, being *'the amount of conscious 'thinking' going on'*.

So this yields two definitions, as follows:

- **Level of Engagement:** The amount of subconscious 'feeling' going on when an advertisement is being processed
- **Level of Attention:** The amount of conscious 'thinking' going on when an advertisement is being processed.

The ARF working definition of engagement is *'Turning on a prospect to a brand idea enhanced by the surrounding context'* (ARF 2006: 10). Defining engagement as 'the amount of feeling going on when an ad is processed' seems to me to precisely reflect the idea of 'turning on… enhanced by surrounding context'. There is, of course, another important idea also enshrined in the ARF working definition, which is that the turning on relates to a *brand* idea, not just to the execution itself.

B) What is the relationship between Attention and Engagement?

There is one indicator which betrays how much 'conscious thinking' is going on, and that is the speed of our eye movements. If we are highly attentive and 'hungry' for information, we move our eyes around so we can focus on more and collect more information. Conversely, if we are inattentive and feel we don't need much information we move our eyes around more slowly (Rayner & Serano 1994). These tiny eye movement are barely visible to an observer, but can be tracked very accurately by a modern computer-operated eye-camera system.

Using a lightweight head-mounted eye-camera system we at Bath School of Management have been able to measure attention towards advertising in a near-real media consumption situation. The results suggested that the average attention paid towards TV advertising is between one third and one half that paid towards newspaper advertising. In other words, TV advertising is indeed low attention compared with press advertising. But what was even more revealing was the nature of processing observed. With newspaper reading the processing was clearly goal-driven. Subjects started reading at a deliberately determined point of the paper, and scanned pages carefully and systematically. Ads were sometimes briefly fixated, sometimes carefully read, sometimes avoided altogether, but never did the eyes wander over the paper aimlessly.

With TV, processing was completely different. A few subjects started by watching the screen carefully and followed the action, but most watched in a 'lazy' way. Some looked directly at the screen, but others continuously scanned from side to side across it, never looked directly at the

screen at all. Within a few minutes all subjects would look away from the screen, and this continued throughout the 30 minute program, sometimes for lengthy periods.

What this suggests is that TV and newspaper processing are quite different. Newspaper processing appears to conform to the systematic goal-driven 'top-down' processing of the Information Processing Model. But TV processing is predominantly automatic, stimulus driven 'bottom-up' processing. This suggests that, although the model in Figure 3 may apply to print, for a lot of TV advertisements the model is going to look more like the 'Time Poor' model, as shown in Figure 4 below.

Figure 4: TV Processing Model

Measuring Attention and Emotion

The eye camera is a method of measuring attention. In addition, it is possible to measure emotional content in advertising using the CEP™Test. This therefore gives the opportunity to examine how emotional content in advertising interacts with attention.

A general assumption amongst practitioners and academics is that emotion is a driver of attention. But this assumption has never been empirically verified. In order to test their validity we set up a study at Bath School of Management in which we manipulated a set of advertisements to have high levels of emotional content and low levels of emotional content using a technique similar to the CEP™Test. We then exposed these to respondents in exactly the same way as described above. The results, which will be published in full later in 2007, were astonishing. High levels of emotional content in advertising were significantly correlated at 99.9% with LOWER levels of attention (Heath & Feldwick 2007). In other words, the more emotional elements there are in an advertisement, the less cognitive resource is used to process it, i.e. the LESS attention is paid to it.

In the same experiment we also measured liking of advertising. Du Plessis is clear about the relationship between liking and attention. Citing studies from the Netherlands and Australia, he states: *'These studies show that there is little doubt ad-liking has an effect on the ability of a commercial to get attention…'* (Du Plessis 2005: 147). But when we measured the level of real-time attention paid to our 12 advertisements and correlated it with liking we found a similar inverse relationship, statistically significant at 98.8%. In other words, when people like advertising they use less cognitive resource to process it, i.e. they pay LESS attention to it.

Since it have been shown that emotion is processed without attention and without the need to use working memory (Damasio 2003) then it stands to reason that if, there is a lot of emotional content in advertising and not much rational cognitive content, less cognitive resource will need to be deployed. Conversely, if an advertisement has a high level of rational cognitive content then viewers operating in a stimulus driven mode will deploy more cognitive resource (i.e. more attention) when processing it.

Relationship between Attention and Engagement

Level of Engagement is defined as 'The amount of subconscious 'feeling' going on when an advertisement is being processed'. It is reasonable to assume that the amount of feeling which

goes on when an advertisement is processed is dictated by the amount of emotional content in the advertisement. Thus high levels of emotional content will equate to high levels of engagement. But we know in the experiment carried out that in certain circumstances – TV advertising watched in a normal relaxed manner – the level of emotional content correlates with lower levels of attention. What this suggests is not necessarily that there is an *inverse* relationship between levels of engagement and levels of attention, but that there is NO direct relationship between levels of attention and levels of engagement. The two are able to operate orthogonally.

Conclusion

In section A) of this paper I developed two definitions for Engagement and Attention:

- **Level of Engagement** is defined as the amount of subconscious 'feeling' going on when an advertisement is being processed
- **Level of Attention** is defined as the amount of conscious 'thinking' going on when an advertisement is being processed.

I suggests that this definition of engagement fits very well with the ARF working definition of engagement: *'Turning on a prospect to a brand idea enhanced by the surrounding context'* (ARF 2006: 10). 'Turning on… enhanced by surrounding context' can only be achieved if the creative execution achieves a high level of 'feeling' response in the consumer. Of course, that feeling needs to be linked to the brand idea, otherwise it is nothing more than a meaningless passing moment of stimulation.

What is important about these two definitions is that they do not overlap. Experimental research reviewed in section B) suggests that engagement and attention, as represented by emotional and rational content in advertising, operate independently and are not, as most people assume, causally connected to one another. It seems possible to be highly emotionally engaged with advertising and yet not be paying much attention, or to be highly emotionally engaged and paying a lot of attention.

Research suggests that if advertisers wish to build strong brands then emotional engagement is more important (Heath Brandt & Nairn 2006). But it is well accepted that attention facilitates information processing (Gardener & Parkin 1990), so if advertisers wish to communicate rational news and information – performance claims, price offers, website addresses and the like – and instill these into the consumer's memory, then their advertising has to achieve reasonably high levels of attention. If advertisers need to build a strong brand *and* achieve both good communication, then their advertising needs to achieve both engagement and attention. What is certain is that achieving neither means you are in serious danger of wasting your money.

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II. Engagement Measures of Brand Message

Ameritest

Picture Sorting *Casablanca*

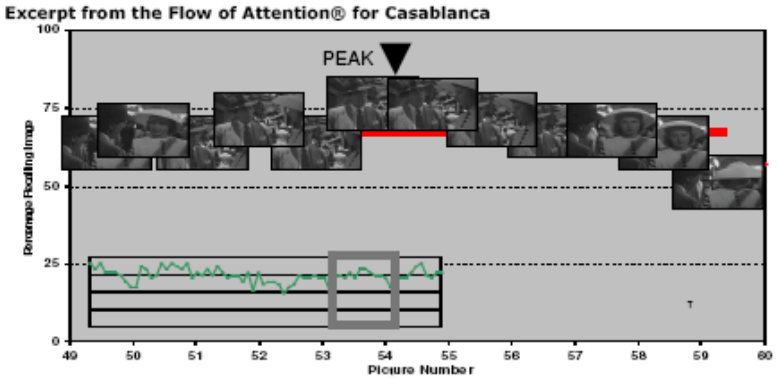
The research problem of measuring media engagement is, from a psychological standpoint, the same problem as measuring advertising engagement. The difference between programming content, or "entertainment", and advertising is that advertising in all its forms must somehow move the consumer closer to a brand. Unlike entertainment, the goal of advertising is not simply the immediate experience of the film itself but rather it is the creation of lasting memories and emotional associations that contribute to brand equity. At the heart of the problem of measuring engagement lie more questions about how brands get built.

Of course, programming content must also engage the mind and heart of the viewer and move her emotions along to some final resolution. Robert McKee, a popular consultant and teacher to Hollywood directors and scriptwriters, uses the classic movie *Casablanca* to illustrate many of the theoretical principles discussed in his best-seller, *Story*. This beat by beat analysis of a classic movie by a master creative writer provides us researchers with a detailed *theory* of how this movie should work to engage audiences—a theory which can now be tested with data from picture sorting measurement tools. In the example of Casablanca, art and science, theory and data, come together in the start of a beautiful friendship.

The Flow of Attention

McKee describes the "beat" as the "fundamental unit of film structure." From a visual storytelling perspective, the peak moments in an Ameritest Flow of Attention® curve can be thought of as the beat of the co-creative dance that takes place between the director and the audience. The Flow of Attention graph is a researcher's tool for visualizing the beat of film, the cognitive foot-tapping that accompanies the temporal experience of moving images. Part of the Flow of Attention for the "Bazaar" scene in Casablanca is shown in Exhibit 1. The eleven beats identified by McKee in his written analysis of this scene line up quite well with the eleven peak moments identified by the Flow of Attention.

Exhibit 1 Ameritest Flow of Attention® — "Casablanca: Bazaar"



One deep reason why picture sorts produce different results than traditional dial meters is that the frame of reference for measurement provided by dial meters is objective "clock time", while the frame of reference for the picture sorts measurements is the "subjective time" of the film "world". Indeed, new research has shown that a fast or a slow rate of attentional peaks in the Flow of Attention is directly related to the speed at which "time" seems to pass in advertising film. Good movies "fly by", while bad movies "drag on."

Flow of Attention peaks are those moments in the ad where assembly of the brand idea takes place, before the audience's attentional blink—"Got it!" From testing thousands of television commercials, we know empirically that more attentional peaks are associated with more involving, interesting, and unique executions and hence these executions get higher attention scores and, depending on the type of information contained in the peak moments, higher recall scores as well.

The Flow of Emotion

The flow of audience feelings through film can be thought of as the total volume of psychic energy, both in terms of emotions that touch the heart or sensations that touch the body, pulsing through the image stream. It is from the creative tension between positive and negative emotions that dramatic energy or *conflict* arises. In the words of McKee, "Put another way, conflict is to storytelling what sound is to music"

The Flow of Emotion graph is a tool for visualizing the positive and negative energy in film or video. To analyze how well a piece of film has done its work, a content analysis of the visual imagery should deal with how consumer emotions *change* from the beginning to the end of the ad, how dramatic *tension* is created between emotions with a positive versus a negative valence.

For advertising, we have previously explored how those feelings are transferred to the brand and have used the Flow of Emotion curves to identify *four* fundamental emotional archetypes, or dramatic structures, each of which can be the basis of effective storytelling.

For Casablanca, McKee provides a beat by beat analysis of the change in the emotional valence from the beginning to the end of the mid-act climax bazaar scene, a scene which starts on a hopeful positive and then turns dramatically to dark negative.

At the beginning of the encounter between Ilsa (Ingrid Bergman) and Rick (Humphrey Bogart) at the vendor's stall, we (the audience) are siding with Ilsa: last night and Rick's awful behavior are fresh in our mind and we are looking forward to seeing him grovel and apologize. However, during the initial phase of the interaction, with the help of the vendor we come to realize that Ilsa and Rick are truly, genuinely in love and there is much more going on than what we see on the surface. We begin to care about them as a couple and are hopeful for a positive outcome of this encounter: he'll apologize, she'll accept his apology and they will live happily ever after.

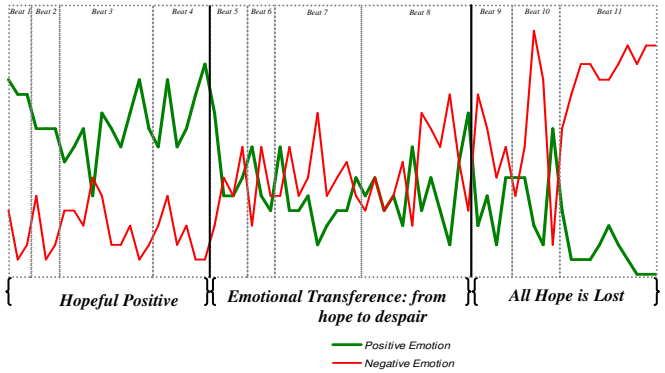
Thus, we begin to be very emotionally engaged with the scene, reacting strongly to their every glance, every word and movement. This is a moment of emotional transference—where our initial feelings are changed by the characters' words and actions. Then there comes a moment of

truth—an *emotional pivot* in beat 8 where Ilsa states that they will NEVER see each other again. This is when our overall emotional response to the story changes from being mostly positive, with occasional bursts of negativity, to overwhelmingly negative. We feel strongly for both the characters and for their relationship and are very sad that there will be no happily ever after for Rick and Ilsa as a couple.

Data supporting McKee's interpretation of the scene can be seen in the Flow of Emotion graph, in Exhibit 2. From an emotional engagement standpoint, we see not only the level of audience involvement (and conflict) with the scene, but a clear phase transition in the emotions of the audience from positive to negative. This occurs at the unexpected turning point beginning on beat 8 as a gap opens up in Rick's understanding of Ilsa's true motives for leaving him.

Exhibit 2 Ameritest Overall Flow of Emotion® — "Casablanca: Bazaar"

Ameritest data are a strong fit with Robert McKee's theory.



Branding Moments of Film

A story is first, last, and always, according to McKee, the experience of aesthetic emotion—the simultaneous encounter of thought and feeling. These are the meaningful moments we replay in our mind as we leave the theater.

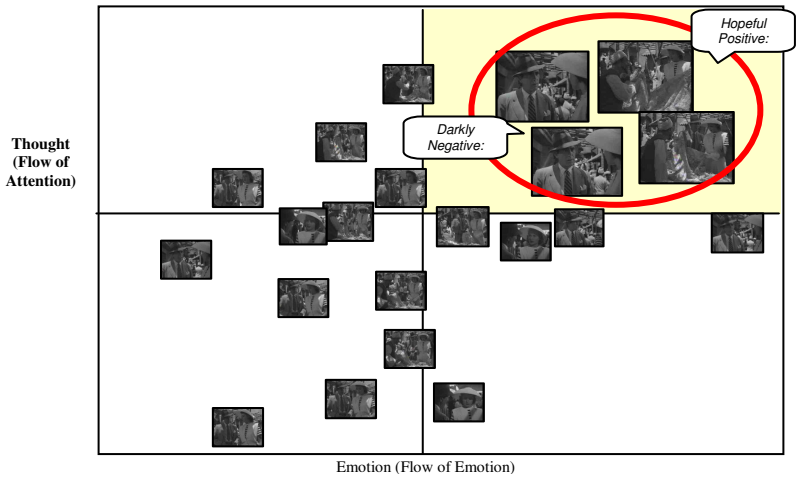
Two dimensions of engagement are necessary for measuring media engagement because effective media engages both our minds and our hearts. The Flow of Attention and the Flow of Emotion provide different and complementary insights into how an audience interacts with film, both in terms of pre-conscious search and emotional imaging processes. We know this because the two time series data of audience engagement are uncorrelated—and each provides strong insights into traditional report card measures of advertising performance, such as Attention, Recall, and Motivation.

From advertising tracking studies, we know that the images from an advertising campaign that make consumers simultaneously *both think and feel* are much more likely to be associated with the brand's image long after the ad has gone off air. Images that engendered a thought without an emotion—or an emotion without a thought—are not associated with the brand to any significant degree over the long term. When advertising forges a link between different systems of the mind, thought and feeling unite to form the meaning of the brand.

These are the "privileged moments" of film—"key" frames that define a scene or provide vivid memory markers that illuminate the trajectory of a storyline. In advertising film, these are the "branding moments" that enter the three different memory systems of the mind to build long-term brand image—i.e. the Knowledge, Emotion and Action memory systems. These special moments in film can be identified at the intersection of thought and emotion, by plotting the Flow of Attention versus the Flow of Emotion in a grid, like that shown in Exhibit 3.

Exhibit 3 Branding Moments of the Film

Branding Moments: Thought and Emotion come together to build emotionally charged long-term memories.



For the Bazaar scene in Casablanca, these frozen moments of time capture the essence of the scene, the arc of our emotions. From the beginning, these images picture our hopefully positive emotions towards Ilsa, which turn at the end, to our images of Rick's despair. It is in electric current between these positive and negative images that moves us closer to the underlying, controlling idea for this film - and understanding of the nature of true love.

BrainJuicer

FaceTrace™: Using Faces to Measure Emotional Engagement for Early Stage Creative Development

Synopsis:

BrainJuicer's FaceTrace™ solution is an early stage Quali-Quant tool that helps marketing professionals determine the emotional valence of potential advertising stimuli in order to make better informed advertising development decisions. Based on the academic research of Paul Ekman, BrainJuicer's FaceTrace™ provides a one number summary of emotional engagement together with rich diagnostics to explain why and how the advertising stimuli provoked the emotions it did. Experimental data from 20 adverts across 10 categories shows our Emotional Engagement Score to be a good proxy for overall advertising effectiveness potential as it has a

strong correlation with traditional measures of advertising effectiveness: Memorability, Involvement, Impact, Brand Linkage, Difference, Purchase Intent and Relevance. The ability to read emotional engagement provides the opportunity to efficiently and sensitively screen multiple creative routes or numerous elements of a single campaign with just 1 extended question.

Background

Professor Paul Ekman has studied human recognition of emotion extensively in a wide variety of cultures. He has received many honours, including the Distinguished Scientific Contribution Award of the American Psychological Association, and was recently listed among the top one hundred most influential psychologists of the C20th. He is a world-renowned expert on facial expression, deception and emotion and has, in the course of forty year of research studied the faces of the New Guinea tribesmen, schizophrenic patients, spies, serial killers and assassins.

His research has shown that there are seven basic human emotions expressed through facial expressions. The emotions Happiness, Sadness, Anger, Disgust, Surprise, Fear and Contempt have been shown to be culturally consistent and are expressed and recognised through identical facial expressions across the globe.



BrainJuicer's Measurement of Emotional Intensity

Building on Paul Ekman's research, BrainJuicer determines emotional intensity for any creative stimuli by leveraging respondent recognition of these seven universal emotions. This is achieved online through the respondent selection of a face – from the universal seven – that best describes the emotion felt when presented with the stimuli (Fig. 1). In addition, the degree of emotional intensity for each emotion felt is determined through respondent selection of one of three further facial expressions, to provide the best match for the intensity of the emotion felt at the initial selection (Fig. 2). We believe that the visual representation of faces in a survey engages the respondent on both a subconscious and emotional level, reaching deeper than the rational neural processes that are usually engaged by quantitative survey research.

Fig .1: Which of these faces best expresses how you feel about this advert?

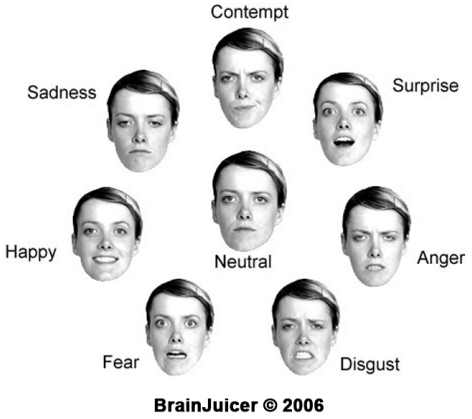
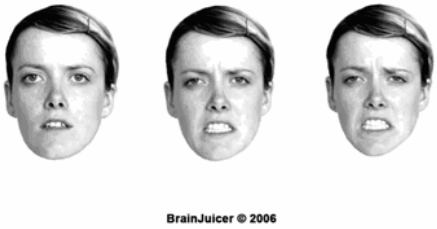


Fig. 2: Now, to what degree did this advert you make you feel [selected emotion, e.g. disgust]?



Early Advertising Development

Early advertising development decisions typically rely on qualitative research or later stage animatic copy testing. Often early creative development decisions are made on "gut feel" or are based on a small number of responses from focus group participants. As an early-stage quantitative advertising development tool, the FaceTrace™ helps determine *the degree of emotional engagement* or intensity behind a wide variety of potential creative stimuli (example: images, audio, campaign elements), thereby helping to screen and select the stimuli with the most potential for further development.

BrainJuicer's MindReader diagnostic tool then builds on this, providing rich insight into the "why and how" the stimulus triggered the emotions it did, thereby helping to guide and inform the next stage of advertising development. The MindReader tool is a patented BrainJuicer questioning device, allowing us via an automated laddering technique to probe each respondent's answer to understand underlying feelings. Respondents either enter their own answer or chose from the most popular responses of previous respondents, automatically grouping up the most mentioned answers to collect the detailed thoughts and feelings of respondents on a quantitative scale. The result is a quantitative analysis of rich qualitative responses (Fig. 4).

Methodology: The Emotional Intensity Score

BrainJuicer's Faces Screening Tool uses a short 15 minute online survey. Sample size can range from 150 to 300 respondents.

STEP 1: Respondents are shown one of up to four stimuli (rotated in a block design) and asked to select the face that best expresses the emotions felt.
STEP 2: Respondents are then asked to choose one of the three corresponding faces that match the intensity of the emotion they felt.
STEP 3: Respondents are asked why they felt that way – what triggered that emotion – using the MindReader survey tool.
STEP 4: Respondents are then asked to rate their responses in terms of how positive and negative it makes them feel on a three point scale.

The above four steps are repeated for up to four stimuli.

An overall emotional intensity score is determined by measuring the degree of emotion felt regardless of the nature of the emotion. Both the positive and the negative emotional reactions are incorporated in the Emotional Intensity score (Fig. 3). Fig. 4 illustrates an example of 6 ads tested, each with their corresponding Emotional Intensity Score and the nature of the emotions that make up the score (% of respondents feeling each emotion at all).

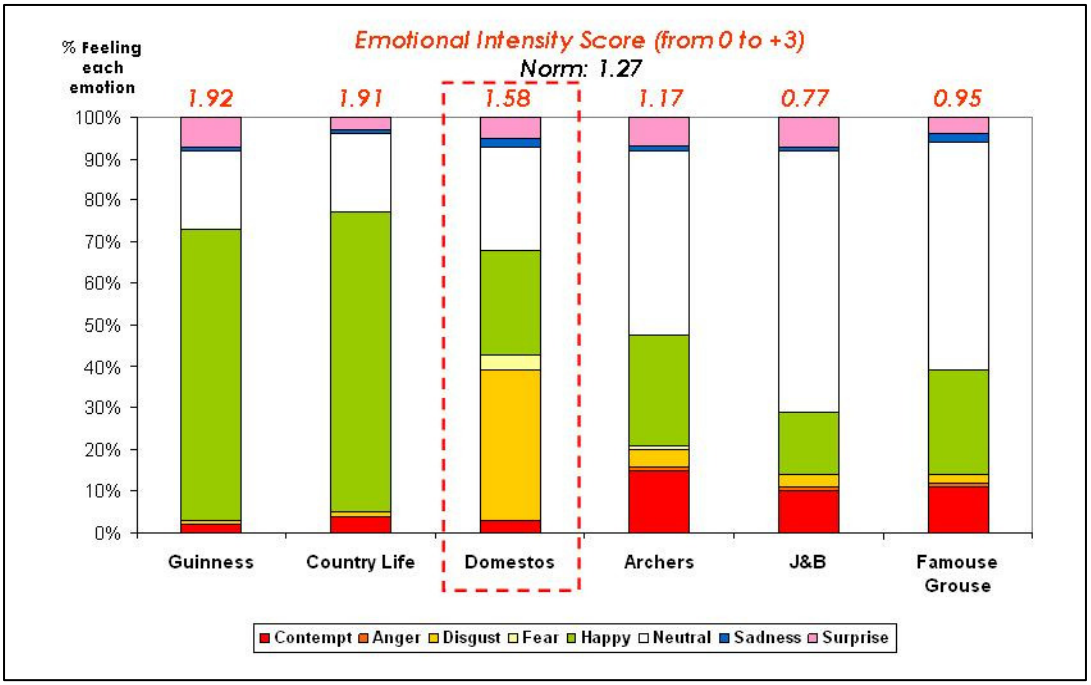


Fig. 3 Illustration of Emotions Felt and Emotional Intensity for 6 Ads Tested

Reason for face - Contempt 'Domestos'		Reason for face - Disgust 'Domestos'		Reason for face - Fear 'Domestos'		Reason for face - Happy 'Domestos'		Reason for face - Surprise 'Domestos'	
%	(15 x All)	%	(181 x All)	%	(18 x All)	%	(124 x All)	%	(27 x All)
33	The worm shown was too weird	15	The disgusting sludgy germ, unpleasant	33	Is the toilet bleach and disinfectant I am using enough to kill these germs?	12	It made me laugh and want to keep watching to see what it was for	22	I was surprised to see something creepy. I like the ads though was like a film
20	Creates fear of germs - over exaggerates risk	14	The ad is repulsive and makes you not even want to watch to see who it is for	33	Horrible ad...almost frightening and wouldn't want my kids to see it	11	it portrays domestos as a strong bleach which will kill all germs makes me	15	The shape of the 'germ'!
13	Unpleasant	10	Looked disgusting, dirty, smelly. Slimy	22	Dark and gruesome character	10	It was funny and a bit menacing - good animation	15	It made me cringe
		8	The ad is repulsive and makes you not want to watch to see who it is for!			7	Just fun	15	So kind of horrid, for an ad, but amusing too
		6	Icky, utterly revolting, but very very clever			7	It made me laugh	11	It was quite entertaining for a bleach ad
		5	The ominous voice and the disgusting yucky bug			7	It was very funny and a bit disgusting!	7	The 'millions of germs will die' statement
		4	Germs are disgusting anyway, but these along with the voice grossed me out!			6	It was different and i like animations compared to supposedly real people	7	I was surprised to see something creepy and nasty looking. I like the ads
		4	Looked slimy and evil and made me want to clean my loo			6	The kind of ad you would call people into the room to see very funny!		
		3	Didn't know what it was meant to represent initially & generally disgusting			4	It was funny! Also a bit suggestive!		
		3	The Germ Was Vile To Look At - Dirty And Smelly Looking			4	Its fun, but in the same vein as previous Domestos adverts		

Fig. 4 What Triggered the Emotions Felt: Domestos

The Emotional Intensity Score is a good proxy for likely advertising effectiveness across a wide variety of measures. Fig. 5 illustrates correlations between key advertising measures and the Emotional Intensity Score. As expected, the strongest relationship between emotional intensity is

with claimed memorability and perceived impact. However, emotional intensity also has a positive relationship with persuasion, purchase intent, top box brand linkage, difference and relevance. Clearly, as a early creative development screening tool, the Face Screen and one number Emotional Intensity Score can help select creative stimuli with the best potential for overall advertising effectiveness.

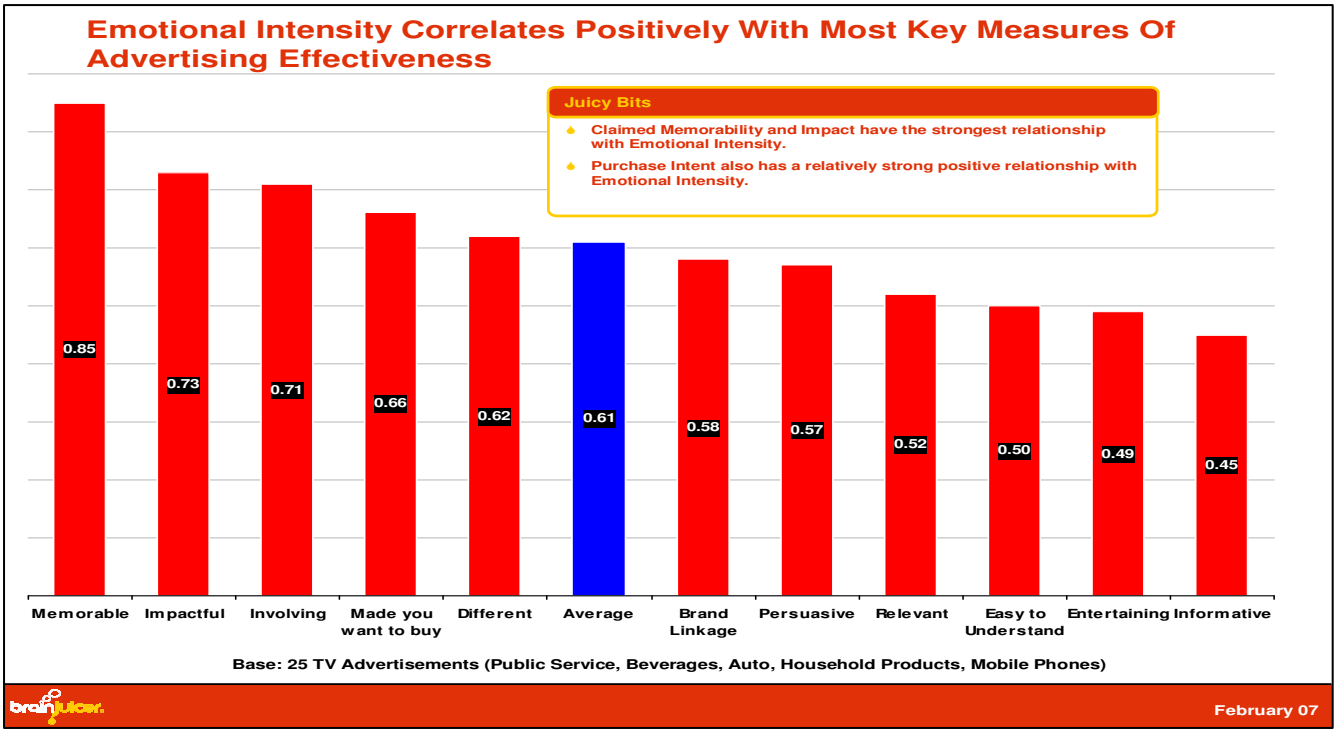


Fig. 5 Correlation of Emotional Intensity with more Traditional Ad Testing Measure

Summary

- As an early stage creative development screening tool, BrainJuicer's FaceTrace™ provides marketing professionals with the confidence to select and nurture creative stimuli that are most likely to generate a strong emotional response and hence maximizes the opportunity to deliver emotionally engaging and effective advertising.
- FaceTrace™ is a validated measure of emotion and is culturally consistent and hence allows for confident cross market comparisons (which is particularly useful for global advertising campaign development).
- Employed online using BrainJuicer's unique survey tool, respondents are engaged and respected by completing a fun and relatively short survey.
- Studies are very cost effective and results can be provided very quickly.
- The rich MindReader diagnostics provide the critical "why" behind the emotions felt resulting in a strong appreciation of how to create the most compelling ad.
- The one number Emotional Intensity Score helps simplify decision making.

Gallup & Robinson

Gallup & Robinson's focus has been on measuring message effectiveness since its founding in 1948. Much of that focus has been on measuring advertising performance in the media context in which advertising exposure takes place so the idea that the two work together is a longstanding tenet of the company's philosophy. Whether we are measuring the in-context effectiveness of individual advertisements via copy testing or of in-market multimedia campaigns via tracking, we have always looked at some measure of the attention that is being paid to it and some measure of the Engagement or affect the advertising has had on the respondent/audience. We have also accumulated considerable knowledge about Involvement, a closely related precursor to Engagement, based on open-ended questioning about viewer and reader response. As a result of our work we conceive of Engagement as having cognitive and emotional dimensions that result from the interaction of a prospect, a brand, a medium/marcom channel and a message to produce desired behavior. We believe that Engagement measurement needs to be closely linked to the specific goals of the brand and communication vehicle we are evaluating. Thus, we do not offer a single Engagement measure, per se, but infer the effectiveness of advertising Engagement through a series of measurement tools that reflect different aspects of its contribution to the brand.

Impact Copy Testing

One of G&R's core systems for evaluating individual magazine, television, newspaper and radio advertisements is known as the Impact method. The Impact method, which was invented by G&R, begins with an exposure context that presents the stimulus within a program or magazine. Questions are asked about both the media and the advertising, with questions about the advertising being asked on both a delayed (24 hour) and immediate (after re-exposure) basis. The Impact interview includes multiple measures that relate directly to cognitive and emotional ad Engagement. The most direct and traditional indication that an advertisement has achieved cognitive Engagement is its target consumers' ability to describe its message and creative elements a day after exposure. In-context Recall measures are at the core of G&R's Impact copy testing system. They indicate that advertising perception has crossed over the conscious threshold to be cognitively translated into a verbal expression of brand awareness and ad content. The Impact technique also uses proprietary open-ended free-association questions to additionally probe emotional reactions to the advertisement. It also employs a battery of emotion-based brand attributes as its primary measure of emotional Engagement. Significant differences in attribute ratings after ad exposure vs. established category norms indicate specific attitudinal areas of emotional Engagement with brand messaging or imagery. Custom questions are frequently added to probe facets of emotional Engagement unique to a particular execution.

The Impact battery has more recently incorporated several metrics considered to reflect Engagement very directly. One of the more interesting of these, the Net Promoter Score, measures the likelihood of recommending an advertised product or service to a friend or colleague. Here's an example of how Net Promoter works in copy testing (see Figure 1). Among the total sample, the Net Promoter Score is negative. Among ad recallers, it is more positive and among people who both recall and are persuaded by the ad it is even more so. Brand users have even higher NPS levels. While cause and effect issues are complex, advertising that breaks

through and gets noticed in a persuasive way seems to serve as a bridge for conducting people from strong negative levels to the strong positive levels of brand users (customers).

Case History: Net Promoter Scores in a CPG Category by Ad Content Response Segment

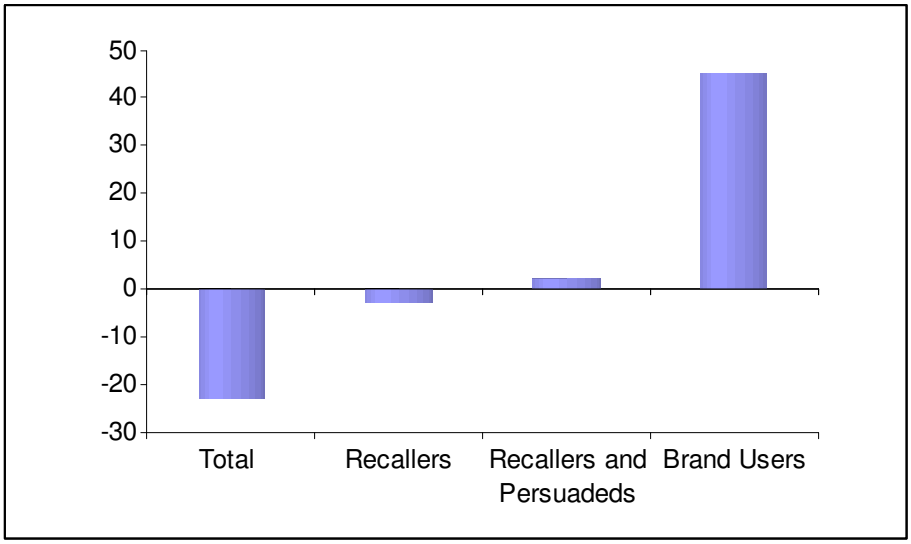


Figure 1

CERA Emotional Response Testing

Despite their well-documented validation, self-report systems have methodological limitations when the primary purpose of the research is to measure Engagement in terms of the emotional connection that the stimulus imprints. This limitation is not overcome by the use of less verbal devices like icons or knob turning because they are not natural markers of emotional response and, like language, only enable us to see emotional response through cognitive lenses. For that reason we have developed a new proprietary system for measuring emotional Engagement. Called CERA, for Continuous Emotional Response Analysis, the system is based on the continuous measure of facial electromyographic (EMG) reaction to advertising stimuli. The measures are obtained via sensors attached to the facial muscles of target consumers as they are presented with various message stimuli. CERA is physiological and operates at the pre-conscious level, unlike self-report systems which require some form of filtered deliberation before emotional response can be revealed. The measures differ from and are more powerful than the older physiological systems, like skin conductance and brain waves, which essentially measure arousal and not emotional valence.

Looking at commercials through CERA opens up a new dimension for understanding Engagement. It also enables us to fill in some of the missing pieces in understanding advertising performance, including how individual advertising messages contribute to a commercial's overall effectiveness, how branding moments can be maximized, and how well individual selling messages and emotional enhancers resonate with viewers.

As an example of CERA as it was used in the ARF-AAAA Emotion in Advertising project, "Whassup," a Budweiser commercial that appeared in the Super Bowl, has proven in-market performance. CERA showed the commercial to be the most emotionally activating of several beer commercials tested among a target audience. CERA indicated high levels of positive activation that build throughout the commercial and, although reduced, remain strong during the final branding moments.

The kinetic visual display that CERA uses to show results synchronized with the moment-to-moment segment of the commercial that contributed to them is shown in Figure 2 below.

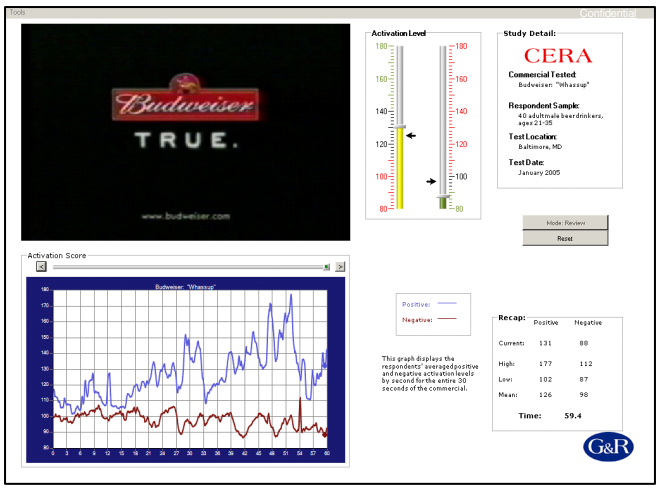


Figure 2

The static visual display that CERA uses to link results with the key parts of the commercial that contributed them appears as Figure 3.

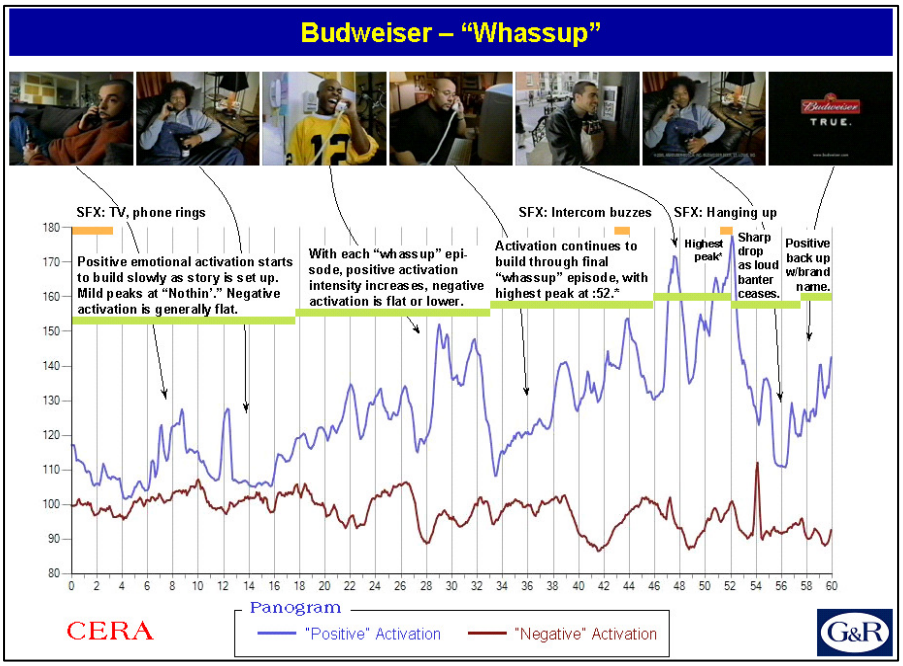


Figure 3

Marcom 360 Campaign Tracking

For campaign tracking, our studies use self-report methods that incorporate our learning about such measures and emotional response. A pre-exposure survey is first conducted to establish benchmark levels of multiple Engagement-related metrics. This enables the measurement of Brand Attribute Lift during subsequent campaign tracking waves as an indication of the campaign's success in engaging the viewer and, thereby, modifying emotion-based perceptions. At the cognitive level, tracking studies measure the lift in Brand and Campaign Awareness and Message Communication.

An enhancement to traditional tracking methods is provided by G&R's Marcom 360 service. Using relatively large online samples, this system re-exposes respondents to multiple channel elements and measures Reach via recognition of one or more of these elements. It then models the contribution of both the overall campaign and its individual elements to desired behavior-related outcomes, such as Purchase Intent Lift. Marcom 360 can be regarded as a multi-channel Engagement measure as it assesses conscious consumer interaction with each channel of a campaign.

G&R tracking studies are explicitly focused on behavioral Engagement measures. Among the Engagement lift metrics they track are Word of Mouth, Purchase Consideration, Purchase Intent and Net Promoter Score. In Marcom 360 surveys, post-exposure samples are recontacted after a suitable period to confirm actual brand purchases as a final validation of behavioral Engagement. Marcom 360 analysis models lift and sales as a function of exposure to all communication channels employed in a campaign to assess relative consumer Engagement with each. This analysis enables the calculation of program and individual channel ROI, perhaps the most meaningful single measure of Engagement impact available.

Recap

The dynamics of cognition and emotion and the relationship between the two in producing Engagement are still imperfectly understood. Gallup & Robinson's copy testing and tracking services employ a range of multi-dimensional metrics that cover the key aspects of the complex response phenomena of Marcom Engagement. Cognitive-based measures of Engagement's contribution to brand value include Brand Awareness Lift, Recall, Persuasion, Brand Attribute Lift, Word of Mouth Lift, Purchase Consideration Lift, Purchase Intent Lift and Net Promoter Score Lift. Emotion-based measures of Engagement include Imagery Shift, User-brand Self-image Convergence Analysis and Physiological Measurement of the markers that accompany emotional activation. By providing a variety of well-considered and empirically-validated Engagement-related metrics, along with the flexibility of adding others that relate to a specific execution, we are able to focus on those measures that are most closely linked to the cognitive and emotional objectives on which an advertisement or campaign is based.

Millward Brown

What do we mean by engagement?
Put simplistically, engagement occurs when consumers devote some mental time and effort to the brand, or brand communications. This is a prerequisite, but not a guarantee of, changes in brand perception and consumer decision-making.

Some background is needed to explain this. There is good scientific evidence that the brain stores information in three separate modules – representing Knowledge, Action and Emotion. The information in these modules needs to be integrated to be used, and a complex set of brain circuitry does this, known as the 'mental workspace.' This is essential for key activity, such as memory, decision making, integration of new and old information, consciousness and control over voluntary action. However, the capacity of the mental workspace is limited, and access to it within the brain is highly competitive. Information which fails to get into the workspace cannot have an influence on existing brand perceptions, or affect consumer decision making.

Put another way, engagement is getting a brand, or a brand message, into the consumer's mental workspace. Without it, marketing's effect on brand perceptions and consumer behavior is profoundly limited.

What generates engagement?
In other words, how do we get a brand or message into the 'mental workspace'? We must understand this before we come to measure it. The key is simply 'relevance'.

The contents of the mental workspace are determined by the relevance of information to a person's current activity, or broader interests and priorities. If information is relevant to a consumer's interests or tasks at the time of encounter, then it will get into the workspace; if it's not, it will be crowded out by other information that <u>is</u> relevant. Some brands are intrinsically interesting enough to be relevant most of the time they are encountered. Sadly, however, most are not – which means marketing communication has to be expressed in a way which is relevant to the consumer when it is encountered.

This is a key point: consumers engage with content, not media. While different media may generally be used in different ways, with differing general patterns of engagement, it's quite possible for consumers to be highly engaged with content but for this not to translate into engagement with advertising in that medium. For this to happen, the advertising has to be relevant to the topic the consumer is interested in at that time. So this argues very strongly for topic-relevant media placement as a means of generating engagement. For instance, if a consumer is interested enough in health and beauty to read a health and beauty supplement, then they are much more likely to engage with an ad for a beauty product than an ad for an unrelated product.

It also argues strongly that creative executions need to take into account consumers' mindsets at the point of encounter. If the consumer is seeking entertainment (e.g. when watching prime-time), then the message has to be implicit within entertaining material for the consumer to engage. If the consumer is actively searching for information on the category (say on a web

search) then the advertising needs to convey that information as efficiently as possible. To maximize engagement the advertising has to be tailored to the mindset.

How do we measure engagement?
There are two elements to this. The first is: 'what should we measure to help marketers *generate* engagement?' The second is: 'What do we measure to see if marketers *have* generated engagement?'

What should we measure to help marketers generate engagement?
If engagement comes from tying into consumers' mindset and tasks at the point of encounter, then we have to understand how target consumers use media, and to what end. So both quantitative research to understand media consumption (audience measurement), and qualitative research to understand how those media are used is key to enable marketing messages to tap into those mindsets. Millward Brown tools such as ChannelConnect speak exactly to this qualitative need. A qualitative research tool, this approach employs a variety of techniques to understand consumers' mindset when they encounter media, and their receptivity to brand messages through these encounters. This includes diaries or visual journals, observational work, depth interviews and group discussions, to fully explore the way in which target consumers can potentially connect with the client's brand.

The other side of the coin is the extent to which the creative will engage consumers, so at the copy-testing stage, we need to measure the resonance of the creative: the extent to which it is involving and enjoyable, and the positive emotions it generates. We also need to measure the extent to which the creative is branded, as engagement is selective – only the relevant parts of ads make it into the mental workspace and so have influence. If the brand is not integrated into those relevant elements of the ad that enter the workspace, the ad will have no chance of influencing brand perceptions. Of course, the copy test also needs to measure the extent to which resulting brand associations will be motivating, and are in line with brand strategy. Engagement is necessary to give marketing the chance to have an effect, but the impression that is left has to be motivating for the effect to occur. Millward Brown qualitative and quantitative tools for concept and copy testing, such as the Link™ suite of tests, are designed to provide answers in these areas. We offer a full service from early stage strategy development through to finished film optimization. Throughout the advertising development process, we offer qualitative approaches which help develop advertising ideas and creative expressions, and quantitative tools to help select the ideas and storyboards with the most potential. As campaigns near a more finished form, we offer qualitative alongside survey based research to evaluate the strength of execution in the key areas outlined above, predict likely sales effectiveness, and offer extensive diagnostic insight designed to optimize the effectiveness of integrated campaigns.

What do we measure to see if marketing has generated engagement?
When it comes to evaluation after marketing activity has run, the ultimate measure of the effect of engagement is whether brand perceptions and sales move in the direction that the marketer intends. However, as this is affected by many things over and above engagement, we need interim measures.

The industry has had a strong intermediate measure of engagement for many years, though it has perhaps not realized it: marketing memorability. The memorability of brand encounters and marketing messages is a key indicator of the extent to which consumers have engaged with that encounter. Returning to the psychology of engagement for a second, this is because marketing memorability is essentially a side-effect of engagement. Very strong evidence demonstrates that that the more mental effort people put into processing something, the more memorable it is. If information enters the workspace and work is done on it, then it is more likely to be remembered at a later date, on either recall or recognition measures.

Given the importance of engagement for marketing effectiveness, this then goes some way towards explaining why advertising memorability tends to be such a good predictor of sales effectiveness: It reflects the extent to which consumers have engaged with the brand / message, and so the extent to which this has had the chance to influence brand perceptions.

Hence Millward Brown brand tracking approaches, such as Dynamic Tracking™ and Cross-Media™, feature strong measures of marketing memorability, alongside powerful measures of brand strength. Similarly, our strategic touchpoint evaluation tool, D&A™, includes measures of the memorability of brand encounters across different touchpoints, as these are the ones most likely to have had influence on brand perceptions and decisions.

Analytically, we allow for the effect of marketing expenditure on ad awareness / recognition so the marketing memorability of the activity can be seen rather than just the level of support behind each. Furthermore, our approaches to Cross Media™ analysis allow us to look within key exposure groups to ensure that we can pick up engagement with lower reach media.

These measures of memorability are supplemented by additional measures designed to measure the extent to which consumers or customers have participated in the campaign actively, – e.g. measures of brand and campaign buzz, consumer-to-consumer communication about the brand or campaign, and brand advocacy. These come from survey based measures, but can also come from external data sources such as the media- and online-coverage metrics offered by MB Precis. We also include specific campaign diagnostic measures within our tracking surveys which cover relevance, consumer involvement and brand integration to drive learning about why particular campaigns are generating engagement or not.

Summary

Our experience and extensive evidence from psychology and neuroscience suggests that engagement is crucial for marketing success. Generating it requires an understanding of how consumers use media and their mindset while consuming different media. It also requires an understanding of the relevance and resonance of the category, brand and marketing activity. Evaluating whether campaigns generated engagement after they have aired involves looking both at key measures of brand engagement, and the memorability of, and buzz generated by the marketing itself. Millward Brown's suite of solutions is designed to do exactly that.

NeuroFocus, Inc.

Measuring Engagement Directly With the Brain Directly

Eye-tracking, facial movement, and psychological studies all measure the effects of the brain response or the consumer's expression of that response. Such methods are indirect methods and rely on an extensive array of survey and self reporting instruments that rarely measure what consumers directly felt. Measuring the brain response directly avoids errors in sampling, measurement, and observation. A comprehensive, science-driven solution to accurately measure and maximize advertising effectiveness comprises of these steps:

1. *Measure brain response* to advertising in milliseconds measuring dense array, richly sampled electro potentials from a variety of central nervous system, autonomic nervous system, and effector nervous system measurements and map the measurements into the Effectiveness Coordinate System (ECS)
2. *Compute Wear-out profiles for ads* to determine shelf life and optimize media buy patterns
3. Pinpoint precise cognitive focal points *using eye tracking technology*
4. Provide further validation of emotional engagement with *Galvanic Skin Response (GSR)*

Direct Measurement of Advertising Effectiveness – Introducing the Effectiveness Coordinate System (ECS)

We can accurately describe the spatial location of an object through the use of the Cartesian Coordinate System, the X, Y, and the Z axes. A point, or object is fully and completely described in space utilizing these coordinates. Motion of an object is completely described by merely adding the time dimension (X, Y, Z, t). It is then possible to describe trajectories of an object through space by a series of vectors in Cartesian space. The uniqueness of the Cartesian coordinate systems is that each of the coordinates lends itself to direct and accurate measurement.

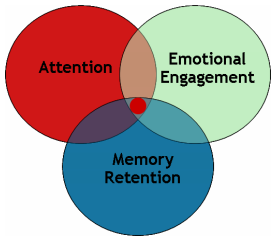
The NeuroFocus patented Effectiveness Coordinate System composes of a set of three directly measurable components (Attention, Emotional Engagement, and Memory Retention). It is possible to describe the instantaneous effectiveness of an ad by specifying its coordinates in the ECS. Furthermore, through the addition of the time dimension, it is possible to completely describe the evolution of an ad in the effectiveness space. We have found the ECS to be a very accurate predictor of purchase intent, brand lift, brand extension, price alignment, attribute attractivity, click-through propensity, conversion propensity, and most importantly the contribution potential of the ad to the aforementioned Key Performance Indicators.

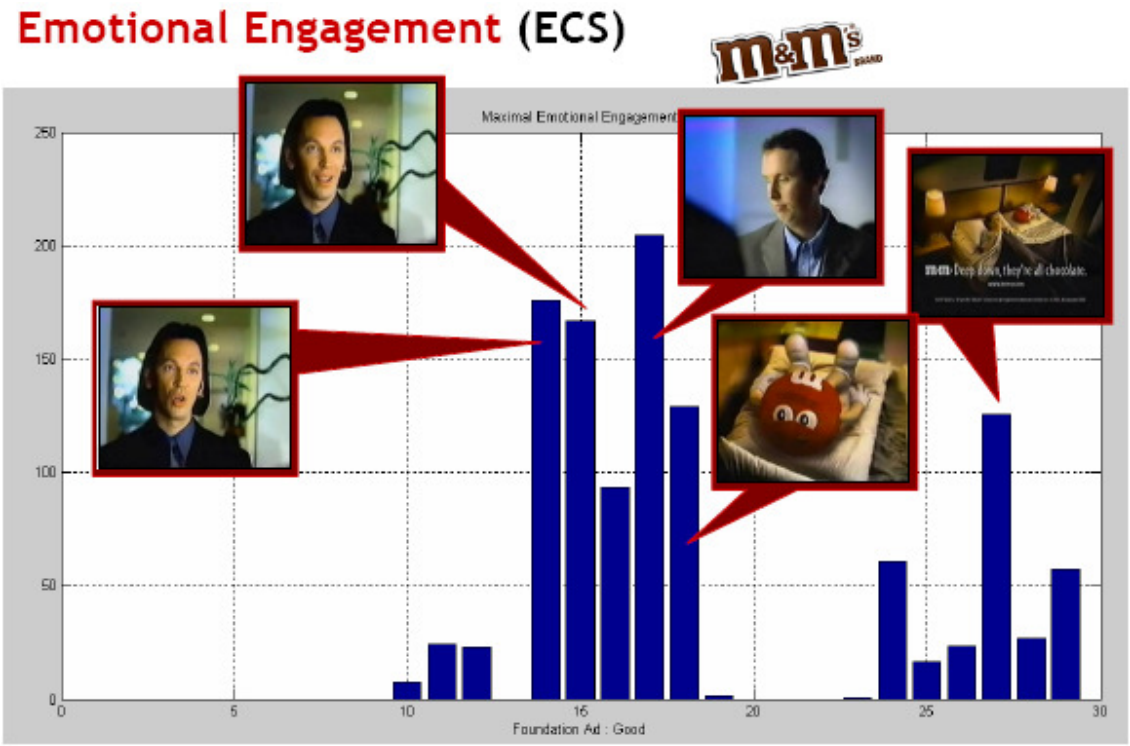
The definition of an ECS, naturally brings with it the notion of "metric" or "distance", meaning it is now possible to compute the distance (in effectiveness space) between two ads. By analyzing a company's ads in the last few years, it is possible to define natural clusters in the effectiveness space that defines the kind of ads that are most suited for a given product or service category, a given market or consumer segment, or given company. We can define constraints, and constraint boundaries where Effectiveness is desirable, and more importantly agencies and creative agents can identify what they must do to showcase movement in the effectiveness space.

Once the directly measured components are placed in the ECS, a variety of secondary and indirect measures such as awareness, persuasion, and novelty are easily and unambiguously computed algorithmically without human interpretive errors. NeuroFocus algorithms compute these and many other secondary derived measures continuously as the ad evolves along the ECS. We have found that these continuously computed metrics provide richer and deeper insights into what really works, where, and why than overall cumulative metrics.

Existing complex market mix models can be easily modified to include the elasticity associated with measured elements of the ECS. NeuroFocus has pioneered a range of market mix models that optimize direct marketing spend by relating the volume, revenue, price, and income lift to the underlying elasticity associated with directly measured elements of the ECS. We have found such models utilizing directly measured elements to be vastly superior in their predictive capability than those that utilize interpretive measures or those that use no measures at all.

The chart shown below demonstrates the evolution of the commercial along one of the dimensions of the ECS. The complete trajectory is determined by the full and complete mapping along all three core axes of the ECS.





Red Ball Tiger

Ingage

Engagement is a sum game, the responsibility for which falls on both the programmer and the brand idea. Current difficulty in measuring engagement is due in large part to the inability to clearly delineate where the responsibility of the programmer stops and the brand idea begins. Ingage is a VOD platform that delineates responsibility between the context in which the brand idea is delivered and the content, or brand idea, itself.

The screen above shows how Ingage works on the Insight cable system. In this instance, Sportskool is the network and "*The Perfect Golf Swing*" is the program that the viewer has navigated to. Instead of running video ads that interrupt the program, either pre-roll or mid-roll, Ingage allows, in this case, Titleist, to run a video ad in the lower right hand corner of the Insight navigation screen.

Viewers can watch the "*The Perfect Golf Swing*" by choosing "View Now", or they can click "Cancel" and move on to something else. Their third option is to click on "*The Story of the 50 Foot Gimme"*, the video ad from Titleist.

Ingage still allows Titleist to target golfers, as it is quite unlikely that anyone but golfers would choose to watch "*The Perfect Golf Swing"*. The difference lies in the fact that Titleist can now target the program without interrupting a viewer's enjoyment of the program. Of even greater importance is that because the viewer is allowed to initiate the interaction with the brand idea, Ingage is able to measure the *intent* of the viewer.

MEASURABLE VIEWER INTENT – THE MISSING LINK
By giving the viewer the control to initiate the interaction with the brand idea, Ingage is able to accurately delineate the responsibility for engagement between the programmer and the ad agency.

Programmers should only be accountable for what they have control over - delivering exposure to, not involvement in - the brand idea. At the same time, ad agencies should also only be held accountable for what they have control over – creating involvement in, not exposure to - the brand idea.

By allowing the viewer to click-in to the brand idea, Ingage achieves two things:

Allows *exposure* to become a measurement of engagement up to initiation**.**

Allows *involvement* to become a measurement of engagement after initiation.

Viewer Intent is the pivot point, signaling the transference of accountability for engagement from the programmer to the ad agency. While it's true that to engage after being exposed to a message that interrupts requires the viewer's intent as well, that intent is, at best, implicit only.

With Ingage, the viewer's intent is explicit. And, therefore, measurable.

DATA POINTS DELIVERED

Since a brand idea on Ingage is a stand-alone unit, it has its own set of data points, separate from the program. This allows Ingage to measure both the program and the brand idea individually. Not only will advertisers know exactly how many came to the program screen and how many watched the program, they will also know how many who came to the program screen clicked in to watch the brand idea. They will also know how long viewers watched the brand idea for. In this way, Ingage is able to accurately measure both *exposure to* and *involvement in* the brand idea itself.

THE NEW MATH OF ENGAGEMENT

Engagement, as identified at the start, is a sum game. But rather than just context (program) and content (brand idea), what is also needed to effectively measure engagement is control (platform). Therefore, Ingage defines engagement as follows:

Engagement = Exposure (context) + Intent (control) + Involvement (content)

By giving the viewer the control to initiate the interaction with the brand idea, Ingage allows accountability for engagement to be properly assigned to both the programmer and the ad agency.

TiVo

Stop||Watch

The Audience Research & Measurement division of TiVo, the pioneer digital video recorder (DVR) company, launched the Stop||Watch service in January 2007. It offers in-depth TV programming time-shifting measurement to advertisers, networks and advertising agencies interested in maximizing their spot placement strategies in light of the growing impact of time-shifting by viewers.

The premier report made available through the new service includes a new measurement of viewer engagement with commercials in proportion to the program within which they are inserted. The new **Commercial Viewership Index** (CVI) is calculated as the division of the average viewership of commercial by the average viewership of the program. The higher the CVI, the more engaged viewers were with the commercials. Since the CVI can be examined not only for the live viewership, but also for various time-shifting delays (near live or within 1 hour, 1 to 6 hours, 6 to 24 hours, 24 to 48 hours, 48 hours to 7 days and 7 to 14 days), it is possible to detect the impact of DVR usage on both program and commercial viewership, as well as their interaction.

In this same report (see figure on page), it is possible to verify the average amount of a commercial actually viewed in quarterly increments (25%, 50%, 75% and 100%) to determine the level of engagement. The overall data can be manipulated and filtered according to advertiser, product category, brand, campaign, creative, media (cable/broadcast), network, daypart, program, genre, dates, day of the week, spot length, pod sequence within a program, spot position within a pod, pod length (number of spots within the pod).

Contrary to other services that measure recall (indirect evidence) or group various spots together (approximation), the TiVo measurement of specific spots over a full two-week period allows for an unprecedented level of granularity. It also allows for a clear understanding of the influence of each variable on both program and commercial viewership. The latter has been finally made possible thanks to the second-by-second nature of TiVo's measurements. Every day, logs from a stratified random sample of 20,000 DVR units are archived in a database that is then cross-tabulated against as-run actual spot schedules from TNS Intelligence service. The primetime viewership data is then made available for an initial set of 15 networks (the top five broadcasters and a combination of 10 cable networks, including CNN, Comedy, Discovery, ESPN, HGTV, MTV, Nickelodeon, TBS, TNT, USA). More networks and dayparts are to follow. In addition, the logs database feeds a separate panel in conjunction with partner IRI that correlates viewership with actual product/service consumption--the ultimate measure of commercial engagement (See Fig.1, following page).

TiVo is further developing a new national panel of 20,000 subscribing households that will allow for further analyses based on demographic information. The opt-in character of this panel will also allow for longitudinal studies and other viewership measurements, including cumes, flow, etc.

While the novelty of the service precludes broad conclusions at this point, early data already points to some interesting considerations for advertisers. For the month of September 2006 (the first available for Stop||Watch), the overall time-shifted commercial viewership index of primetime programs from the selected networks came at half the figure sported by the live viewership. TiVo tracks viewership up to two weeks after airing date and the time span added twice as many viewers to the program as it did for the embedded commercials. Very high rated programs tend to be watched closer to their airing time, but do not necessarily present the highest CVIs, as viewers probably want to quickly get to the next program section.

These and other findings pose the question whether advertisers can really trust program engagement to be directly and universally translated into extra viewership of the commercials embedded in them. Many variables impact this relationship between programs and commercials and, as a complete view of the most recent broadcast season comes into place, the CVI report will establish a true hierarchy of these variables to guide media planners and networks alike obtain the best return on investment.

Stop Watch™ Commercial Viewership Report

Source Data

Edit Criteria

Media Type	(Any)	Commercial length	(Any)
Network	(Any)	Pod placement	(Any)
Program	(Any)	Commercial in pod	(Any)
Genre	(Any)	Pod length in spots	(Any)
Date	(Any)	Pod number	(Any)
Day of week	(Any)	Product category	(Any)
Daypart	(Any)	Brand	(Any)
Commercial ID	(Any)	Creative name	(Any)

Subscribing TCDs	4,400	(000)
Intab target	20,000	
Source data file	CV test four-record file.csv	
Source data date		

4 matching records of 4 in file

Gross and average audience

	Commercial gross impressions			Average Audience: Program			Average Audience: Commercial			CVI	
	#	(000)	Rtg	#	(000)	Rtg	#	(000)	Rtg	%	Intab
Total	2,242	493	11.21	659	145	3.29	534	117	2.67	0.81	
Live viewing (within 5sec technical interval)	1,861	409	9.31	459	101	2.30	448	99	2.24	0.98	20,000
Time-shifted viewing	381	84	1.91	200	44	1.00	86	19	0.43	0.43	
Near-live viewing (within 1 hour)	228	50	1.14	82	18	0.41	53	12	0.27	0.65	20,000
1-6-hour delay	23	5	0.12	18	4	0.09	5	1	0.02	0.26	20,000
6-24-hour delay	46	10	0.23	33	7	0.16	10	2	0.05	0.29	20,000
24-48-hour delay	24	5	0.12	24	5	0.12	5	1	0.02	0.21	20,000
48-hour to 7-day delay	41	9	0.21	33	7	0.17	9	2	0.04	0.27	20,000
7-14-day delay	19	4	0.10	9	2	0.05	4	1	0.02	0.45	20,000
Live + 24	2,158	475	10.79	592	130	2.96	516	114	2.58	0.87	
Live + 48	2,182	480	10.91	616	136	3.08	521	115	2.60	0.85	
Live + 7 Days	2,223	489	11.12	649	143	3.25	530	117	2.65	0.82	

Commercial viewing dynamics: TCDs viewing ≥3 consecutive seconds

	Commercial gross imps	Commercial viewership distribution: >25%			>50%			>75%			100%			Seconds viewed	
	#	#	(000)	%	#	(000)	%	#	(000)	%	#	(000)	%	Mean	Median
Total	2,242	2,221	489	99%	2,193	482	98%	2,176	479	97%	2,166	477	97%	17.38	17.76
Live viewing (within 5sec technical interval)	1,861	1,848	407	99%	1,833	403	98%	1,821	401	98%	1,817	400	98%	17.42	17.69
Time-shifted viewing	381	373	82	98%	360	79	94%	355	78	93%	349	77	92%	17.31	17.92
Near-live viewing (within 1 hour)	228	223	49	98%	220	48	96%	218	48	96%	217	48	95%	16.68	17.35
1-6-hour delay	23	23	5	100%	19	4	83%	19	4	83%	17	4	74%	15.60	16.00
6-24-hour delay	46	44	10	96%	42	9	91%	40	9	87%	40	9	87%	18.54	19.44
24-48-hour delay	24	24	5	100%	22	5	92%	21	5	88%	21	5	88%	18.26	19.33
48-hour to 7-day delay	41	41	9	100%	39	9	95%	39	9	95%	37	8	90%	17.73	17.93
7-14-day delay	19	18	4	95%	18	4	95%	18	4	95%	17	4	89%	17.85	17.73
Live + 24	2,158	2,138	470	99%	2,114	465	98%	2,098	462	97%	2,091	460	97%	17.32	17.69
Live + 48	2,182	2,162	476	99%	2,136	470	98%	2,119	466	97%	2,112	465	97%	17.36	17.75
Live + 7 Days	2,223	2,203	485	99%	2,175	479	98%	2,158	475	97%	2,149	473	97%	17.38	17.76

TiVo Audience Research & Measurement — TiVo Commercial Viewership Report 1.3.3

Figure 1. Dummy Data

III. Engagement Measures of Context

NewMediaMetrics

NewMediaMetrics is a strategic marketing and analytics company whose use of a patent-protected research approach and process quantifies consumer Emotional Attachment (EA) to brands, media properties, and programming. The Patented approach is based on a widely-respected psychological body of thinking related to Emotional Attachment and the Bonding Process, which pinpoints and measures degrees of emotional bonding between mother and child). (J. Bowlby: Strange Situation Research -- 1937-Present)

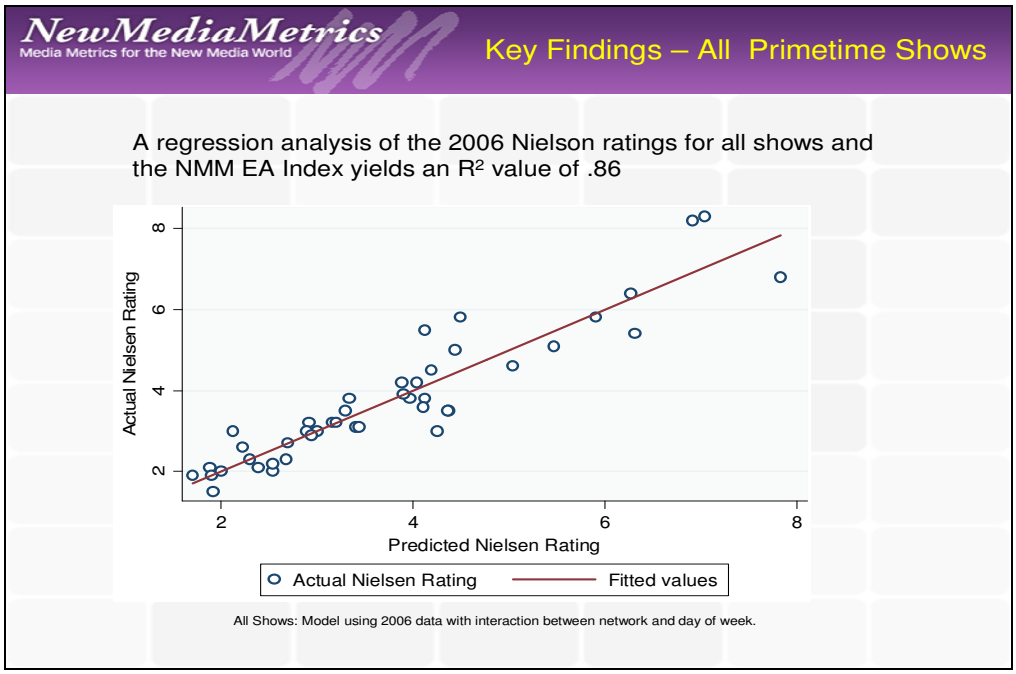
Emotional Attachment (EA) has proven to be a more *predictive* means of measuring consumer in-market *product purchasing and viewing behavior*. In fact, the measure has been proven to be more predictable than most traditional means of identifying in-market behavior and is utilized by major blue-chip companies--including P&G, Kraft, McCormick and AOL--for brand differentiation, message optimization (consumer and trade) and as a media differentiation tool.

On the media side, EA has been employed by NBC, Turner Broadcasting, Discovery Communications, Time Inc and a number of other media networks and production companies as a programming investment analysis, brand differentiation and advertising sales tool.

Predicting Media Property Success and Best "Brand Fit"

In 2005 and 2006, NewMediaMetrics conducted on-line research (N=1317) proving that EA pre-season predictions of new and existing TV show ratings, derived in June of 2006, matched Nielsen's actual in-market results as of Nov 19, 2006 with an average r-squared of 86%. This research has been data based and is offered as a syndicated research tool.

- **EA successfully identified consumer loyalty to TV Networks and accurately predicted viewership to both pilot and existing programs scheduled to run on selected networks.**



NewMediaMetrics Predictions of 44 primetime shows (pilots and existing shows) compared to actual average Nielsen as of 11/19/07

Predictive EA Measure included:

- Which new pilot concepts had the best chance of success relative to one another (as early as in script form)
- Which shows were most likely *not* to succeed
- Identification of the demographic complexion of those most attached/least attached to each show
- Which brands those most attached to the show are most likely to buy – for proactive branded entertainment ideation and sales
- Identification of "best fit" networks for each concept (what network will the show have a better chance of succeeding on)

- **In addition to programming predictions, NewMediaMetrics identifies consumer attachments to brands (predicted purchase/use) and their "best fit" with media properties including selected TV Networks (both broadcast and cable), scheduled programming, emerging media and on-line content areas. Analytics include:**

- Those customers who are most Emotionally Attached to brands (purchase/use) identified by which media properties and/or programming content the most engaged customers are most likely to view--broken out by over 40 Demographic segments

Emotional Attachment to Networks for A18-49 Demo by selected Brands

Network	Prime A 18-49*	EA A 18-49	EA Dove	EA Verizon
ESPN	1.06	115	112	110
USA	.87	90	166	98
TBS	.72	101	198	131
TNT	.70	89	157	122
FX	.56	88	135	83
A&E	.52	75	157	77
Spike	.47	58	76	45
Lifetime	.45	64	144	89
Comedy	.45	149	171	110
Discovery	.43	162	180	125
SciFi	.41	94	94	80
MTV	.36	75	130	71
Court	.35	37	72	53
TLC	.35	112	175	101
History	.32	121	153	101
HGTV	.28	65	130	74

Nielsen 9/18-1/21

- And, those customers who represent the highest "strategic margin" (i.e., Emotionally Attached at 6-8 on a 10 point scale which represents a brands opportunity to get their "next best customer") and what media properties and/or programming content these customers are most likely to view

For Example: Emotional Attachment to The Weather Channel for Selected Brands

Brand	EA Index 9/10's	EA Strategic Margin 6-8's
Sears	236	110
Duracell Batteries	205	87
GM	200	61
J&J	183	87
Pizza Hut	182	105

For viewers who are attached (watch *TWC* at a 9/10 level), there is a strong Emotional Attachment to the above brands. This means that those who are watching *TWC* are buying/using these brands. For viewers who are attached (9/10) to *TWC,* Sears (and to some extent, Pizza Hut) is in a favorable position to capture one more visit from a category switcher—the 6/7/8's. 24

NewMediaMetrics Mission

- Provide definitive emotional attachment (engagement) data and enhanced targeting (who is engaged with what media) for advertising and media prospects based on fundamental "human attachment" quantitative analytics — in essence, predict the consumer brands most loyal viewers are most likely to purchase
- Provide the industry with a *predictive* analytical approach—across media platforms-- that matches a brands strategic target (THE WHO) with the media buying target (WHAT MEDIA IS BEING WATCHED)—in other words, engagement that leads to sales
- Proactively identify strategic ideas and alternatives for meeting and exceeding a brand's business/marketing objectives

Roy Morgan

Measuring Engagement with Media, Advertising and Brands

Roy Morgan International measures 'Engagement' to answer the specific questions of different audiences:

Media (publishers, broadcasters, event organizers etc) need to do two things:

A. understand how to engage their audience so they continue to read/watch/listen/visit and tell their friends

B. have the evidence to demonstrate to their sponsors, agencies and advertisers that their mediums provide good vehicles within which advertising can achieve brand persuasion

Agencies need to understand which mediums (vehicles) have the greatest power to engage their client's specific audience, providing the most relevant, synergistic environment.

Advertisers need to understand whether their ads have engaged the target audience and persuaded them to the brand.

***1. TV Monitor* (Attention and Involvement) measures viewers' engagement with the program**

We need to understand the **quality** of the media contact and how the environment can affect the viewer's propensity to process (and respond to) the commercial message. The key to maximizing TV budgets is understanding how the program vehicle is ***valued*** by an audience and how those values then affect the attention they pay to advertising. The *TV Monitor* system measures viewer engagement at the program level, expressed in terms of *Attention* and *Involvement* with each program on air by day of the week and time slot.

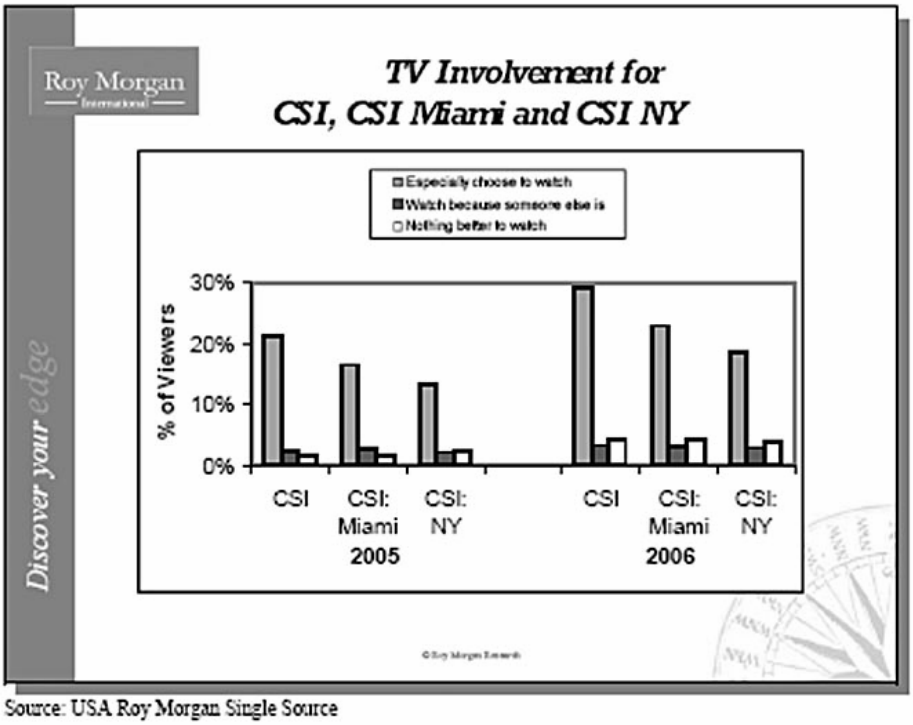
Roy Morgan Single Source is based on the simple premise that if you want to know everything about your target market, it is critical that you interview people within your target market and put

all your questions to them. The TV Monitor draws on all aspects of the Single Source survey including media analysis, segmentation by geography, life-stage, psychographics, life aspirations, consumer attitudes, consumer spending patterns and choices.

Included in the media information are three key engagement metrics based on the program/network:

1. Involvement Level	***2. Attention Level***	***3. Attitude to program***
• Especially choose to watch	• A lot	• *I really love the program*
• Watch because someone else is	• Some	
• Nothing better to watch	• Not Much	

Following is an example of how we track the engagement of thousands of television viewers for the triple hit CBS TV series *CSI, CSI Miami* and *CSI NY*. These are the figures for 2005 and 2006. We have chosen this example because it demonstrates the strength of these series with a strong increase in the proportion of viewers watching any of the 3 CSI programs when there's 'Nothing better on'.



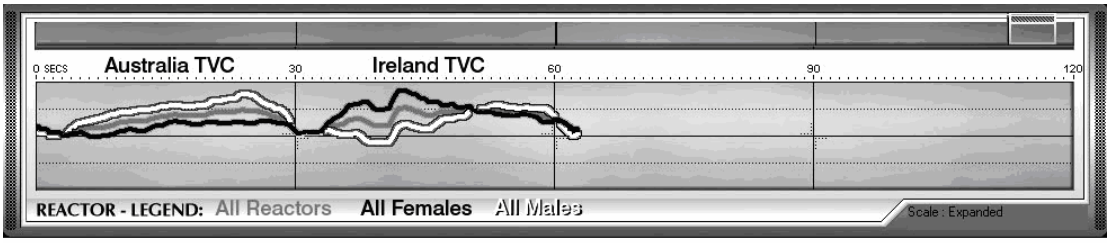
Source: USA Roy Morgan Single Source

***2. <u>The Reactor</u>* measures engagement/likeability/involvement**

The Reactor tracks respondents' emotional responses (likeability, interest and involvement) on a second by second basis as they watch a video which, may be a whole movie, a TV show, TV commercials, edited highlights of an event or even print ads, pictures, copy lines and web pages.

Respondents use the *Reactor Slider-bar* to record how positively or negatively they feel about what they are seeing and hearing. Their second-by-second *reactions* are captured in real time by the *Reactor* software and average scores (between 0 and 100) can be displayed as a graph (or numerous graphs of different segment groups), synchronized with the original video to which they were *Reacting*.

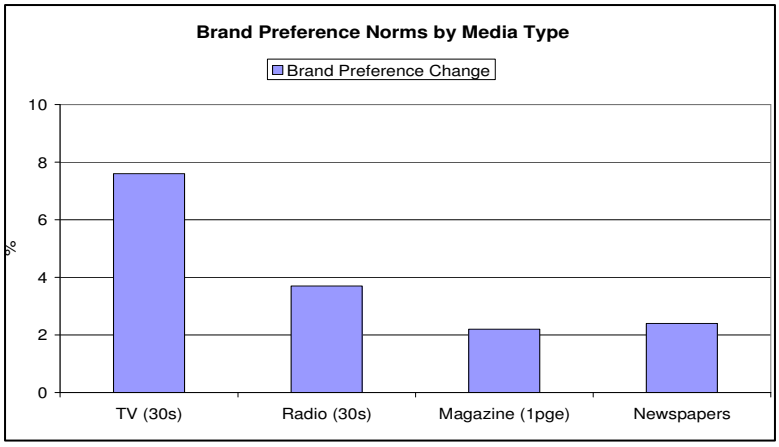
The example below shows how differently males (red) and females (blue) *reacted* to two different tourism television commercials. The 'Australia' commercial (the 1st 30 seconds) featured Australian female singer Delta Goodrem with pretty, soft pastel, artistic pictures, while the 'Ireland' commercial (the 2nd 30 seconds) primarily featured men drinking in bars and playing golf. When you see the commercials in their entirety, it's not surprising that **males found the commercial for Australia less engaging than females**, and vice versa.



Source: Roy Morgan International

3. <u>Natural Exposure</u> measures persuasion

The *Natural Exposure* methodology developed by our US based advertising communications research firm Mapes and Ross, has been used for more than 30 years to measure persuasion (shifts in brand preference) as a result of the audience's engagement with brands and messages due to their exposure to advertising (in it's natural environment). Thousands of *Natural Exposure* tests show different levels of persuasion for different types of media (TV, Radio, Magazines, Newspapers and Trade Journals); different kinds of advertising; different product categories and for different people for whom the product, message or advertising has different levels of relevance[1].



Source: Mapes and Ross (a division of Roy Morgan International)

[1] Levine 2006, Media Neutral Analysis of Key Advertising Media IIR Telecommunications Marketing Conference, Melbourne Australia

The *Natural Exposure* Brand Preference questions determine whether consumers have **changed** their preferences for a brand as a result of exposure to the Event. The respondent is exposed to the advertising in its natural environment (e.g. within the pages of a magazine or one of several television commercials in an ad break within an appropriate program or as part of the event). Respondents are not asked to concentrate on the advertising and are expecting to be questioned on the program or event itself. Consequently, *Natural Exposure* gives a true measure of an advertisement's ability to attract the audience's attention and engage them with the message in a relevant, meaningful way, so as to achieve an increase in preference for the brand. It's worth emphasizing that *Natural Exposure* is the *acid test*. The material being tested can receive no help from a moderator, its position in a list, other respondents or the respondent's anxiousness to be 'helpful'.

The following questions are asked prior to exposure to the advertising and again, usually one day after exposure. The same questions are asked in relation to a number of different categories. This helps avoid any specific emphasis that might influence the respondent's answers.

Q1. *Thinking about brands of [Category] "_____" do you feel that there is:*

a) One Brand of "_____" that is the very best
"Which one do you feel is best?"

b) No single Brand of "_____" is best, but 2 or 3 are better than others.
"Which 2 or 3 do you feel are better than others?"

c) Or do you feel that all brands of "_____" are about the same?

Q2. *What brand of "_____" would you like to try?*

Clearly, the slightest positive movement between the Pre and Post results is highly significant. The following chart shows the kinds of shifts the methodology measures:

Example data only

Shifts in Persuasion can occur at different levels.

	Pre-exposure Mentions	Post-exposure Mentions	Change to Test Brand
Best brand	10.4%	14.4%	+ 4%
One of the better 2 or 3 brands	8.9%	11.4%	+ 2.5%
Like to try brand	2.6%	6.6%	+ 4%
TOTAL Persuasion	**21.9%**	**32.4%**	**+ 10.5%**

- The change in brand preference is benchmarked against norms

Persuasion shifted +10.5% pre to post exposure

The brand preference question has been sales validated[2] and is an extremely reliable measure for determining whether advertising (**in any medium**) is persuasive (positively or negatively) for the brand. Our data has proven a direct link between brand preference and actual buying behavior.

[2] Journal of Advertising Research; Journal of Advertising Research Classics: Eight Key Articles that have led our thinking.

Live Exposure **measures both persuasion to the brand and engagement with the experience**
The *Live Exposure* methodology combines three proven methodologies (*Natural Exposure*, *Event Advocacy*, and *The Reactor*) to measure the 'engagement' of the consumer with the brand and the event. The metrics used recognize that 'engagement' occurs at both a rational or cognitive level as well as at the emotional level.

In *Live Exposure*, the impact that Brand Advertising or Brand Sponsorship of an event has on the brand is measured via the *Natural Exposure* Pre/Post Brand Preference questions. Event Engagement is determined through an Event Advocacy Score and *Reactor* Engagement Scores which are recorded after the event. Measurement of different types of events shows a wide range of Likeability Scores and Engagement Scores depending on the type event.

The pre/post *Natural Exposure* methodology and the *Natural Exposure* **Brand Preference** questions are at the heart of *Live Exposure*. Before respondents are 'exposed' to the event they are asked their brand preferences in a short (Pre-event) questionnaire. After the event, respondents complete a short online (Post-event) survey which asks their brand preferences again and an Event Advocacy question. Usually, the online survey also includes a *Reactor* session.

Recently, Roy Morgan International conducted a *Live Exposure* Pilot Study. We measured the change in brand preference for four major sponsor brands pre / post a college football event. The principal sponsor, Dr Pepper, engaged in far more marketing activity than the other three sponsors. The following table shows that the event worked for all sponsors and that Dr Pepper experienced the greater preference change.

	Dr. Pepper	Aquafina	Geico	Food Lion
Pre- mentions	26.3%	26.3%	15.8%	5.3%
Post- mentions	52.6%	36.8%	31.6%	21.1%
Brand Preference Change	+26.3%	+10.5%	+15.8%	+15.8%

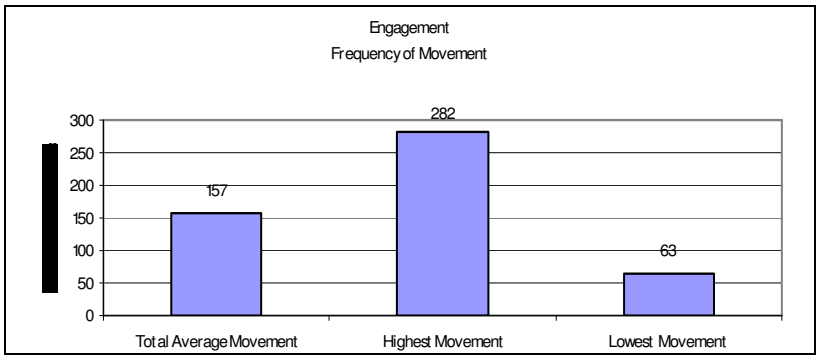
Event Advocacy
In measuring the event itself as a medium, an Event Advocacy question -*'would you go again or recommend the event to a friend'* - is asked in the Post-event survey. The Event Advocacy question has been derived from our customer satisfaction work and the use of an advocacy measure is increasingly accepted as being a combination of the emotional response and rational assessment of the 'customer experience' or relationship. It is our contention that this single advocacy question is at least as effective as any other question in determining a respondent's level of *Engagement* with an event. While it may be possible that a respondent would like to attend again or recommend it to a friend without having felt *engaged*, to a large degree, it is highly unlikely.

The Reactor
Engagement with the Event is measured with the *Reactor* second-by-second *reaction* tracking technology. After completing the Post-event online survey, respondents watch video footage of highlights of the event to recall how they felt *during* the event. They use the *Reactor* to record

how they instinctively feel (primarily Likeability) about what they are seeing and hearing, as well as their level of involvement.

At the recent pilot study Dr Pepper, held a promotion at half time. The *Reactor* graph (below) shows that the *Dr Pepper Half Time Throw* segment scored higher on Likeability than the rest of the edited highlights of the game itself.

The chart below shows that there was a wide variation in the number of dial movements made by respondents. The *Reactor* records the dial position four times per second. On average respondents made 157 dial movements throughout the duration of the video, while some respondents made as many as 282 dial movements, others moved the dial as few 63 times.



Scarborough Research

In the fall of 2005, Scarborough Research conducted a custom research study focused on consumer engagement for The Newspaper Association of America (NAA). The NAA Reader Engagement Study examined the impact of engagement among a national sample of newspaper readers. In the study, newspaper readers were asked a wide variety of questions related to the ways in which they use and engage with newspapers, as well as other major media. Engagement was measured by an interviewer- administered questionnaire that contained different statements describing how readers might feel about and interact with printed newspapers.

The statements were analyzed factor analysis, a statistical technique intended to get at the core "factors" (or dimensions) underlying the survey data. Specifically, the method of factor analysis used was principal components analysis using "varimax" rotation to assist in interpreting the results. This is the technique most commonly employed for attitudinal surveys of this type, and the most statistically appropriate treatment for the data in this survey. The factor analysis revealed five underlying factors, corresponding to five engagement styles.

DESCRIBING THE HIGH ENGAGERS

To learn more about these engagement styles, we looked at the newspaper readers who most strongly engage with newspapers in each of these ways. We were able to quantify how well each engagement style describes each newspaper reader in the survey. We then identified the readers who scored in the top third of all newspaper readers for each style, creating a group of "high engagers" for each style. The large majority of respondents ranked in the top third of all respondents for one or more of the engagement styles.

We took each engagement style one at a time, and identified those readers that *most strongly* exhibit that style. The implications are that most individual readers exhibit each style to some degree, however, for each style there is a core group of readers that exhibit the style most strongly. These "high engagers" are the readers being described in the paragraphs below.

I. Routine and Relaxation

Reading the newspaper is an integral part of these readers' daily routine, largely because they find it to be relaxing and enjoyable. Reflecting this attitude are the following statements, with which respondents who score high for this style of engagement are especially likely to agree:

Routine & Relaxation Engagement Style	% Agree	Index to All Readers
I enjoy reading newspapers	95	130
I would miss reading my newspaper if it was taken away	95	149
Reading newspapers is relaxing to me	90	162
Reading the paper is good use of my time	87	154
The newspaper is an important part of my daily routine	87	181
Newspapers let me take a break out of my day	84	150
Reading my newspaper is a mentally engaging activity	80	129

Given these defining attributes, it's interesting to note that the crossword and other puzzles are cited by this group as their favorite section of the paper nearly twice as often as the other groups.

II. Main News Source

The defining characteristic of this engagement style is the strong belief that newspapers are an excellent news source—indeed in many ways better than other media. Along these lines, high engagers in this group are the most likely to agree with the following statements:

Main News Source Engagement Style	% Agree	Index to All Readers
The newspaper lets me learn things I might not otherwise be aware of	93	135
The newspaper gives me details I won't get from TV or radio news	87	164
The newspaper gives me the full story on what's happening now	78	168
I like the quality of the reporting in my paper	75	138
My newspaper gives me information I can't find elsewhere	71	165
Reading my newspaper is a richer experience for me than watching TV news	65	168

This group doesn't just like newspaper content; they like its physical form as well. They are the group most likely to agree that "The ability to carry around the printed paper is convenient for me" (66%, index=151). They are the group most interested in local news. Eighty four percent of them agree that "Detailed local news is the best aspect of my newspaper" and 19% cite "local news" as their favorite section of the paper—in both cases higher than any other group.

III. Practical and Social Benefits

By helping readers stay well informed, newspapers can make readers feel better about themselves. This style of engagement places a particular premium on information that provides practical and immediate benefits to the reader, his or her social life, and general sense of well-being. Among the statements for which high engagers in this group rank at or near the top are:

Practical & Social Benefits Engagement Style	% Agree	Index to All Readers
Reading my paper helps me know more about my community	96	123
Reading my newspaper is a mentally engaging activity	88	141
I feel better informed after reading my newspaper	87	129
Reading my paper helps make me a smarter person	87	155
Newspapers give me something to talk about with my friends and associates	83	145
I often talk to my family and friends about items I have read in the paper	75	125

This personal and practical orientation is reflected in the 70% of the group that agrees that "Some of the stories in the paper touch me personally", and the 63% who say "The paper often gives me ideas about leisure activities I would like to try", in both cases among the highest of the engagement styles.

IV. Shopping Aid

News, of course, is only one type of information readers get from engagement with newspapers. Readers also look to newspapers to help them with their shopping, get product information, and learn about sales and discount opportunities. Those who most strongly engage with newspapers in this way are far more likely than any other engagement group to agree with statements such as the following:

Shopping Aid Engagement Style	% Agree	Index to All Readers
The advertising in my newspaper is useful to me	96	188
The newspaper helps me plan my shopping	91	212
Newspapers let me choose which advertising I want to pay attention to	91	170
Sometimes I cut out and save ads from the paper	81	193

Predictably, those who most strongly engage with newspapers in this way are the most likely of the engagement groups to feel positively about newspaper advertising. More than any other group, they see the benefits of newspaper advertising, including that it "makes finding products easier" (83%), "helps save money" (82%), is "helpful as a buying guide" (77%), and "lets you do comparison shopping" (76%). They find newspaper advertising "relevant" (76%), "presented attractively" (70%), and "trustworthy, believable" (65%).

V. News Junkie

To some readers, the newspaper is merely one part of an attempt to be exposed to a variety of news sources. Those who are most likely to engage with newspapers in this way are most strongly characterized by their agreement that they "like to use a number of different news sources to really know what's happening in the world." 97% of the News Junkie high engagers agree with this statement, far more than any other engagement group.

This group takes the news seriously—they are the most likely to agree that "It is very important to be up to date on the news" (96%). But while they welcome news from a variety of sources, it is clear that newspaper news is an important part of the mix. Indeed, they are the most likely of the high engagement groups to agree that "I find myself thinking about and reflecting on what I have read in the newspaper" (69%, index=136), and "I often talk to my family and friends about items I have read in the paper" (79%, index=131).

Summary/Conclusions

The multivariate factor analysis revealed that there are five distinctive styles of readers' engagement with newspapers. Each style of engagement has a distinctive profile of readers who have the heaviest involvement in newspapers using that particular style. Different types of consumers engage with newspapers in various styles, and these styles have strong patterns of demographic, lifestyle and media habits associated with them. The implications for marketers are that reader's diverse styles of dominant engagement mode with printed newspapers should be considered when thinking about messaging opportunities for the different styles. Targeted messages that appeal to each style's characteristics may take fuller advantage of the reader's engagement mode and result in more relevant, appealing and effective marketing to these consumers.

To summarize the different styles of engagement identified; The Routine & Relaxation style seeks pleasurable interaction with the newspaper from the familiar habit of reading, and derives enjoyment from reading the newspaper as a source of leisure. The Main News style uses newspapers as their primary source of news and information, and is particularly interested in local news. The Practical & Social Benefits style values the newspaper as a source of information that provides practical and immediate benefits to the reader, his or her social life, and general sense of well-being. The Shopping Aid style of engagement looks to newspapers to help readers with their shopping, get product information, and learn about sales and discount opportunities. The News Junkie style involves active engagement with respect to news. Readers engaged in this manner take news seriously and turn to the paper as an important source of news and information to help them keep on top of what's going on in the world and in their neighborhood.

IV. Engagement Measures of Brand Idea

Cymfony

A Hierarchical Approach to Measuring Brand Engagement Using Social Media Analysis: Making Latent Engagement Visible

Problem: Traditional Approaches Run Counter to the Nature of Engagement
Measuring the "turning on of the mind" to a message is not amenable to a survey based on typical advertising effectiveness questions. Any survey methodology would require the respondent to rationally report on what happens at a more emotional, psychological level. This argues for an observational technique that minimally interrupts the subject's normal behaviors.

Hypothesis: Social Media Characteristics Correlate to Engagement Measurement's Needs
Five characteristics of social media align with the requirements to accurately capture the nuances of the engagement process:

- **Spontaneous:** Consumers voluntarily participate in these forms of communication, with no compensation or prompting. Because consumers feel protected by the anonymity of the Internet, members express their true feelings and opinions in an uninhibited fashion.
- **Ongoing:** Social media sites are active 24 x 7 x 365. There is a baseline level of activity even in the absence of brand communication stimuli. This gives the researcher great flexibility in acquiring a dataset with little advance planning as well as the ability to compare results before, during, and after a campaign is in market.
- **Observational:** These conversations are publicly available on the Internet, so the subjects are completely unaware that they are being observed. As a result, the research process does not introduce any external influence on the results and consumers express the issues, concerns, and questions that are top-of-mind about a brand or product.
- **Large scale:** Mentions of popular brands often occur in thousands of "posts" (a "post" is defined as a single comment made by an individual) per week. The researcher can often find hundreds of posts, providing a rich data set from which to draw insights.
- **Consumer voice:** Participants use their own language. No survey questions or moderators introduce terms or concepts foreign to the way these consumers speak about the product or brand in their everyday lives.

A social media data set offers a large number of observations rooted in unprompted conversations that originate from consumers' actual wants, needs, and motivations for considering a product or brand. Careful interpretation of the language and emotions expressed should, therefore, represent the engagement processes that have been activated and the degree of engagement that has occurred.

Metrics: Volume, Degree, Meaning
Any measure of engagement should include the amount of discussion a brand receives but this can only be the first step. The concept of engagement sprung from marketers' desire to get beyond media metrics like GRP, reach/frequency, and "opportunity to see". The idea of "turning

on a mind" calls for metrics that include the intensity of the engagement and an analysis of what aspect of the brand activates consumers' participation. Following are some examples from recent studies TNS Media Intelligence/Cymfony has done that begin with a broad set of numbers and work down through a hierarchy of increasingly detailed measures..

Discussion Volume Needs Context

One of the first questions a marketer asks is "How much buzz is there about my brand?"

Two comparisons provide an informative context:

- **Share of voice.** As in traditional media, it is simple to calculate the percentage of brand mentions for each brand within a category. Figure 1 depicts an analysis of almost 18,000 posts discussing next generation video formats HD DVD and Blu-ray as well as 12 specific models of these new devices. Two conclusions emerge: 1) consumers are pretty equally engaged with both formats; 2) they are more engaged in discussing the format than in specific products.
- **Conversation/Purchase index.** Another way to assess the volume of discussion is to compare it to the brand's market share. Starting with the assumption that the share of conversations should roughly equal share of market, a higher share would indicate higher brand engagement, a lower share would signal less engagement. Figure 2 shows the Conversation/Purchase index for 5 brands in the cereals category. Cheerios, Raisin Bran and Fruit Loops index somewhat higher than their market share; Special K shows dramatically higher engagement, while Frosted Flakes shows low engagement.

Figure 1: Share of Voice Puts Social Media Volume in Context

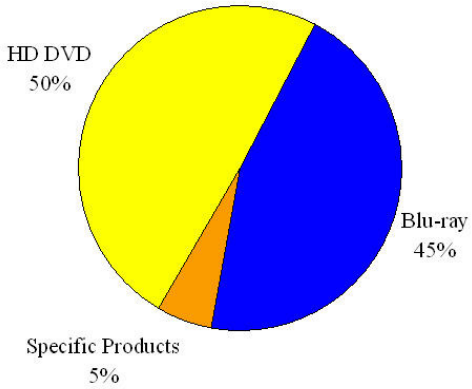


Figure 2: Comparing Social Media Activity to Market Share Reflects Engagement

	Social Media Share of Voice	Market Share	Conversation Purchase Index
Cheerios	17.3	11.3	153
Raisin Bran	4.7	2.9	162
Fruit Loops	3.2	2.5	128
Special K	12	4	300
Frosted Flakes	3.6	4.1	88

Volume of posts can also be misleading without analyzing whether a few people or are a lot are involved in the discussion? A decile analysis of the number of posts by 1) source site and 2) individual authors accomplishes this. In the Blu-ray analysis, 60% of posts occurred on only 44 sites, indicating a limited audience involvement (further analysis indicated that the conversation was among home entertainment early adopter and enthusiast audiences).

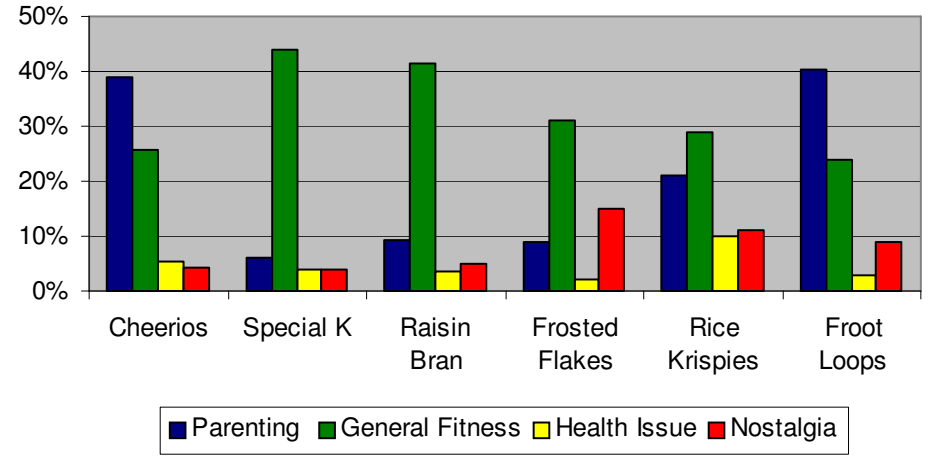
Degree Captures the Depth of Engagement

Engagement implies the consumer is attentive to and involved with the brand communication. If the discussion of the brand is substantive, detailed, and focused on the brand, the consumer can be said to have engaged. A high volume of posts in which the brand is mentioned only in passing may be an indicator of high top-of-mind awareness without deep engagement.

In a TNS-MI/Cymfony study analyzing Wal-Mart's online discussions and coverage in traditional media, we tracked over 15,000 posts and articles over a 3-week period, a very high volume. Only 675 posts had substantive discussion of the retailer, however, indicating lower engagement than volume alone would indicate.

It is useful to quantify the variety of attributes that make up the brand discussions. Returning to the cereals example, TNS-MI/Cymfony's analysis found four topics that were frequently discussed. Figure 3 shows the distribution of these topics by brand. Special K has a high level of discussion on one topic; discussion of Special K's health benefits commonly mentioned its "Special K Challenge", indicating that the advertising and promotion around this concept had engaged consumers.

Figure 3: Attribute Variety Signals Degree of Engagement



Meaning Reflects Consumer Co-Creation

Engagement is the state in which the consumer encounters, considers, and becomes involved with the brand. The spontaneous nature of social media will reflect the meaning the consumer has created.

- **Favorability:** This aspect of meaning is relatively easy to quantify. In the HD DVD/Blu-ray study, we scored 2000 posts for their favorability, ie, positive, negative, or neutral; Figure 4 summarizes the findings and calculates two ratios used to

Figure 4: Favorability Analysis Is First Level of Meaning

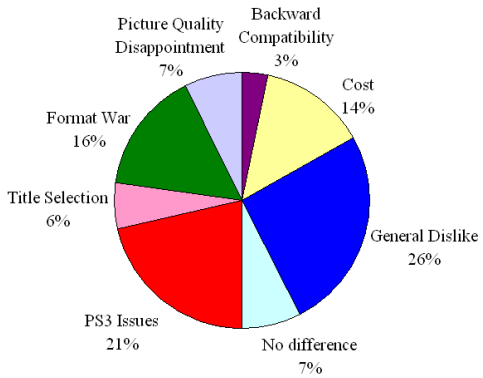
	Blu-ray	HD DVD
Positive Posts	298	437
Neutral Posts	674	701
Negative Posts	297	188
Polarity Ratio	.88:1	.89:1
Favorability Index	100	232

understand this level of meaning:

- **Polarity ratio:** This seeks to capture how "polarized" the discussions are by comparing the sum of positive and negative posts to the number of neutral posts. A 1:1 ratio would indicate an equal number of opinionated and neutral posts. It is more common to see a ratio around .4:1 indicating the conversations are relatively neutral. Both Blu-ray and HD DVD score higher, indicating strong opinions on the topic.
- **Favorability Index:** This calculates the ratio of positive to negative posts, indicating whether the bulk of opinions lean toward the positive or negative end of the spectrum. Blu-ray's Favorability index of 100 indicates equal numbers of positive and negative discussion; HD DVD fared far better with a strongly positive 232 index.

- **Content analysis:** Social media posts can be analyzed to reveal insights into the topics at the heart of consumers' engagement, such as:
  - **Health and parenting drive cereals conversations.** Figure 3 helps explain Cheerios' high overall engagement, since this brand generates high discussion on both how to maintain a healthy lifestyle and appropriate foods for children.
  - **General dislike undercuts Blu-ray's appeal.** Both of the high-definition video formats deliver similar benefits of improved picture quality and a more exciting entertainment experience. Price is a surprisingly small reason behind the negative opinions, considering that Blu-ray players are currently twice as expensive as HD DVD players (see Figure 5). By classifying the negatives, TNS-MI/Cymfony found that it wasn't the features of Blu-ray, but the actions of the format's inventor, Sony, that created a "general dislike" of the format.

Figure 5: Content Analysis Identifies Engagement Activation Drivers



Pre/Post Research Design Ties Social Media Analysis to Brand Communication

These examples show a point-in-time snapshot, but since the conversations are ongoing, these metrics can be trended over time. Marketers then have a tool to measure the waxing and waning levels of engagement with their brands. One application of this is a classic pre/post campaign study. Even if a campaign is already in market, the researcher can aggregate a data set of brand discussion prior to the launch of the campaign to compare to the post-campaign period.

Summary

Engagement is a new concept for which new approaches must be developed. Social media exhibits several characteristics that seem to meet the unique requirements of engagement measurement, it warrants testing and further development. We've proposed three characteristics that can be identified, defined, quantified, and evaluated in relation to consumer engagement. Marketers must balance each of these different measures to gain a holistic understanding of the complex nature of engagement. This is a useful first effort but marketers prefer a simpler, single

number or index that is easier to communicate. No doubt innovative approaches will emerge from the social media analysis industry in the next few years to meet this need.

Nielsen BuzzMetrics

Background on Consumer-Generated Media Measurement and Engagement

Word-of-mouth (WOM) influence is increasing as consumer trust in advertising erodes and the attention consumers allow marketers declines. Fostering the rise of WOM influence relative to traditional media channels is broad adoption of digital consumer-expression platforms, like blogs, boards, ratings sits and video-sharing portals – otherwise known as consumer-generated media (CGM). These platforms are where consumer recommendations and WOM are passed along, and represent vast droppings of digital breadcrumbs made highly discoverable within search engines. Consumers are becoming *passively active*; increasingly, consumer behaviors emit data in the form of digital media with rising ability to interact and influence others.

Size of CGM

According to Nielsen BuzzMetrics and ACNielsen, the majority of U.S. online adults are active content creators, especially in regard to brands. Fully 73% of U.S. online adults have engaged in one or more of the following:

- Commented on a company blog
- Sent email feedback to a company
- Posted an online product review
- Participated in an online discussion board
- Used CGM to research purchase decision
- Forwarded something found on the Internet to someone else

Because a permanent, rich digital trail is created – including hosting source, content created, username, timestamp among numerous other factors – CGM can be measured and analyzed in the contexts of market research and intelligence. This data is unique in that the consumer data are unprompted, and generally extremely raw and frank. Moreover, while demographics are less precise, people within CGM sample sets tend to self-organize according to affinity, life stage and sometimes psychographics. While there are limits to the projectability of CGM samples, the subjects whom we study tend to be highly involved and passionate and, ultimately, influential. For this reason, CGM are important gestures, regardless of the representation of those creating it.

<u>CGM Applied as a Measure of Engagement</u>

Word of mouth, or CGM, is intertwined with engagement, and the relationship between the two is complex. CGM can be viewed as an indicator or proxy of engagement, a form of engagement or a result of engagement

Moreover, CGM can be used for varying types of engagement measurement because:

- it identifies individuals who are involved

- indicates degree of that involvement
- and often can predict consumer response, provided that involvement

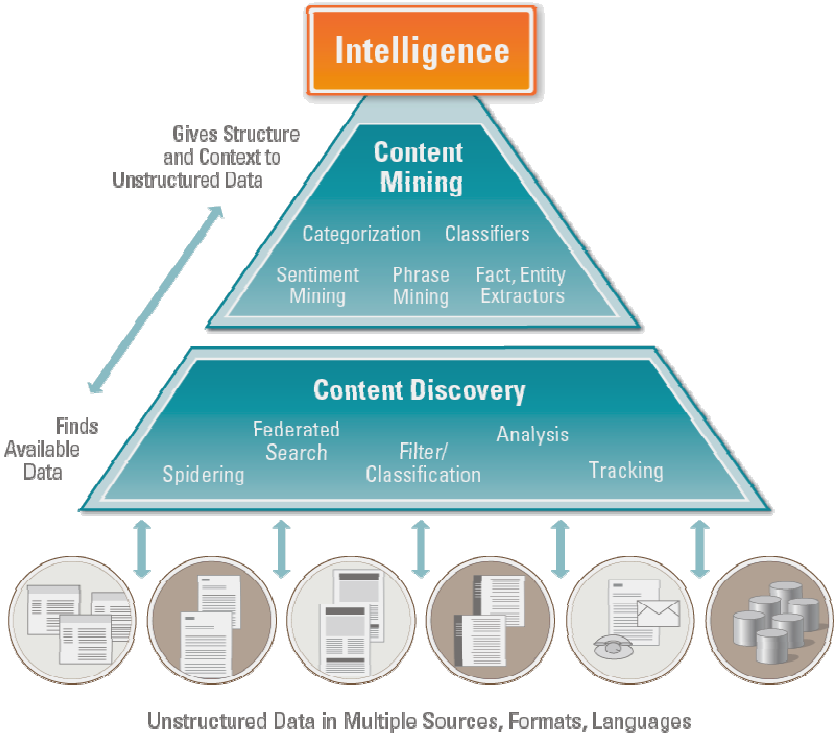
CGM also can be used to indicate engagement among three key categories: brands, media, and advertising/marketing. A key benefit of CGM in engagement measurement is the fact that it reflects consumer resonance with brands or messages across all media and inputs.

Background on Nielsen BuzzMetrics CGM Measurement Methodology

Nielsen BuzzMetrics begins its research with advanced text-mining and text-analytics software that work similarly to Google. However, Nielsen BuzzMetrics' data-mining software are designed to discover, gather and index CGM, as opposed to commercial, corporate, editorial or other content originating from institutions versus consumers.

The software identifies the author, username, handle or other public identifier of the content, and identifies when was the content created and published. The software then organizes and standardizes the data in a relational database (with several other fields) to create the CGM reservoir, or the sample set.

Nielsen BuzzMetrics Data-Mining and Analysis Model



Then, using additional text-analytics and national-language processing software, Nielsen BuzzMetrics performs analyses on the data in the CGM reservoir. Analysts can perform a wide range of analysis to produce such metrics as:

- Volume – How many comments about your brand?
- Reach – Depth of exposure, impressions viewed by others

- Dispersion – Distribution and spread of issue or conversation
- Sentiment – To what extent are messages favorable or non-favorable?
- Emotion – How did consumers feel? Betrayed? Confident?
- Issue – What specific issues are being discussed in brand buzz?
- Source – Where is conversation occurring? Boards, Blogs?
- Author – Is author credible? What kind of consumer?

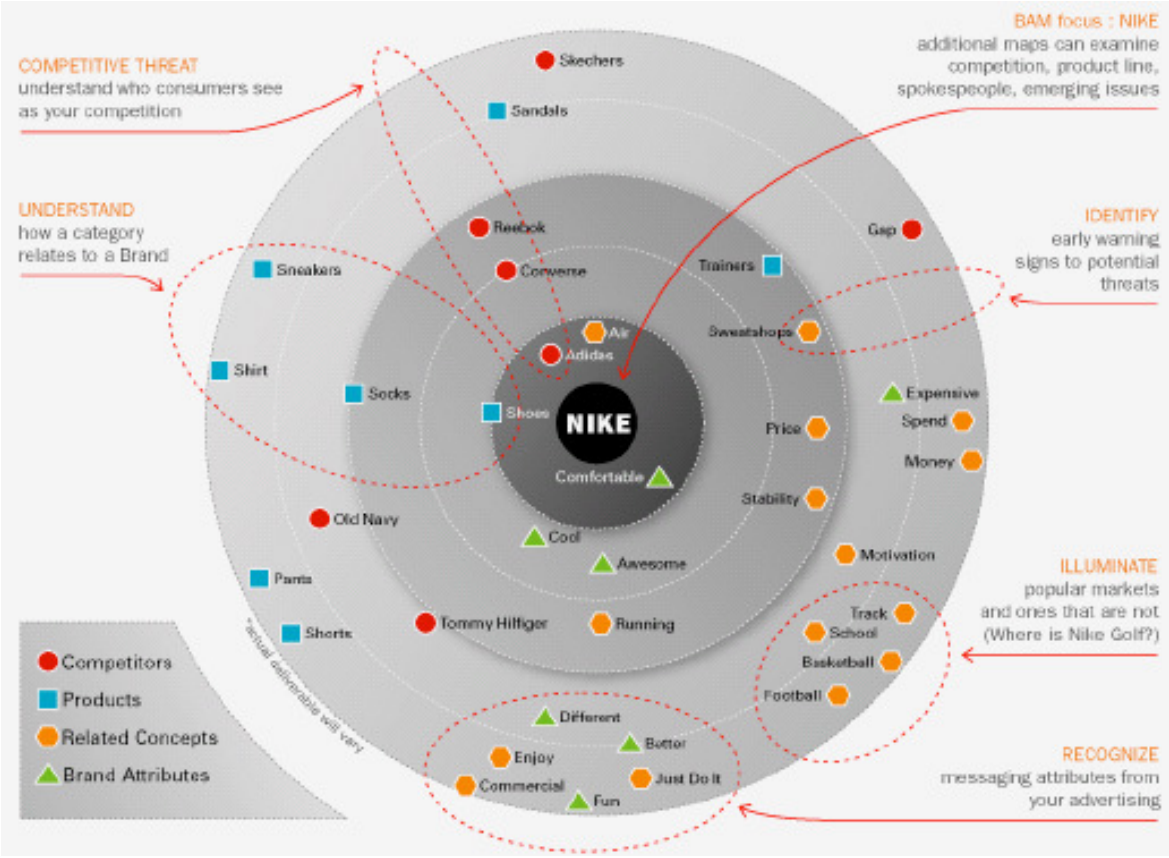
These metrics are applied to answer larger marketing and business problems associated with:

- Consumer Insights
- New Product Launch
- Marketing Effectiveness
- Quality/Reputation Management

CGM Visualization & Analysis

New visualization and analysis techniques are essential to leveraging CGM in engagement measurement. Nielsen BuzzMetrics' latest development in CGM visualization and interpretation is the Brand Association Map, which provides simple, at-a-glance frameworks to understand key brand dimensions, including product attributes, key messaging elements, competitive and category sets, and related concepts and themes.

Nielsen BuzzMetrics Brand Association Map



The Brand Association Map analyzes unprompted consumer conversations on the Internet and plots the words and phrases that most closely correlate to the subject of the study. The closer a word appears to the center of the bull's eye, the stronger the association or correlation. Likewise, the proximity of words to each other on the map connotes a correlation. The image can be fine-tuned to focus on key topics to visualize how brand identity, reputation and equity mesh with marketers' core assumptions.

From an engagement perspective, the Brand Association Map provides an unbiased lens into what brands really represent in the minds of key consumer segments, including clarity on what the surrounding contexts truly are. New insight can be gleaned into the degree and quality in which a consumer is turned on to a brand or commercial message – or, the map can identify threats and opportunities. Identifying naturally occurring brand association often reveals key questions and frameworks that marketers would otherwise never ask. These associations can provide excellent foundation to drill down within more refined CGM data sets, as well as with other engagement measures. For example:

- Are key initiatives or product benefits being discussed?
- Are hot issues emerging that traditional research is simply not addressing?
- Is advertising messaging preserving and optimizing brand equity?
- What reactions are surfacing in response to specific advertising campaigns and spokespersons?

Satmetrix Systems / Net Promoter

The Power behind a Single Number

Jim Stengel, the Global Marketing Officer of The Procter & Gamble Company, has noted that we need to change how we get in touch with our customers, and that change will demand new approaches to research as well as to marketing:

> "Without the right measurement, we really don't know how well our efforts work. We don't know if we are in touch with our consumers. We cannot continue to apply traditional thinking to the new world of technology and marketing channels available to us today."

As marketers seek to understand how well they are engaging their customers with their brands, many are focusing on improving their measurement of the customer experience. Satmetrix has found that change is needed in how marketers determine the relationship between customer experience and customer loyalty.

Misdirected Measurement

Despite the growing popularity of loyalty programs, the true value of such programs often goes unrealized due to ambiguous or ill-defined measurement systems. In fact, an informal meta-analysis performed on existing research shows that a standardized metric that accurately measures loyalty remains elusive. What has become clear, however, is that measuring

satisfaction is simply not enough (Reichheld, 2003). Moreover, researchers and practitioners alike are grappling with identifying the right loyalty metric that consistently links to a company's bottom line.

Establishing a Standard

To begin the path towards standardization, Satmetrix Systems, in close consultation with Frederick Reichheld, founder of the Loyalty practice at Bain and Company and author of *Loyalty Rules!* (HBS Press, 2001), embarked on an independent research project to understand both the micro- and macroeconomics of customer loyalty. At the micro-level, research objectives included finding the 'right' loyalty question that best predicts customers' short-term purchase and referral behaviors (see Figure 1A). At the macro-level, research objectives involved validating this aforementioned metric (i.e., the 'right' loyalty question) by linking it to longer-term corporate financial indicators across industry-specific companies (see Figure 1B).

Customer Experience Matters

Customer experience matters. It determines how much business your customers want to do with you, how fast you grow and how profitable that growth will be. Customer experience has a direct link to customer loyalty and company profitability.

It's easy enough to find out what your customers are buying, but the big question is "why?" More importantly, you need to understand whether they will continue to do business with you and refer others. This is at the heart of your financial success because repeat customers and referrals are the most cost effective means of growing a business. You need to understand what your customer thinks of you, your products and services, and all of their experiences with your company. The only way you can develop this understanding is by regularly getting feedback from your customers. If you're not receiving regular customer experience feedback from your customers, you are missing what their intentions are as a customer going forward.

Figure 1A. Microeconomics of Loyalty

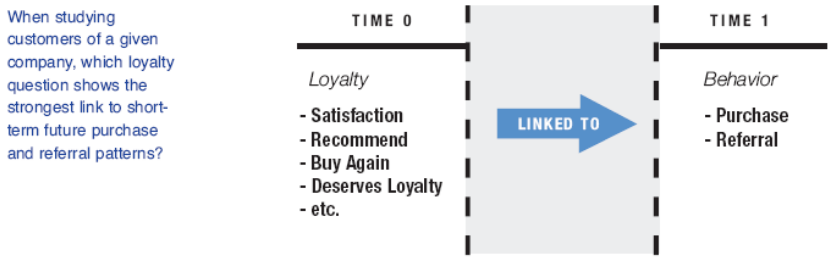
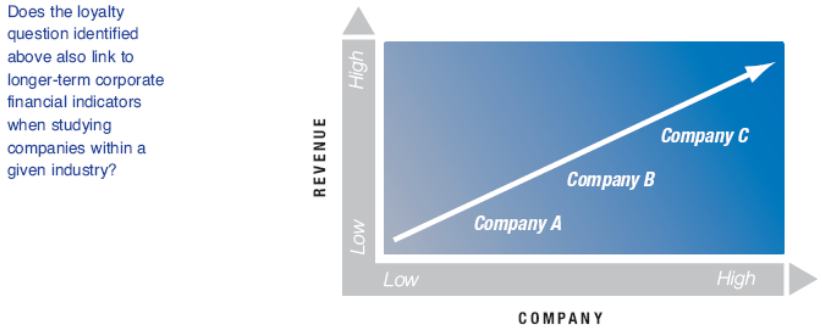


Figure 1B. Microeconomics of Loyalty



Data Collection

To identify the 'right' loyalty question that links to real behaviors (i.e., purchases and referrals made), survey data was collected from customers of targeted companies within six industries, including financial services, cable and telephony, ecommerce, auto insurance, Internet service providers and computer hardware.

Specifically, data was collected using the Web, with customer participation solicited through email invitations sent to addresses purchased from publicly available, opt-in email lists. Although each survey was customized to address industry-specific customer attitudes and behaviors, all questionnaires asked respondents to provide information related to satisfaction and loyalty to a particular company, as well as individual purchase histories and actual referrals made. Follow-up surveys were then sent to these same individuals within a six to 12 month timeframe in order to evaluate the lag effect between self-reported loyalty and future behaviors. Overall, approximately 4000 customers were sampled for participation in this specialized study, resulting in large enough sample sizes per industry to perform various statistical tests.

Analysis

To evaluate the relationships between loyalty questions and customer behavior, survey questions and response options were designed with quantitative analysis in mind. As such, response options for the loyalty questions consisted of a 0-to-10 point rating scale, with '0' representing the extreme negative end and '10 representing the extreme positive end.

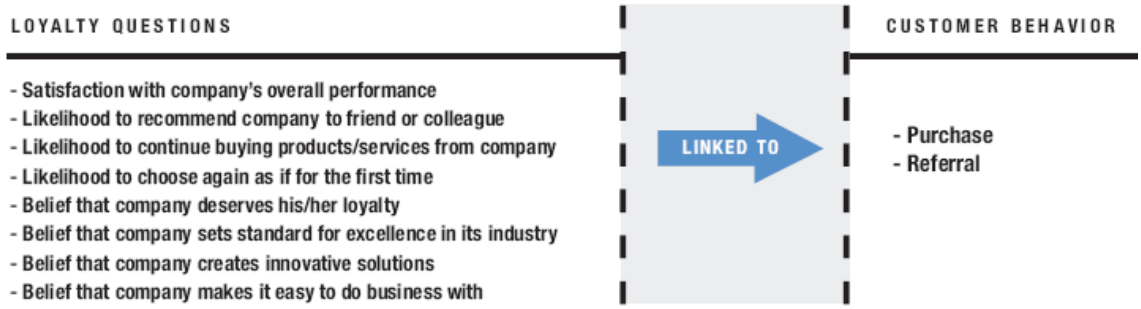
Response options for the behavioral questions were also numerically scaled, and consisted of a set of rank-ordered categorical choices. Using these scaled responses, correlations were computed for each paired loyalty and behavioral combination for each of the different industries. Correlation coefficients were then examined in terms of absolute magnitude and level of significance to find the loyalty question that most strongly and consistently linked to short-term customer behaviors. Below is a listing of the primary questions and behaviors that were linked within each industry.

Results

Because different industries generally foster distinct types of customer-to-company relationships, one of the presumed hypotheses in this micro-level analysis was that each industry would yield a unique answer. In other words, a different question would prove to be the 'right' loyalty metric for each industry under consideration.

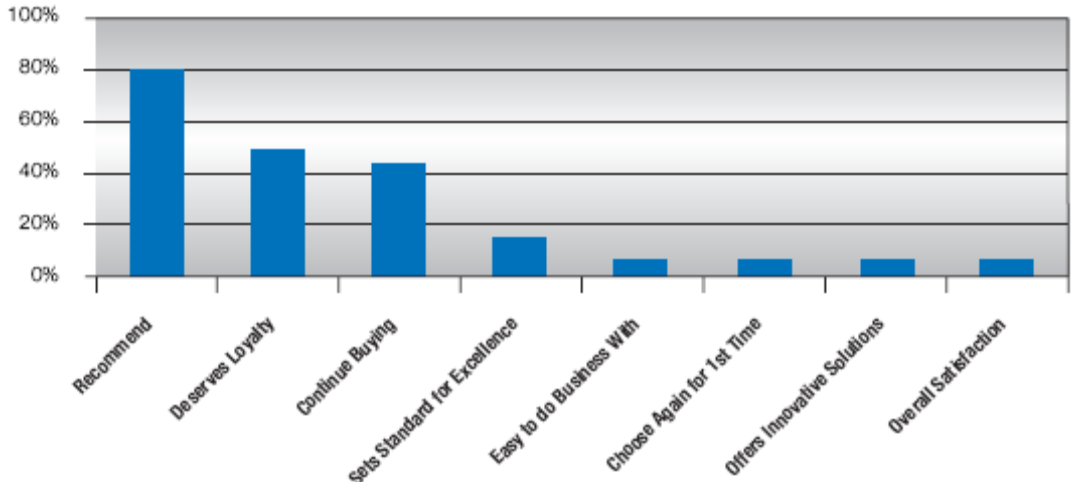
What the results showed, however, was that a single loyalty question may be sufficient to gauge individual customer purchase and referral patterns across seemingly disparate industries. Specifically, of the correlations studied across the different industries, the 'likelihood to recommend' question proved to be the top correlate to actual customer behavior 80% of the time (see Figure 2). More explicitly, if customers reported that they were likely to recommend a particular company to a friend or colleague, then these same customers were also likely to actually repurchase from the company, as well as generate new business by referring the company via word-of mouth. Conversely, if customers reported that they were not likely to

recommend a company, they were also less likely to engage in actual repurchase or referral behaviors.

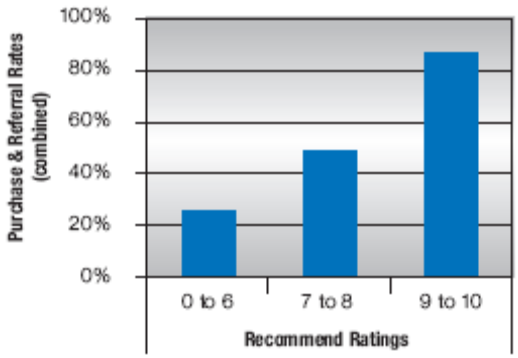


Below, Figure 2 illustrates the frequency with which each of the different loyalty questions emerged as the top correlate to actual customer behavior when testing these links across the six different industries.

Figure 2. Top Ranking Correlates to Customer Behavior



Results of this analysis also led to the discovery of a customer classification scheme, whereby customers can be grouped according to their joint loyalty and behavioral profiles. For example, Figure 3 shows the co-varying distributions for customers within the cable and telephony industry. As seen below, customers were segmented into three categories based on their 'recommend' ratings and their combined purchase and referral rates. Using these groupings, customers can be characterized in terms of their joint profile of 'what they say' and 'what they will actually do'.



1. Promoters – customers who were highly likely to recommend a company (i.e., ratings of 9 or 10) and exhibited the highest rates of purchase and referral behaviors
2. Passive – customers who were somewhat likely to recommend a company (i.e., ratings of 7 or 8) and exhibited moderate rates of purchase and referral behaviors
3. Detractors – customers who were less likely to recommend a company (i.e., ratings of 0 thru 6) and exhibited the lowest rates of purchase and referral behaviors.

Figure3. Joint Distribution of 'Recommend' and Behavior for Cable and Telephony Customers

[When generalizing the results described above, please note that the 'recommend' question may not be as effective in measuring customer loyalty for monopolistic companies who have very few if no competitors. Because such companies dominate a certain industry, customers may purchase or refer simply out of necessity and lack of choice rather than true customer loyalty (Reichheld, 2003).]

Synovate

Brand Engagement, Brand Value and Sales: A New Measurement and Prediction System

A brand engagement strategy shows marketers that the big win is getting consumers to love a brand based on the relevance it has for them in their daily lives. That relationship will lead to increasing consumption of the brand's message and product. Synovate has developed a new framework for measuring brand engagement and predicting sales, to provide marketers with critical information they need to meet the increasingly complex business challenges of communication and sales.

Why is brand engagement so important?
The standard model of brand loyalty tells us to strive to delight the customer to develop brand commitment. The flaw in this logic comes from ignoring human nature: customers who are delighted today with excellent product or service quality will soon come to take it for granted. What that model ignores is when *brand engagement* is present, *when the brand has personal relevance to the customer,* a person will stay committed to the brand even it they are not always delighted, even when they are somewhat aggravated. Think about people, projects or ideas you have been closely involved with and your natural inclination to stick with them even when problems occurred.

So, while functional performance plays a role, brand engagement is driven principally by personal relevance and involvement. Can a person be committed to more than one brand in the

same category? Like it or not, the answer is definitely yes. Most of us can think of categories where we have a couple of favorite brands.

Creating brand engagement and brand value

There are just three places where brand value can be created. They are: in the factory, in the market and in the mind.

By brand value creation in the factory we mean the value that is created for a brand through the production or business process itself. Dell and McDonald's exemplify this. The process the McDonald's brothers invented to deliver hamburgers both drove down the cost and enhanced the customer's experience. Michael Dell achieved something similar with custom built PC's from his dorm room.

Coca-Cola and Microsoft are brands which owe much of their value to market circumstances. The Coca-Cola Company has always understood the importance of brand value creation through market dominance, and designed and commissioned the first stand-alone refrigerators to increase market coverage and deliver the brand cold.

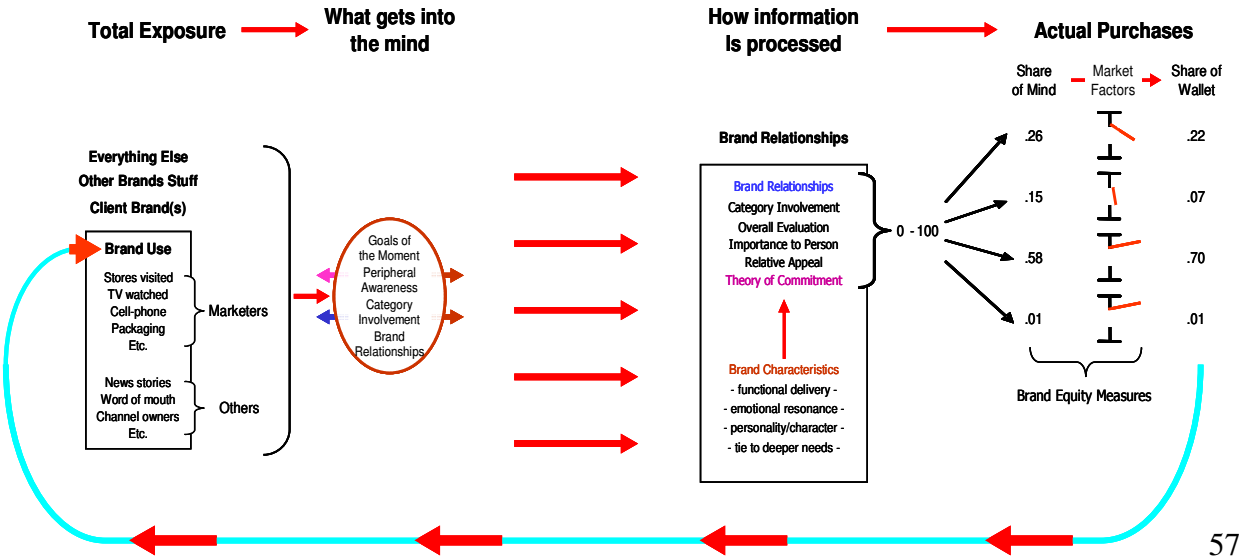
Finally, there's the brand value that is created when people really want to buy the brand. This is value creation in the mind. Intel and bottled mineral water are two excellent examples because there can be few marketing stories which illustrate more perfectly how products which are commodities can be transformed into branded categories.

It's the job of marketing research to provide a holistic measurement system providing the information needed to develop and manage effective brand strategies that maximize profitable sales and create brand value. There are two key business challenges:

- Communication: how to shape what ends up in people's minds about brands.
- Sales: how to maximize profitable sales, given what's in people's minds about brands.

A more complete framework to measure brand value

Today the marketing research industry often bases its brand equity measures and models on incomplete frameworks. A new measurement framework should provide a comprehensive approach to linking together communications, sales, and all the levers that could be pulled to create the first and generate the second. Here is our framework.



How do people end up believing what they do about a brand? First, there is 'total exposure' i.e. everything that a person is exposed to in a day. Second, there is the process by which some of what people are exposed to gets into the brain. Finally, there's how brand information is decoded, once it gets to the brain.

'Stuff about brands' is a sub-set of 'total exposure' including the information that comes from direct use of the brand; from marketing efforts and activities out of the brand marketer's control such as word of mouth, press editorials, etc.

Between what we're exposed to and what we end up believing stand the perceptual processes of the body and mind. We may be bombarded by information from all directions, but we ignore, edit, seek out, reject, process, and in other ways interfere with what gets thrown at us. The end result is a loose set of associations and beliefs that make up a brand's image.

What this means for brand and communications measurement

Understanding how brand imagery is formed is probably one of the worst instances of what we mean by modeling from incomplete frameworks. To measure a person's exposure to brand communications through different media, we use the example of carbonated soft drinks (CSD's). We have two simple questions. We ask people whether or not they've seen communication for each brand recently; and if 'yes', through which media. We know that people may not be accurate in this regard. But to a certain extent this isn't important, because what matters is what people think they've seen.

As a result of all this communication, we hope that people end up with beliefs about our brands which incline them to buy the brand, such as 'cool', 'trend-setting', 'thirst-quenching', and 'refreshing." We then look for patterns of relationship between communications and brand image.

But let's think about how an ordinary person develops an image of Coca-Cola in real life. One of the most important sources of beliefs about a brand comes from its direct use. A picture of a typical situation of Coca-Cola use is young people relaxing together. Ask yourself, what's likely to be the effect on Coke's image of this kind of use? It could strengthen these people's sense of how Coke enhances social occasions, strengthening Coke's sociability score. Perhaps this relaxed, widespread use of Coke in social situations may depress its scores for 'trend-setting'. Both effects would reflect in our survey. But it gets worse. One of Sprite's key attributes is 'thirst-quenching'. If Sprite brand managers are really successful at communicating 'thirst-quenching' and that property, then it should be obvious that their campaign would hurt Coke when it comes to 'thirst-quenching'.

Now think about how we typically model communications. We almost never see communications modeling which links in the results of what we would call these 'context effects'. Almost always, communications modeling looks at communications in isolation; producing a *distorted* picture of what's actually going on. Paradoxically, we often include information about brand use and competitors in our questionnaires. So this is not a problem of measurement. It is a simple lack of conceptual rigor.

Let's summarize what we have so far. We have a brand whose 'sociability' scores have been boosted, but whose 'trend-setting' and 'thirst-quenching' scores have been depressed by contexts and competitors. These results will have shown up in the attribute association part of our questionnaire. Yet, WE seldom see these potentially confounding factors included, when modeling communications impacts. We can fix these problems because we usually have the data we need to do so.

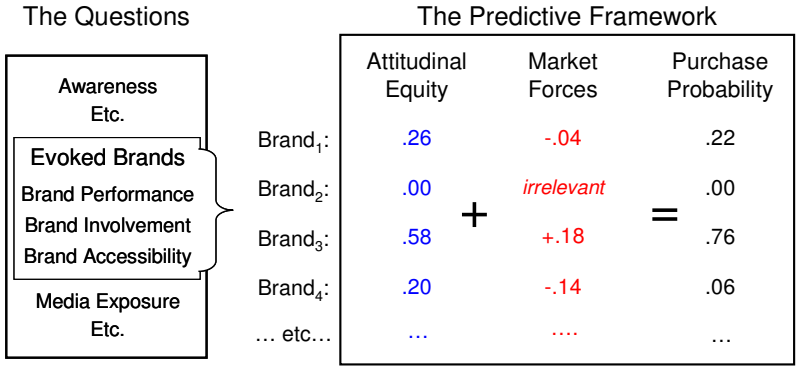
A more difficult problem is created by communications that may have nothing to do with CSD's. The example we're thinking of here is iPod. What possible relevance could it have to the brand image of Coca-Cola? The answer is: to the extent that it redefines how people think of certain core properties, it may have a very big impact. Think, for example, about 'cool'. iPod defines 'cool'. And the more successfully it does so, the harder it is for other brands to take ownership of 'cool' – especially if they've been around for a long time like Coca-Cola. The effect is to depress Coca-Cola's scores with respect to 'cool', and probably also 'trend-setting' and 'self-confidence'. So our measured picture of Coke's brand image is mostly sociable and refreshing. Yet we hardly ever model in a way which enables us to explain why. This 'straight-line modeling' from a brand's communications to image is clearly a mistake.

The next step in brand and communications measurement is to recognize that we develop *overall feelings* about each brand in conjunction with the detailed ideas we might have about each brand's image. It is these overall feelings that we need to measure in order to establish what we call a brand's 'attitudinal equity'. It is the first of two measures we need to predict brand sales.

Predicting brand sales

In predicting sales we're talking about going from what's in someone's mind about brands, to what they will actually do. What we're looking for is a number which links directly to sales. When the number for a brand goes up, we must know that brand sales will go up. If the number goes down, we must know that brand sales are in jeopardy.

The two measures we need for each brand in a person's evoked or consideration set are: an overall evaluation of how well the brand performs, and an overall sense of the brand's personal relevance. By combining these two measures for all brands, we can create an attitudinal equity score for each brand which is remarkably predictive of what a person will actually buy in a product category. In fact, our research shows that the correlation between this measure of attitudinal equity and actual behavior is 0.70. We've established this for more than 8 million observations.



The attitudinal equity score is expressed as a number between '0' and '1' and represents an attitudinal probability of purchase, i.e., strength of the desire to buy. Now, in spite of the fact that there is a very good correlation between this attitudinal score and what people actually do, there are many factors, such as price and distribution, which can stand in the way of personal desire.

So we improve our prediction by adding a second measure which we've pictured as a 'gate'. Typical 'gates' are distribution and price, and we have to measure whether the 'gate' is opened or closed. The stronger the barrier, the bigger will be the gap between what a person wants to buy and what they actually buy. But if we measure the barriers, then by combining the attitudinal equity score and the barrier score, we can improve our prediction of what people will buy. The correlation between the combined measure and actual behavior is 0.88 at the individual respondent level, so provides very high predictive power for brand sales.

TNS (Taylor Nelson Sofres PLC)

Brand Performance Optimization

If Engagement is "turning on a prospect to brand idea enhanced by the surrounding context," then Engagement can be seen to exist at the nexus of three basic questions:

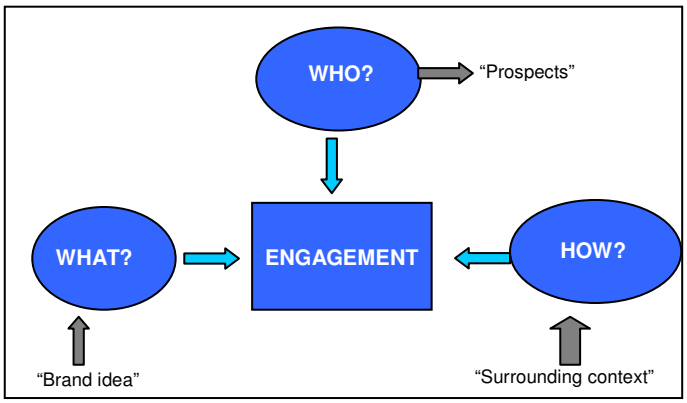


Fig. 1: Three Questions of Engagement

TNS has created an integrative system to help us understand Engagement. The objective is not to understand Engagement as an end to itself, but to understand the role of "Who?/What?/How?" in building business results and measuring marketing accountability. This approach is flexible, allowing clients to approach all three questions in the context of one study, or over the course of a longer term program of research.

For the purposes of this discussion, we will focus on the "what?" and "how?." One can define "prospects" in many ways, depending upon the strategic objectives of a brand; to describe all the approaches TNS uses, would go beyond the scope of this brief summary. For instance, one could choose to focus on those already committed to a brand, those users who are currently

vulnerable to loss, or on those non-users who are open to the brand. Tools like the Conversion Model™ can be used to help us discriminate among those with varying levels of commitment to a brand. We can look at those who not only might be early adopters, but who at the same time can influence others in brand choice (using our FutureView™ model). We can also target as prospects those with particular emotive needs. What is important is that our framework allows us to clearly address the "what?" and the "how?" for each prospect group of interest.

Understanding "What" with Brand Performance Optimization™

Traditional brand equity research focuses on those equities that can help create consumer demand for a brand. However, one can create all the demand in the world for a brand, but if the consumer has trouble accessing it – if it is perceived to be too difficult to find, too expensive, etc. – then one will never get the business results one wishes for. Great brands have "always" known this: Coca Cola built its brand as much on ensuring that anyone with a thirst could find a Coke product within arm's reach, as on creating perceptions about the brand's thirst-quenching abilities. Therefore, when considering the "brand idea", TNS' Brand Performance Optimization™ (BPO) solution emphasizes the need to look at both the Demand and Supply sides, or stated another way, the brand's Power in the Mind, as well as its Power in the Market:

There are a number of factors that go into explaining a brand's Power in the Mind and Power in the Market, but we find it useful to first look at simple summary KPIs of both factors. This gives us a clear picture of a brand – has it done a better job of creating Power in the Mind than Power in the Market? Vice-Versa? Or is it "hitting on all cylinders"?

When we think of the drivers of Power in the Mind, BPO makes an important distinction between what we refer to as the "head" and the "heart". Given the increasing difficulty of differentiating themselves from competition on the basis of "rational" performance based factors, brands have increasingly sought to build connections to consumers on the basis of emotional benefits. Since traditional verbal ratings tasks do a notoriously poor job of measuring deeper, emotive needs and images, BPO makes pioneering use of projective methodology adapted from TNS' NeedScope™ system in order to paint a demonstrably richer view. In this method, consumers are presented with six different photo collages, each one of which has been empirically demonstrated to represent a different personality archetype. They are first asked to indicate which one collage they associate with a particular brand. They are then asked to

indicate how the people in that collage would rate the brand on a number of product feature, social, emotional and brand personality characteristics. We can then analyze these data in perceptual space to understand holistically how the brand is perceived, and what distinguishes it from other brands.

Similarly, there are core factors around pricing and availability we need to take into account if we want to diagnose a brand's Power in the Market. While one can use "objective" data to look at these factors, it is more helpful to look at them from the perspective of the consumer target. Irrespective of "objective" distribution levels, if a consumer feels he or she has trouble finding it, then there is an availability problem that needs to be addressed.

Understanding "How?" with Market Contact Audit

Once we understand the "what" of Power in the Mind and Power in the Market, we can start a "conversation" around marketing strategy. A brand that needs to build Power in the Mind will likely want to focus on above the line activities like advertising, PR, etc., to help build driver images; a brand that needs to focus on Power in the Market may turn to consumer price promotions, trade activities, etc.

TNS has recently signed a strategic partnership with Integration, and now offers Market Contact Audit™ (MCA). MCA diagnoses the "How?" one should use to reach the "Who?" with the intended "What?" MCA can be efficiently conducted in conjunction with BPO.

MCA analyses a brand's communications contact portfolio from the consumer target's point of view. Contacts are broadly defined, and are customized for every category; they encompass all the major touch points, from traditional advertising, to word of mouth, to in-store promotions. MCA looks at these various contacts both from a category perspective and from an individual brand perspective.

First, MCA calculates a Consumer Clout Factor (CCF) score for each contact point, at the category level, by taking into account perceptions of its information value and its attractiveness value. The CCF, in effect, measures the intrinsic power of a contact to engage consumers within the category. To then tie this to individual brands, we also obtain brand-contact point associations. Combining the information from CCF and brand-contact point associations yields Brand Experience Points (BEP), an indicator of the efficiency and efficacy of individual contact points. These BEPs give us a common currency by which we can understand a brand's contact strengths and weaknesses, its opportunities and threats. Finally, the BEPs can also be aggregated, enabling the computation of the Brand Experience Share (BES) metric; it is a single-number indicator of the perceived weight of all brand activities relative to competition.

Contacts	Associations w/ Brand A	CCF weighting	BEPs Brand A	BEPs Brand B	BEPs Brand C	BEPs Total Category
TV Ad	40%	70	2800	3000	1500	
W.O.M	30%	60	1800	2500	1000	
Mail from Brand	20%	50	1000	2000	1200	
(...)						
MSN	40%	20	800	500	400	
Total BEPs			6,400	8,000	4,100	18,500
BES			35%	43%	22%	100%

CCF = "Contact Clout Factor" is a single indicator for the capacity of contact to influence consumer attitudes towards brands in a given category.

BEP = "Brand Experience Points".
Number of brand contact associations weighted by the CCF.

BES = "Brand Experience Share".
Single indicator for the perceived weight of all brand activities relative to competition.

Fig. 3: Contact Clout Factor, Brand Experience Points and Brand Experience Share

Through a disciplined and integrated approach to "Who?", "What?" and "How?" as outlined above, we can achieve a holistic approach to the Engagement issue.

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