

COLUMNS

## Can advertising dollars ensure engagement?

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It is a well-known fact that a lot of advertising misses its mark. On television, this is part of the model advertisers expect that a good chunk of a TV show's audience is going to be wrong for them.

At the same time, what do you do when 999 out of 1,000 of the banner ad impressions you buy result in no measurable action on the part of users?

You could try your hand at some complex view-through tracking, or maybe look at your branded search terms to see if your banner ads are having an effect.

If you have got an analyst or agency at your disposal, you can send them off to do the job. Or, maybe, you just cross your fingers and pray that sales go up.

### Making an impression

Enter cost-per-engagement advertising, a relative newcomer among ad pricing models that takes the emphasis off of impressions, and puts it on engagement.

Take a model such as CPM, defined as the cost per 1,000 impressions displayed.

CPM is a convenient and reliable way to meter the number of advertising units delivered, certainly. It is a straightforward basis for calculating revenue based on total units shown, sure.

But is CPM a good pricing model for promoting delivery of effective, attention-getting advertising? A reliable way to gauge the real effect of an advertising campaign? It is here where the model begins to fall short.

Cost-per-engagement (CPE) advertising addresses these issues of accountability and effectiveness. It assures advertisers that their money is being well spent by charging based on actual engagement with ads.

Engagement may refer to viewing a 15-30 second video, answering a survey question or typing in a short answer based on the content of an ad shown.

It is a delivery method that guarantees attention for every dollar spent, thereby taking some of the risk out of display buying provided, of course, that you do not overpay.

With CPE you now have a publisher lined up who is going to guarantee you engagement. This means you can stop worrying about ad slots, or having to resort to aggressive, flashing creatives or other attention-getting tactics.

Instead, your strategy needs to go into how you are going to use the attention you just bought to make a meaningful impact on your target audience.

Study in contrast

For the sake of comparison, think back to your days in the classroom.

Remember that teacher who talked at you straight from a textbook? Boring, right?

Now think about the teacher who got you thinking by initiating conversation, the one who was able to draw a response out of you and get you to synthesize the information you were given into an answer. You probably learned more from the second one.

Many of the ad formats that are built for CPE are designed specifically for this kind of two-way interaction. They require users to actually submit an input, click through a multi-page experience, or otherwise demonstrate active engagement before a billable event occurs.

Recall and register are improved immensely by engagement, by forcing some degree of processing of information, whether it be in terms of performance on a test or returning to the context of online advertising in terms of creating a positive, lasting association between the experience and the brand that will ideally return the next time the viewer comes into contact with that product or service.

THE CPE MODEL offers an advertiser the certainty that its audience has seen and registered the content of the ad, and the satisfaction that it only incurs cost when a user engages accordingly.

CPE's performance is backed up by advertising effectiveness studies on brand advertising, which show significant lifts across metrics such as awareness, recall and purchase intent.

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