The New Era of Advertising: Consumers’ Interaction and Participation

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The New Era of Advertising: Consumers’ Interaction and Participation

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The topic of this thesis was partly inspired by the very first school project I did in KTH. And it is very possible that this thesis paper is my last school project here. I really enjoy the great time in KTH and Stockholm in these two years.

I’d like to thank Dr. Christopher Rosenqvist, Dr. Alex Jonsson, Prof. Haibo Li, my supervisor and examiners, for their great work in providing suggestions and guidance. And I also want to thank my great family members. My parents and sister always show their strong supports to my study in Sweden.

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Abstract

Advertising used to be heavily controlled by marketers. The role of a consumer in advertising realm is merely a passive viewer. Thanks to the developments of media technology, consumers start to obtain powers in controlling ad viewing and shaping ad appearance through diverse advertising forms. Such powers obtained by consumers represent the coming of a new era of advertising, in which consumers’ interaction and participation are largely relied on.

It is ads’ interactivity that empowers consumers’ interaction and participation. Through it, consumers get decision-making power in the ad consumption process. This thesis paper aims to discuss how consumers’ interaction and participation in ad consumption process impact the players in advertising value constellation. The ads which support consumers’ interaction and participation are called “interactive / participatory” ones in this thesis paper. To delimit interactive / participatory ads, the concept of opt-in advertising is brought up. Opt-in advertising empowers consumers to make decisions about ad consumption before, instead of after, they are exposed to ads. In sharp contrast to marketers’ absolute dominance, opt-in advertising underlines consumers’ initiatives in determining what ads to consume and how to consume them.

Relying on the interactivity dimension model, five cases are selected to study the impacts of consumers’ interaction and participation in specific forms of interactive / participatory ads. They are ASq system, The Johnny Cash Project, Google Chrome Fastball, M&M Find Red, and Coca Cola Happiness Factory. On the basis of the case studies, a more general discussion about the impacts of consumers’ interaction and participation on advertising value constellation players is taken. Further, an evaluation criterion is put forward, which centers on ads’ customization availability for consumers. It is expected to be able to act as a guideline for marketers to produce interactive / participatory ads. The potential developments of interactive / participatory ads in near future are discussed as well, which are expected to be inspiring for the players in advertising value constellation.
Den Nya Eran av Marknadsföring: Konsumentinteraktion och Konsumentdelaktighet

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1. Project Introduction

This chapter provides a general picture of consumers’ availability of controlling ad consumption process in the ages of traditional mass media and digital media. Consumers and marketers both encounter some problems in benefiting from the present common advertising mode. It leads to the research question which focuses on consumers’ interaction and participation in ad consumption process. To narrow down the question, a few definitions and delimitations are illustrated. Further, it points out the objectives of this thesis and the people who may be interested in the research area.

1.1 Background

Modern advertising’s development is always keeping the pace with media’s. Media’s attribute of being a communication tool determines how ads are distributed and consumed. In the age of mass media, the one-way communication model resulted in consumers’ passive way of consuming ads. It cannot be denied that there are some ad forms on mass media taking consumers’ interaction and participation into consideration, like reward advertising, which provides rewards for consumers to encourage them to get involved. Nevertheless, in most occasions, consumers were in a very passive role in controlling ad consumption process. It is marketer that has absolute dominance in determining what ads are like, how they run in media, and the way they are consumed.

The latest media technologies make media enter the age of multi-directional communication. Consumers gradually gain more controls in receiving ads, both consciously and unconsciously. When consumers search information about their desired products on Internet, they could expect the appearance of ads. By inputting different search terms, consumers could control the ads displayed correspondingly. In this way, they control ads with consciousness. In some other cases, consumers control ads in an unconscious way, although they are seemingly exposed to ads without any control availability. For instance, lots of online ads today are displayed dynamically based on consumers’ online behavior analysis. It is long term online behavior that helps shape the ads displayed, rather than an instant decision.

The appearance of targeting ads, like the ones displayed based on consumer online behavior analysis, indicates that a more intelligent ad distribution mechanism is gradually set up. Nonetheless, consumers today still have quite a few problems in achieving satisfying ad consumption experience. One problem lies in the huge amount of ads. Consumers are exposed to quite many online and offline ads in a day, among which quite a few would be of no value for them. Besides, ads running in one-way communication mode are still ubiquitous. Consumers’ power of controlling ads is usually very limited in
this mode. For example, consumers can do little things to the ads printed in newspaper or broadcasted on TV, except determine to skip them or continue consuming them. Even in some digital media platforms which support consumers’ interaction, the lack of consumers’ control on ads still exists. Some valuable ad inventories on large digital media are usually sold directly to advertisers and their agencies. In such case, the ads are displayed according to business contracts. A typical example is banner advertising. Consumers cannot even close such digital ads if they don’t like them.

For consumers, getting interesting and useful ads is still not that easy nowadays. For marketers, producing catchy ads and make them stand out among competitors is still a big issue, even if advanced media technologies could be taken advantage of. Producing ads with control and customization availabilities for consumers might be one solution to the problems of both consumers and marketers. With consumers’ own controls, they could avoid useless and boring ads. Marketers, on the other hand, could get more information of consumer segmentation, which could help improve their business performance. Consumers’ controls on ad consumption process could be realized through consumers’ interaction and participation, which are supported by ads’ interactivity. And consumers’ interaction and participation in ad process will expedite advertising to enter a new era, in which ads are more consumers’ demand-oriented than marketers’ supply-oriented.

1.2 Research Question

In the new era of advertising, consumers’ interaction and participation in ad consumption process will not only have impacts on consumers themselves, but also all the other players in the advertising value constellation, like advertisers, publishers and ad agencies. Based on this perception, the research question of this thesis paper is defined as “how consumers’ interaction and participation in ad consumption process impact the players in the advertising value constellation”.

1.3 Definition and Delimitation

Interactivity, in the context of this thesis paper, is defined as the ads’ attribute of supporting consumers’ interaction and participation in ad consumption process. Interactive / participatory ads refer to the ones which empower consumers’ interaction and participation. The concept of interactive / participatory ads, in this thesis paper, is delimitated to refer to the ones which empower consumers to engage in opt-in mode.
Ads in opt-in mode advance consumers’ decision behavior. Thanks to it, consumers could decide their ad consumption lists by themselves according to their personal interests and demands. Only after the decisions are done would consumers start to consume the ads on the lists. In opt-out ads which are more common today, consumers could make decisions only after they are exposed to those ads. The ad consumption lists are not prepared by consumers themselves but marketers. Consumers could determine what ads not to consume in opt-out ads, in opposition to what ads to consume in opt-in ones. It explains why a few online ads with interactive elements, like links and buttons, are not counted as interactive / participatory ads in this thesis. If, for instance, those ads are displayed on publishers’ media platforms with no consumers’ decision in advance at all, then they are not the study objects of this thesis because they don’t apply the opt-in mode.

In addition to the above terms which would be frequently used, there are several other delimitations needed to be specified. The advertisers mentioned in this thesis only refer to those running in B2C business model rather than B2B. Additionally, although many advertisers would outsource ad creative production and media planning to external ad agencies, there are still a few doing a part of ad work within their own organizations. For example, a few large advertisers may have their own advertising department to sign ad distribution contract directly with publishers. In order to state the present advertising value constellation in a more clear way, an explicit boundary line is drawn in this thesis paper between advertisers and ad agencies. All internal advertising functions in advertisers’ organizations are also considered as parts of advertising agencies. And advertisers in this thesis only refer to the ones who make advertising requests to agencies. As for the impacts brought to advertising value constellation players by consumers’ interaction and participation, they are stated from business perspectives rather than technology perspective or any other ones.

1.4 Aim and Objectives

The current researches in advertising realm mostly depart from marketers’ perspectives, like how to design effective ads in traditional or new media landscape. There are also some papers whose authors stand in a neutral role in analyzing the roles of marketers and consumers in advertising. This thesis paper, in contrast, roots in consumers’ interaction and participation. It aims to discuss the impacts of consumers’ interaction and participation in ad consumption process on the players of advertising value constellation.

In order to achieve the aim, four specific objectives are further put forward as following:
- To figure out the advertising value constellation nowadays;
- To study how players in advertising value constellation are impacted by consumers’ interaction and participation in ad consumption process;
- To summarize the criterion of evaluating interactive / participatory ads;
- To explore the potential developments of interactive / participatory ads in the near future.

1.5 Relevance

This thesis roots in the advertising value constellation so the topic might arouse the interests of marketers in advertising industry, like ad agencies, publishers, etc. And researchers who are interested in integrated marketing, brand communication may find some inspiring information and discussion in this thesis paper as well. Given that transmedia storytelling advertising is taken as a form of interactive / participatory advertising in the thesis paper, researchers in transmedia storytelling area are also expected to be able to obtain a few insights.

Summary

In the age of new media, consumers have gained more controls in shaping their ad consumption experience either consciously or unconsciously. That is in sharp contrast to their passive role in receiving ads in the age of traditional mass media. Nevertheless, consumers still encounter a few problems in achieving satisfying ad consumption experience. Marketers in advertising industry also face several challenges in winning market. Consumers’ interaction and participation in ad consumption process are considered to be possible solutions.

Based on it, the research question “how consumers’ interaction and participation in ad consumption process impact the players in advertising value constellation” is brought up. To specify the question, the concepts of ads’ interactivity and interactive / participatory ads are specifically defined. And the latter concept is also delimitated to the ones which apply opt-in mode of advertising to narrow down the research scope. Ads in opt-in mode refer to the ones those enable consumers to do ad consumption decisions before their real ad consumption behaviors.

The research question is further divided into four objectives to achieve, including clarifying advertising value constellation, studying the impacts of consumers’ interaction and participation on its players, summarizing evaluation criterion for interactive / participatory ads, and bringing up future assumptions
about interactive / participatory ads’ developments. The discussions taken in the thesis paper is expected to arouse the interests of advertising players and researchers in marketing communication area.
2. Theoretical Background

In this chapter, the relevant theories to the research question are introduced. They are Interactivity Dimension Model of advertising, From Value Chain to Value Constellation, and Transmedia Storytelling. They work as important theoretical background to figure out the answer to the research question. How those theories will be applied in the thesis is also briefly introduced.

2.1 Interactivity Dimension Model

2.1.1 Theory introduction

Two Dimensions of Interactivity was put forward to define the interactivity of cyberspace advertising (Roehm and Haugtvedt, 1999). One dimension is control, the other one is message. In each dimension, there are two variables used to distinguish interactivity types. This indicates that there are totally four types of interactivity defined in the model. They are Customer-Controlled, Content-Oriented Interactivity; Customer-Controlled, Form-Oriented Interactivity; Marketer-Controlled, Content-Oriented Interactivity; and Marketer-Controlled, Form-Oriented Interactivity.

2.1.2 Theory Application

The interactivity dimension model works as the basis of study case selection in this thesis. Due to this thesis paper’s delimitation in advertisers who runs B2C business, the variable of “customer-controlled” would be replaced with “consumer-controlled” in the following parts of the paper.

2.1.3 Theory Limitation

In each type of interactivity pointed out in the theory, there is only one control party, either marketers or consumers. Such dominance of one party has weakened in quite a few cases today. There are ads applying co-controlled interactivity by both marketers and consumers. For example, the interactivity of a few participatory ads, like Augmented Reality Games (ARG), supports the controls from both sides. More about such participatory ads would be studied in the following chapters of “Case Introduction” and “Case Analysis”.

2.2 From Value Chain to Value Constellation

2.2.1 Theory Introduction

In the concept of value chain, value creation is a sequential and linear process. After some values are added in the current stage, offerings (products or services) are passed to next value chain player. Such process goes on until the offerings are ultimately transferred to consumers, which also represents the end of the value creation and addition process. Normann and Ramirez argued that the relationships and interfaces among actors in value creation system are changing (Normann and Ramirez, 1998). That argument catalyzed the notion transformation from value chain to value constellation. Consumers’ role in value creation is emphasized in the latter notion. Consumers could also participate in offering’s value creation and addition, instead of only acting as a passive user of the offerings. The relationships among partners in value constellation turn into reciprocal ones from sequential ones.

2.2.2 Theory Application

The value constellation notion will be applied in reconfiguring the relationship among present advertising players. In the theory, the analysis of consumers’ contribution to value creation works as a good theoretical basis to analyze the impacts of consumers’ interaction and participation on advertising value constellation players.

2.3 Transmedia Storytelling

Some ads could be seen as stories whose protagonists are the promoted products or brands. From this perspective, producing effective ads could be compared to telling convincing stories about products and brands. That is why the concept of transmedia storytelling is introduced in this advertising related thesis paper.

2.3.1 Theory Introduction

A transmedia story is defined as a one which “unfolds across multiple media platforms, with each new text making a distinctive and valuable contribution to the whole” (Jenkins 2008, p.97). “Transmedia” doesn’t mean stories are repetitively told cross various media channels without any re-creation. In contrast, the concept emphasizes on producing different contents for varying media platforms based on
common grounds. For storytellers, they need to ensure the stories told in any medium could become an entry point for consumers to go into the larger fictional universe. Meanwhile, the story consumptions across media should expand consumers’ knowledge of the fictional universe.

For consumers, they could consume stories in their own favorite way, either enjoying a single story in one medium or exploring multiple media to strengthen the experience. Further, consumers are also welcome to participate in story creation and discussion. Consumers could obtain more knowledge about stories by communicating with each other online or offline. Easing audience’s approach to contents on multi-media platforms and being capable to rouse their willingness to participate is considered as key principles of creating transmedia storytelling projects (Giovagnoli, 2011).

2.3.2 Theory Application

In this thesis paper, transmedia storytelling’s application in advertising is regarded as one form of interactive / participatory ads. Transmedia storytelling ads provide consumers with several options for their ad interaction and participation. For instance, consumers could determine which media platforms to consume the ads on. They can also make a choice between being story consumers and story creators as well. Based the features of transmedia storytelling introduced in the theory, an ad campaign is selected to work as the specific study case.

Summary

In this chapter, three relevant theories to the research question are introduced. In Interactivity Dimension Model of advertising, which offers the basis for later study case selection, four types of ad interactivity “marketer-controlled and content-oriented” “marketer-controlled and form-oriented” “consumer-controlled and content-oriented” “consumer-controlled and form-oriented” are introduced. In the theory of From Value Chain to Value Constellation, a reciprocal process of value creation is pointed out. Consumers’ participation in value creation highlighted in the theory well accords with this thesis’s aim of studying consumers’ interaction and participation in ad consumption process. As for transmedia storytelling, it enables consumers to enjoy varying stories in a single fictional world across media platforms. The introduction to this theory is taken because an interactive / participatory ad form that applies the principles of transmedia storytelling will be taken as a study case in later chapters of the thesis.
3. Method

This chapter presents how the research is designed in this thesis paper to achieve the research objectives. And the process of selecting study cases of interactive / participatory ads is also depicted.

3.1 Research Design

A qualitative study method is applied in this thesis paper, given that it could best serve the research purpose of figuring out the impacts of consumers’ interaction and participation. The present advertising value constellation is studied to set the stage for the later analysis in impacts of consumers’ interaction and participation on the players in it. Nowadays, taking consumers’ interaction and participation as the fundamental starting points of producing ads has not been widely adopted in advertising industry yet. Therefore, case studies of a few representative ads which highlight the role of consumers’ interaction and participation are taken. Based on case studies, a general discussion regardless of specific forms of interactive / participatory ads is taken to answer the research question pointed out earlier. The discussion includes how consumers’ interaction and participation impact advertising value constellation players in a general level, the criterion of evaluating interactive / participative ads, and the potential developments of interactive / participatory ads in the near future.

3.2 Case Selection

The case selection is based on the interactivity dimension model, which is introduced in the “Theoretical Background” chapter. Due to the model’s limitations pointed out, some adjustments to the model are taken to better accord with the research’s focus on consumer side. In the dimension of “control”, the “marketer-controlled” variable is skipped since it could contribute little to the study of “consumers’ interaction and participation” which implies consumers’ dominant role in this thesis paper. Meanwhile, a variable of “co-controlled” is added due to the existence of collaboration between consumers and marketers in transmitting ad messages nowadays. Consumers could be ad consumers and partners of marketers at the same time in some cases.

The next step is to find relevant ad forms to fill in the adjusted model. Through going through advertising literatures, online news, and some other sources, several forms of interactive / participatory
ads are found to fit the model. The interactivity dimension model filled with corresponding interactive / participatory ad forms is shown in Table 1 below.

<table>
<thead>
<tr>
<th>Control Dimension</th>
<th>Message Dimension</th>
<th>Content-Oriented</th>
<th>Form-Oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer-Controlled</td>
<td>Ad selector System</td>
<td>Participatory advertising for consumers to contribute to content</td>
<td>Transmedia storytelling advertising</td>
</tr>
<tr>
<td>Co-Controlled</td>
<td>Advergame</td>
<td>N.A.</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Interactivity dimension model filled with corresponding interactive / participatory ad forms

Unfortunately, a suitable ad form for “co-controlled, form-oriented” interactivity hasn't been discovered yet. An assumption about the possible ad form employing this type of interactivity will be put forward in the discussion part of this thesis paper.

Finding very specific cases in ad forms selected above is what to do next. The selection criteria center on the cases’ representativeness in corresponding ad forms and their second-hand data sufficiency. The specific study cases are displayed in Table 2 below.

<table>
<thead>
<tr>
<th>Interactive / Participatory Advertising Form</th>
<th>Corresponding Case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad selector system</td>
<td>ASq System</td>
</tr>
<tr>
<td>Participatory advertising for consumers to contribute to content</td>
<td>The Johnny Cash Project</td>
</tr>
<tr>
<td>Advergame: Video game</td>
<td>Google Chrome Fastball</td>
</tr>
<tr>
<td>Advergame: Augmented Reality Game (ARG)</td>
<td>M&amp;M Find Red</td>
</tr>
<tr>
<td>Transmedia storytelling advertising</td>
<td>Coca Cola Happiness Factory</td>
</tr>
</tbody>
</table>

Table 2: Specific study cases selected corresponding to the selected interactive / participatory advertising forms

The introduction to the interactive / participatory ad forms and specific cases will be given in the following chapter of “Case Introduction”.
3.3 Information Collection

The information and evidence utilized in this thesis are primarily from two sources: individual practice experience and the available secondary data. The individual practice experience refers to taking practical interaction and participation in consuming the selected interactive / participatory ad cases. The information collected in this process includes the customization options provided by those ads for consumers, the outcomes after the interaction and participation, and the subjective feelings of taking interaction and participation, and etc. The secondary data, on the other hand, covers the advertising players’ operation situation in general, official operation statistics of the selected ads, marketers’ accounts of the ads’ production and operation, researchers and experts’ analysis and comments, consumers’ feedbacks after taking interaction and participation, and etc. These secondary data would provide reference when discussing the interactive / participatory ads’ impacts on value constellation players. They are collected through relevant advertising literatures, official release about the ad cases by corresponding advertising players (e.g. advertisers and ad agencies), available interview materials and case studies taken by others on Internet, and so on.

Summary

To answer the research question, a qualitative research method is taken in this thesis paper based on the discussions of five specific cases of interactive / participatory ads. The case selection departs from the adjusted interactivity dimension model of advertising. In the adjusted model, the variable of “marketer-controlled” is skipped and replaced with “co-controlled” due to this thesis’s focus on consumers’ interaction and participation. Then several interactive / participatory ad forms which reflect the interactivity types are found to fill in the model. At last, five specific ad cases are figured out to further study. These cases are ASq system, The Johnny Cash Project, Google Chrome Fastball, M&M Find Red, and Coca Cola Happiness Factory. However, a fitting case which could reflect “co-controlled and form-oriented” interactivity cannot be found. An assumption of this interactive / participatory ad form is made in the later chapter of “Discussion”. The information and evidence utilized in this thesis are primarily from individual practice experience and the available secondary data.
4. Advertising Value Constellation

In this chapter, traditional advertising value chain and present advertising value constellation would be presented. A specific description of each player in value constellation nowadays would also be taken. This chapter works as the basis of the discussion about impacts of consumers’ interaction and participation on value constellation players later on. And through it, the first objective of this thesis “to figure out the advertising value constellation nowadays” would be achieved.

4.1 Traditional Advertising Value Chain

In the traditional advertising value chain, values of ads are added in a linear sequence. The value adding process starts with advertisers’ ad plans, and ends with consumers’ ad exposure and consumption. Initially, advertisers pass original ad concepts and requirements to ad agencies. Then ad agencies add values to advertisers’ original concepts through creative production and media planning. Based on the media planning executed by ad agencies, ads run on various media channels. Publishers create the value of ad transmission and broadcasting. Finally, the whole value package is delivered to end consumers. No more value would be added by consumers. And the value addition process comes to an end. The one-way advertising value chain depicted above is shown in Figure 1 below:

![Figure 1: Value addition process in traditional one-way advertising value chain](image)

4.2 Present Advertising Value Constellation and its Players

The appearance of ad interactivity, to large extent, shapes the relations among advertising players to be more complicated than the ones in traditional one-way value chain. There are new players becoming players in advertising industry and contributing to value addition process, like ad service / technology providers. Besides new players, consumers also contribute to the more complicated value addition process. Through their interaction and participation, consumers could also create values for the ads that they may have consumed. The values created by consumers would be transferred to marketers or other consumers. In contrast to the traditional one-way value addition process, the present one shows the
reciprocal relations among the players. Such contrast accords with the theory of “from value chain to value constellation”. In Figure 2, a simplified advertising value constellation is given.

![Figure 2: Present advertising value constellation in the era of consumers’ interaction and participation](image)

**4.2.1 Advertiser**

Advertisers are the ones who initially make ad plans. Their major purpose is to promote their commercial products or brands to target consumers, while spreading information for educational, political, and ideological reasons is also common.

Advertisers usually provide selected ad agencies with original ad concepts and resources for their reference to produce ads and make media planning. The resource may include both monetary and non-monetary ones, like budgets and data access. For advertisers, advertising is an investment for marketing purpose. Hence, Return on Investment (ROI) is an important factor in evaluating advertising effectiveness for them.

In the era of traditional mass media’s dominance, smaller advertisers had more challenges in getting effective ad exposure in mass media, because they may not have enough budgets to compete with larger advertisers in buying ad inventories and timeslots. They may apply more direct marketing methods, like
mailing catalog and telephone sale, to control advertising costs. Today, in the digital age, online advertising offers smaller advertisers the chance to make low-cost but effective ads.

### 4.2.2 Ad Agency

Ad agencies’ survival was pointed out to rely on their “ability to generate innovative and breakthrough ideas for their clients” (Jaffe 2005, p.3). Their work could be divided into two parts, creative production and media planning, which could be clearly identified in the value constellation figure above. In the phase of creative production, ad concepts are transformed into consumable media contents. Compared with media planning which applies more objective standards and rational analysis, advertising’s creative production is a more subjective process in which more creativity and innovation are required. Therefore, creative production could particularly reflect agencies’ ability of generating innovative and breakthrough ideas.

In the media planning phase, agencies are responsible for planning ads’ exposure on media vehicles. An agency might have its own strategic publisher partners, which could be seen as an advantage against other agencies to attract advertisers. However, a fundamental competency of ad agencies in media planning lies in its capability of tailoring effective planning for each ad case and advertiser client. Mostly, it relates to how to best transmit ads to the target consumers within advertisers’ budgetary constraints. The obstacles existing in media planning include insufficient media data, time pressures, institutional influences on media decisions, lack of objectivity, and advertising effectiveness measure (Sissors and Baron, 2010).

### 4.2.3 Publisher

Publishers are the marketers who deliver media contents to consumers through their media products. They provide vehicles to transmit ads. For traditional media publishers, media revenue mix is shifting from paid to advertising-financed content (Aris and Bughin, 2009). For online media publishers, advertising is their significant revenue source (Evans, 2009). In the past when Internet wasn’t so booming like today, traditional publishers provided advertisers and ad agencies little flexibility in utilizing media ad inventories. Nowadays, Internet-based advertising largely reshapes this situation. A good proportion of online ads are displayed through analyzing consumers’ behavior on web in real time, rather than careful planning in advance. Traditional publishers’ dominant role in selling reserved ad inventory isn’t as strong as it is before. The flexibility of running ads on Internet attracts quite a few advertisers and ad agencies to put their emphasis on web.
For publishers who do advertising business, they add extra value to ads by transmitting them and attracting the attentions of advertisers’ target consumers. However, consumers’ attitudes towards ads displayed on publishers are usually not very positive. Study shows media consumers are very likely to switch to another media publisher at the moment an ad is shown (Aris and Bughin, 2009). TV and radio audience may switch to another channel, and Internet surfers may visit another site. Switching across traditional and online media is also convenient nowadays. Such situation leads to a few publishers’ dilemma in winning loyalty from consumers and handsome advertising revenues from advertisers at the same time. Interactive / participatory ads might be a solution to publishers’ such concerns. With interaction and participation options, consumers may show more interests in consuming ads and thus spend longer time on publishers.

Although online publishers may have taken lots of consumers’ attentions on traditional media away, online advertising isn’t always the substitute of offline advertising (Aris and Bughin, 2009). They could serve as complements for each other. For instance, in interactive / participatory ads, a media mix advertising approach could create more comprehensive and impressive interaction and participation experience for consumers.

The media industry shows the trend of getting more and more fragmented. It also facilitates the further segmentation of media audiences. It could enable publishers to better understand their audiences. Based on such in-depth understanding, publishers could provide feedbacks to advertisers and agencies for them to better plan ad content and distribution.

### 4.2.4 Ad Technology / Service Providers

In the traditional value chain, advertisers and ad agencies on their behalf may meet bottlenecks in achieving good cost performance. And publishers may get pressured in selling advertising inventories as many as possible. Such obstacles are quite common in the whole industry, especially in smaller advertisers who don’t have sufficient advertising budgets and smaller publishers who don’t have strong sales force. That’s how various ad service and technology providers are born to solve the problems of the marketers mentioned above. They have become an indispensible player in present advertising value constellation.

Ad Network is a vital player among ad technology / service providers. It is defined as “an aggregator or broker of advertising inventory for many sites” and “the sales representatives for the websites within the network” by Interactive Advertising Bureau (IAB) in its glossary of interactive advertising terms (IAB,
It acts as the intermediate between the two sides of buying and selling ad inventories. On one hand, it aids ad agencies and advertisers in buying relevant and available ad inventories in real time. On the other hand, it helps publishers sell remnant advertising inventories to advertisers and agencies. It means more for smaller publishers, because the remnant inventories could even be equaled with almost all inventories in many cases. Nowadays, ad network industry is prosperous and complicated, which is partly resulted from the fragmentation of publishers. Ad network service providers usually have their own business focuses and characteristics which differentiate themselves from others. Their characteristics could be analyzed from four basic aspects: format, targeting, pricing, and business model (Morrison and Coolbrith, 2008).

Ad technology and service are far more than ad networks. There are some companies providing services especially for advertisers and ad agencies. Taking MediaMind which supports media planners and buyers for instance, its platform “centralizes your historic performance data, publisher proposals, budget parameters and historical costs into one interface and allows you to make smarter media buys at a lower cost” (MediaMind, 2012). Meanwhile, some companies focus on serving publishers. Videoplaza is a company that “empowers broadcasters, publishers and ad networks to maximize their advertising revenues from the New IP-delivered TV” (Videoplaza, 2012). Besides, there are also plenty of companies providing the back-up technology solutions for those end products.

Monitoring consumers’ interaction and participation becomes more convenient as well with relevant ad tools. The monitoring data could guide publishers and agencies to adjust and improve their work in advertising. And the impacts of consumers’ interaction and participation on advertising value constellation players could be better reflected through the data as well.

### 4.2.5 Consumer

Consumers have never been as powerful as they are today. They are given unprecedented power to determine what to view, when to view it, and how to view it thanks to the innovations brought by technological advances in every medium (Jaffe, 2005). There are 10 behavioral shifts of consumers. Today’s consumer is “intelligent, empowered, skeptical, connected, time-pressed, demanding, loyal-less, always accessible, ahead of the curve and vengeful” (Jaffe 2005, p.51-65). Marketers are facing larger challenges to meet the demands of powerful consumers. Consumers’ interaction and participation in ad consumption process could help mitigate a few challenges of marketers by providing original data of their interests and demands.
In the Figure 2 above (p.12) which shows the present advertising value constellation in the era of consumers’ interaction and participation, there are three arrows starting from consumers. One of the arrows points to publishers. In most cases, consumers interact with or participate in ads through media publishers. After consumers’ contribution to ads’ value creation by taking interaction and participation, the ads with more value on publishers are transmitted to other consumers. The other two arrows represent consumers’ interaction and participation could also add value to ads by optimizing ad agencies’ media planning and creative production. In the present advertising value constellation, consumers are not always the end-point of value addition process. Through interaction and participation, consumers become value creator for marketers and other consumers. Also, they create values for themselves by gaining more joys and useful information.

**Summary**

The traditional advertising value chain primarily consists of four players, advertiser, ad agency, publisher and consumer. It reflects a linear value creation and transmission process. In the present advertising value constellation, there are new players, like ad service / technology providers, participating in value creation for ads. In addition, the advertising value creation process doesn’t have to end when they are transmitted to consumers. Consumers could also contribute to the ads’ value addition through engaging on publishers’ media platforms, shaping ads’ creative production and media planning, and etc.
5. Case Introduction

The five selected study cases would be given brief introductions in this chapter. The introductions aim to illustrate how those cases support consumers’ interaction and participation, and why ads’ interactivity reflected through the cases accords with the types listed in the adjusted interactivity dimension model.

5.1 Ad selector system: The ASq

Ad selector system provides consumers the possibility to pick the ads they want to watch among a few options. The interactivity of ad selector system is reflected through consumers’ interaction with media publishers. It alters the traditional way of ads’ being displayed on publishers to large extent. Ad contents are not only controlled by marketers. And they are not displayed automatically in the beginning of media contents either. Consumers’ power in determining ad contents is highlighted in this form of interactive ads. Therefore, the interactivity of ad selector system is taken as the representative of “consumer-controlled and content-oriented” one.

Case 1: ASq System

ASq system is an ad selector tool introduced for online video advertising market in 2010 by VivaKi, which is a part of Publicis Groupe, the world’s third largest communication group (Vivaki.com, 2012). Before video contents are played on publishers, there would be a billboard appearing and suggesting consumers to pick an ad among a few options in a few seconds. If no ad is selected, then a default one will be played (ASq guide, 2011). Figure 3 below shows the user interface of a ASq system demo.

Figure 3: The user interface of ASq system demo (Rising Tide Co-op, 2012)
5.2 Participatory advertising for consumers to contribute to content: The Johnny Cash Project

Participatory advertising could be categorized into two types. One focuses on consumers’ participation in ad content consumption, in which ad contents are produced by marketers. The other one emphasizes on consumers’ participation in ad content contribution, which means consumers are the producers of ad contents. In this sub-chapter, the latter type of participatory advertising would be specifically introduced.

The interactivity of participatory advertising emphasizing on consumers’ content contribution also belongs to “consumer-controlled and content-oriented” interactivity. Consumers’ controls on ads are reflected through their contribution to contents, rather than forms. Compared with ad selector systems, consumers involved in ad content contribution could gain larger controls, since what they could control is content production instead of content selection. Marketers, on the other hand, are the ones who determine in what forms consumer-generated contents would be.

Case 2: The Johnny Cash Project

American Recordings promoted Johnny Cash’s last album “AIN’T NO GRAVE” through The Johnny Cash Project campaign. It’s a crowd sourced project using Internet to memorize Johnny Cash, who was called the most influential musicians of the 20th century. Consumers are encouraged to produce and share their own vision of Johnny Cash on the ad site (http://www.thejohnnycashproject.com/). Their creation is based on several portraits of Johnny Cash provided by marketers. The portraits further created by consumers would be collected and displayed as frames of the music video of Johnny’s last record. The music video would be transforming all the time with consumers’ new contribution to the project. During the process of watching the music video, consumers could easily stop and check every frame’s drawing session by its author, rate and share the frame, and paint their own versions of the frame if they would like to.

In this ad campaign, marketers control the form of consumer-generated contents through building up the campaign’s framework, the interactive website. Consumers’ controls on contents are reflected by the originality of their own frame paintings. All the frames shown in the music video are consumers’ creation. In addition to content contribution, consumer could also take controls on how to consume those contents. For instance, they could pick specific genres of frames, like “highest rated frames” or
“sketchy frames”, to watch. The Figure 4 below, a screenshot of a single frame of the music video, displays some options provided by the project for consumers to take interaction and participation.

![Figure 4: A screenshot of The Johnny Cash Project (The Johnny Cash Project, 2010)](image)

5.3 Advergame: Google Chrome Fastball, M&M Find Red

IAB defines “advergaming” as a category of sponsorship which could “range from an advertiser buying all the ad units around a game or a ‘sponsored by’ link to creating a custom branded game experience” (IAB, 2012). The former kind of advergaming could be better depicted as “in-game-advertising”. The main part of such kind of advergame is the game. Advertisers who sponsor the game would not impact consumers’ advergame consumption experience. The advergame going to be talked about in this thesis paper is the custom branded game. Such advergame is produced just for the purpose of promoting advertisers’ brands or products. If there is no brand or product element, such advergame would be of no value at all.

Two specific genres of advergame are studied based on consumers’ engagement types. One is interactive advergame, which, in most occasions, refers to videogame played on digital devices. Another one is participatory advergame. A representative instance of participatory advergame is ARG designed with
advertising purposes. In ARGs, game stories’ narrative elements are transmitted across a range of media, both online and offline (O’Hara, Grian and Williams, 2008). To some degree, it’s similar to transmedia storytelling advertising given that they both would utilize a range of media platforms. The core difference between them is that most ARGs tell only one story with internal linear structure, while transmedia storytelling ads could consist of several stories created in a unified fictional universe. Those stories could connect with others but could be independent as well. Usually, ARG could be a compelling part of a larger transmedia advertising campaign, but not vice versa. Several benefits of advergame could offer to advertisers were pointed out by Giovagnoli, including “informal and spontaneous, positive memorization” of consumers, “longer company time experienced” by consumers, “development of a different brand awareness” for consumers, and “the creation of a database of consumers which would be impossible to reach out in any other way” (Giovagnoli 2011, p.105).

Advergame is seen to have a “co-controlled and content-oriented” type of interactivity in this thesis paper. Marketers control the content production. And consumers control their customized content consumption experience. Although consumers don’t participate in game design in most cases, they own the controls in customizing their own gaming experience. For example, by selecting game avatars in an interactive advergame or controlling participation extent in an ARG, the game contents exposed to an individual consumer and game experience could never be exactly the same with others’.

Case 3: Google Chrome Fastball

Google Chrome Fastball, released in 2010 is a videogame played on the platform of YouTube. It is designed to promote Google’s fast Chrome browser. Consumers are challenged by solving small tasks as soon as possible, which turn up intermittently during the Chrome ball’s race to the finishing line. The game challenges set for consumers embody the fastness Chrome could bring to Internet surfers. Consumers are encouraged to publicize the time they used to finish the game. The less time consumers use to finish the game, the better gaming skills they have. It could indicate Chrome’s attribute of being fast as well. In Figure 5 below, a screenshot of the advergame is given.
Case 4: M&M Find Red

M&M’s Find Red was an ARG in which consumers used Google Map Street view to hunt for three over-sized Red M&M candies which are hidden throughout the large area of Toronto. The game was a treasure hunt one taken in the digital world. In order to enable consumers to obtain the goal, more than 100 clues were released through kickoff video on YouTube, M&M’s posts on Facebook, Twitter and other social media platforms. Besides, there were also posters and M&M product packages in offline world which provided QR codes or barcodes for consumers to reach to new clues.

The digital ARG campaign turned out to be a big success. The average time spent on the contest site was over 19 minutes which was four times the industry average. In the period of 30 days, the campaign obtained over 15.6 million impressions in sum. In spite of the fact that the campaign took place only in Toronto, it earned wide attention globally as well (M&M’s Find Red, 2011). A screenshot of M&M Find Red is shown in Figure 6 below.
5.4 Transmedia storytelling advertising: Coca Cola Happiness Factory

Ad could be created to be a story focusing on advertisers’ brand or product, rather than plain information delivered. Ads produced with the transmedia storytelling principle just prove it. Marketers create fictional universes where characters of brand or product stories live in, and where the stories take place. Multiple stories would be created in various media forms to appeal constituencies with different media consumption habits. Each story in a certain form should serve as the entry point for consumers to enter the fictional universe, consume more ad stories and gain new insights. Meanwhile, it should also be independent enough for consumers to fully grasp and interpret the messages transmitted in this very single story. Consumers’ participation in content contribution is usually available in transmedia storytelling campaigns. Consumers could create their own stories founded on the common ground.

In transmedia storytelling advertising, ad stories are told in various media forms and played on various media platforms, which may include but not limit to short films, comics, radio broadcasting, and games. The story contents in each form should never be exactly the same. In a transmedia storytelling advertising campaign, the ad stories or ad contents consumers consume are largely determined by consumers’ preference to media forms and the media forms’ availability for consumers. Therefore, transmedia storytelling advertising is regarded to be a form of interactive / participatory ads and integrate the “consumer-controlled, form-oriented” interactivity.
Case 5: Coca Cola Happiness Factory

In 2006, Coca Cola broadcasted an amazing animated commercial “Happiness Factory” which depicted the fantasy scenes happened in a coke vending machine after consumers’ putting coins into it. Based on the commercial’s huge success, Coca Cola expanded it into a large transmedia storytelling promotion campaign in the later years. There were several follow-up movies released to give consumers further knowledge of the world and the vivid characters in it. A Windows Live Messenger game was designed which enabled consumers to take on a working role, which might be of their beloved character, in the Happiness Factory. Besides, the music tracks were available on Internet for consumers to download and share happiness. There were also comics, second-life events involved in the whole transmedia campaign. Each medium involved in the campaign played its strength and broadcasted unique stories created on the common ground of the Happiness Factory. Consumers could access to the campaign through multiple media platforms. The campaign was taken all over the world and it has received numerous advertising accolades (Coca Cola Great Britain, 2009). A few screenshots of Happiness Factory stories on various media platforms are shown in Figure 7 and 8 below.

![Figure 7: A screenshot of advergame “Happiness Factory - Now Hiring” in Happiness Factory transmedia storytelling campaign (Austria, 2008)](image-url)
Summary

In this chapter, the five study cases are introduced. ASq system supports consumers to pick an ad among a few options before an online video content starts. In The Johnny Cash Project, consumers are encouraged to participate in creative content production of the ad campaign. Those two cases reflect the “consumer-controlled and content-oriented” interactivity. Google Chrome Fastball is an interactive advergame in which consumers could customize their own gaming experience in the framework that marketers designed for them. And M&M Find Red is a participatory advergame. Consumers’ participation in finding the three big-size Red acts a fundamental role in the execution of the ad campaign. Consumers’ ad consumption experience in advergame is shaped and controlled by both consumers and marketers. Therefore, these two advergame cases are regarded as the ads with “co-controlled and content-oriented” interactivity. As for Coca Cola Happiness Factory, it applies the method of transmedia storytelling and offers consumers various ad stories on multiple media platforms to consume. Consumers’ media consumption habits in selecting media forms have a large role in shaping what specific stories they would get access to. Given it, it is studied as the representative case of ad with “consumer-controlled and form-oriented” interactivity.
6. Case Analysis

In this chapter, the impacts of each case on the value constellation players would be analyzed and discussed. Analysis would start from consumers themselves and extend to other players.

6.1 ASq system

6.1.1 Impacts on Consumer

Regardless of that consumers generally accept advertising for exchange of free products and service (Digital Direction, 2011), consumers could feel more respected by the options provided by ASq system. It provides a very straightforward way for consumers to make their own ad consumption choices.

However, some concerns about ASq system are brought up. Some marketers think ASq system may restrict consumers’ attention to only a certain group of products, and would perform in a negative way to broaden consumers’ appeals (Schweizer, 2010). The mainstream advertising system controlled by marketers is thought to be able to help enlarge consumers’ consumption scale, through frequent and repetitive exposure of a few ads.

Another issue is that some consumers may select ads randomly without any consideration. The survey result by Fairfax Digital, a user of ASq system, shows the percentage of consumers who just randomly selected one ad in the ASq system reaches to 35% (The AD center of Fairfax Media, 2010). This percentage is not small enough to be ignored. In this situation, the system cannot help marketers to learn consumers’ real demands and provide them with better ad service. One reason of the random selection might be the longer time consumers spend on the pre-roll ad. If a pre-roll ad is 15 seconds-long itself and the default time period for consumers to make decision is 10 seconds, then it may take over 15 seconds and up to 25 seconds to finish the pre-roll ads. Some consumers might be bored with the selection process and not satisfy with the longer waiting time for their wanted online contents. In such condition, a consumer would be more likely to choose an ad randomly in order to skip the selection process.

Moreover, consumers’ attitudes towards ASq system, which facilitates the developments of targeting advertising, might be affected by consumers’ knowledge of how their data are collected and used as well. A research, conducted in 2010, shows that 58% of US internet users would like to choose targeting ads
rather than irrelevant ones to exchange for free media contents (eMarketer, 2010). However, after getting the education about how targeting is realized, there are less people who insist on their previous preference to targeting ads. ASq system makes the process of data collection more evident, which may deepen consumers’ concerns on disclosing private information.

6.1.2 Impacts on Publisher

Publishers’ business primarily relies on advertising revenue and consumer loyalty. From these two perspectives, ASq system’s impacts on publishers are generally positive. On one hand, publishers would gain higher ad-rates from advertisers whose ads are selected by consumers. ASq’s official guide suggests publishers applying a “premium percentage” to the chosen ads. If an ad runs in default because consumers don’t make a selection, then “it should be priced at the same CPM as Pre-Roll” (ASq Guide for Advertisers, 2010). On the other hand, consumers’ feeling of being respected obtained from ASq system would enhance consumers’ loyalty to the publisher, which would in turn influence on publishers’ power to attract more advertising.

Despite of the general positive impacts, publishers’ incomes from smaller advertisers might be affected by ASq system. When consumers select ads, they are more likely to select ads those are of high quality and creation, and with rich but not redundant information. For smaller advertisers, it may be more difficult to produce such satisfying ads given to the possible lack of budgetary sufficiency. Hence, their ads may get less chance to be selected, especially when their ads are displayed together with larger advertisers’. That could be an issue for both publishers and small advertisers.

6.1.3 Impacts on Ad Service / Technology Provider

There were four start-ups involved in developing ASq system by offering relevant technologies, including publisher-side integration, ad serving, measurement and verification, and ad targeting (Learmonth, 2010). The research and development process made it possible for those ad service and technology providers to cooperate and work together towards a same goal. Such cooperation and open communication would be beneficial for the progress of ad service and technology industry.

Each service and technology provider who participated in developing ASq could obtain an equal share of ad-serving fee, which is about 5% of the media buy in sum (Learmonth, 2010). Those revenues would support the role establishments of those four start-up companies in the fierce competitive market, in addition to covering their operation costs.
6.1.4 Impacts on Ad Agency

For agencies that make creative production and media planning, ASq provide them with much quicker response and feedback from consumers. The reports prepared by ASq system cover the statistics in aspects of both creative and placement, which could be seen in the Figure 9 below. Those data would enable agencies to make revision in time if conditions allow, and to accumulate experience through such clear data evidence. Consumers’ ad choice would become a strong incentive for agencies to do better work to get favors of advertisers and consumers. In general, the impacts ASq performs on ad agencies are positive.

Figure 9: ASq provide specific statistics of creative and placement summary (Vindico Group, 2010)
6.1.5 Impacts on Advertiser

Advertisers often highlight ROI in evaluating advertising effectiveness. A crucial variable in the calculation formula is the cost. In the case of advertising, that variable refers to advertising costs which could be divided into two parts, production costs and running costs. It is very probable that ASq would lead to the polarization in advertisers’ advertising costs.

Richard Wheaton, the managing director at Ogilvy & Mather’s Neo digital media agency, argued that “there’s a ‘real shortage’ of quality video ads online because they are very expensive to shoot” (Schweizer 2010, p.2). In the aspect of quality ad production, advertisers’ insufficiency in production budget could be an obstacle. In ASq system, the ad options could further strengthen consumers’ preference to quality ads. These two factors imply that advertisers may need to increase their ad production cost to win consumers’ attention in ASq system. Smaller advertisers usually don’t have sufficient budgets to afford high production fees. Therefore, ASq might not raise their strong interests and be their prior ad running choice, especially in today when ASq system hasn’t obtained large-scale adoption in video advertising market.

Ads’ running in ASq system would also cost more than in pre-roll system if they get selected, given the “premium percentage” added on ad-rate mentioned in case introduction. For advertisers with high-quality ads, the costs could increase in a very sharp way considering that their ads might be more popular among consumers and could even be selected for several times by a single consumer.

Given the above analysis, it can be seen that advertisers with larger production budgets are more likely to produce quality ads which are favored by consumers, hence their cost in ads running in ASq system could also increase sharply. In this way, the winner advertisers in ASq system could cost quite much. In opposite, some other advertisers, whose ads are with lower quality due to insufficient budgets, may not cost much in ad running, because their ads would not be frequently selected by consumers. That explains why ASq system might lead to the advertising cost polarization among advertisers.

The high cost in ASq system is still worthwhile, particularly for large advertisers, considering their potential gain from investments, which is the other variable in the ROI formula. Advertisers could learn more about their target consumers’ needs through consumers’ interaction in ASq system. Such knowledge is not only beneficial in short term but also in long term. The information about advertisers’ present and potential consumers could largely enhance their business performances. For those advertisers who don’t gain ideal results in ASq system, the good thing is that they don’t need to pay extra
ad running fees. Their total ad costs would still be under control. Besides, the failure could also provide inspirations in adjusting and improving their advertising work.

In summary, consumers play more major and straightforward roles in determining advertisers’ actual costs in ASq system. The more popular an ad is in ASq system, the more its advertiser has to pay. The costs of advertisers would not be a fixed amount but a variable one. ASq system redefines the relationship between ads’ investment and success to some degree.

Leaving ASq system’s impacts on advertisers’ cost aside, it establishes obstacles for advertisers who want to spread their ads in large scales in a short time. Such obstacles would be even larger for those advertisers who don’t employ other ad forms. Advertisers’ advertising scale in ASq system might get polarized too.

### 6.2 The Johnny Cash Project

#### 6.2.1 Impacts on Consumer

The Johnny Cash Project turns out to be a very influential advertising campaign for consumers. Statistic showed there had been over 250,000 people, in over 170 countries, who contributed to the project by September, 2010 (Milk, 2010). Consumers are involved to contribute to an ever-changing art piece in memorial of the great musician.

Individually, consumers’ voluntary participation in ad content contribution would make them feel respected by marketers. The diversity of consumers’ original creations is respected and highly appreciated in the project. Moreover, consumers are the ones who determine what the project looks like. Their own work would be stored during the whole project running period, and is accessible for anyone. Even for those consumers who don’t make their own art pieces, they are provided several other options to participate in the project. They could customize how the frames of the music video are displayed, check other consumers’ drawing session, and rate others’ work, and so on. Consumers’ varying participation intentions are fully considered by the marketers.

Such voluntary participation would also enable consumers to feel connected with other consumers. Consumers could get exhilarated by finding there are so many people all over the world who have the same love for Johnny and communicating with them through the project. Such emotional connection among project participants actually cannot be well achieved by every participatory advertising campaign.
The Johnny Cash Project is a very special case given that the project itself is based on consumers’ love for the hero.

6.2.2 Impacts on Ad Agency

In creative production phase of a participatory advertising campaign which is designed to collect contents from consumers, ad agencies’ work isn’t to create contents by themselves but to build up a comprehensive framework and a well-performed platform to guide consumers’ interaction and participation. One challenge lies in setting a clear project goal. The executive team of The Johnny Cash Project knew what they wanted from consumers and designed a concise and influential campaign according to their goals. One reason pointed out why the project was so compelling was that “The collective outcome (a cool music video) is clear” (Simon, 2010). The practice of building up the framework is another challenge. Chris Milk, the director of The Johnny Cash Project, mentioned “building the website was an incredibly complex affair” (Ritchie, 2010).

In the media planning area, Google Chrome released a commercial which was featured on The Johnny Cash Project to broadcast Google’s concept of “the web is what you make of it”. However, The Johnny Cash Project’s media exposure success was not due to Google’s work. Although Google’s commercial made the project be known to more consumers, the project’s success didn’t rely on it largely. There isn’t much information about how the agency promoted The Johnny Cash Project initially. It seems that the power of the innovative project itself aroused press’s high attention and its fast spread on social media.

6.2.3 Impacts on Advertiser

If a participatory advertising campaign focused on consumers’ content contribution is successful, then the benefits it brings to the advertiser are considerable. Advertisers’ branding images would be received as positive ones by both media press and consumers. It is a way to show advertisers’ strong intention to communicate with their consumers, and respects for consumers to adopt their ideas in shaping what the ads would be like. Unlike ASq system, it enables advertisers, instead of publishers, to express their respects for consumers. In the age when such participatory ads haven’t been used widely, it could reflect advertisers’ emphasis on innovation as well. To some extent, it could be regarded as a PR campaign as well besides an advertising one.

In the aspect of operation, the content participatory advertising makes it possible for advertisers to collect consumer information directly. In The Johnny Cash Project, the information the advertiser can
get includes email addresses achieved from registration, their personal impressions on Johnny Cash reflected through painting, and their preference to painting genres as well. Further, the possibility for consumers to visit the site again increases largely due to their interaction and participation taken in the project. It would be beneficial to advertisers as well since they could get knowledge of their very loyal consumers through consumers’ visiting frequency.

However, all the beautiful stories above rely on the success of a content participatory advertising campaign. There are a lot obstacles needed to be overcome in order to achieve success. For example, the budget to execute such a campaign could be larger and the risks are much higher than the ones of a non-participatory campaign.

It is not mandatory for advertisers to pay for media planning, given that such campaigns usually exist in the form of independent websites. Nevertheless, not every campaign could get as high media exposure and wide attentions as The Johnny Cash Project without publicizing on other media channels. That means advertisers may need to pay extra expenses in promoting the ad campaigns on other media platforms, like TV.

The possible higher budget is one of the disadvantages for advertisers. Another disadvantage lies in the difficulty for advertisers to reach to a large scale of consumers through content participatory campaigns, especially when the campaigns are not interesting enough to attract consumers’ participation. In such ad campaigns, only when consumers take participation will the advertising effects be achieved. This is quite different from the non-participatory advertising which focuses more on consumers’ watching or clicking rate. Thus, it engenders higher risks for advertisers. Its high reliance on consumers’ participation may lead to its limitation in advertising scale.

6.3 Google Chrome Fastball

6.3.1 Impacts on Consumer

Google Chrome Fastball makes it possible for consumers to concentrate their full attention on the ad. It attributes to that the essence that an interactive advergame is not only a commercial message to transmit, but also an entertainment product for consumers to interact with. In the Chrome Fastball case, more than 1 million games were played and the average time on the site was over 5 minutes (Coloribus, 2011). It did an excellent job in arousing consumers’ awareness of the newly released Chrome browser.
Consumers would welcome such form of ads since they could get much fun through active interaction with the advergame.

Instead of demonstrating an offering’s strengths in a straightforward way, advergame is more about transmitting to consumers the suggestions that aim to modify their perceptions regarding an offering in an indirect way (Calin, 2010). Chrome Fastball combines several popular web applications in obstacle setting. And it transmits the concept of “fastness” by the quick response consumers obtain when challenges are solved, and the goal set for consumers to finish the game as fast as possible. It was pointed out that “people seem to have an unconscious aversion to being persuaded, so when they see a logo, they resist” (Teixeira, 2012). Chrome Fastball’s indirectness in transmitting ad concept could largely reduce consumers’ such resistance.

If consumers get satisfied with the game experience, they are inclined to share the game with others (Calin, 2010). Chrome Fastball enables participating consumers to compare scores, namely the time they use in finishing the game, with other consumers and share them via social media, like Facebook, Twitter and Google Buzz. In this way, consumers themselves become contributors to the ad’s spreading.

6.3.2 Impacts on Publisher

The only publisher that Chrome Fastball ran on is YouTube. It might be due to its high popularity and that YouTube is subsidiary to Google. As the first flash game running on YouTube, Chrome Fastball brought a lot of traffic to the publisher. There was even a time period when the YouTube server cannot handle the unexpected high traffic from consumers (Viswanathan, 2010).

The traffic brought by a popular interactive advergame is good for publishers in most cases. An exception might be the situation of server breakdown which is depicted above. On one hand, it would attract quite many new users to the publisher. On the other hand, it would help increase present consumers’ loyalty to the publisher, especially considering the situation that a consumer may play the game for several times to get a better score. The longer time consumers spend on the publisher, the larger chance the publisher would get to display other ads to gain more revenue.

6.3.3 Impacts on Advertiser

With the help of interactive advergames, advertisers are more likely to reach to more consumers. There are two possible reasons for it. One is that games are less likely to be disliked by consumers since their
active interaction with games usually brings fun. The other one is that, unlike other ad forms such as online video commercials, interactive advergames are more likely to be spread and shared by consumers. Advergaming is a good instance of viral marketing. Consumers involve themselves in not only playing games and getting ad messages, but also spreading the interactive advergames on behalf of advertisers, even though they may not even recognize it. Moreover, it\'s very natural for consumers to get more interests in what their friends are using, trust their friends\’ opinions and be more influenced by their friends\’ actions (Leskovec, Adamic and Huberman, 2007). Given those two reasons, advertisers could reach to large amounts of consumers in a relatively easy way. Chrome Fastball\’s popularity shows that it is a very successful advertising campaign in reaching to huge amounts of consumers.

In addition to the wide reach, advertisers could also obtain valuable data and information through consumers\’ interaction with advergames. In the case of Chrome Fastball, for example, the time a consumer takes in solving each challenge would be listed as “Your Time” at the end of the game with a comparison to the “Record Time”. Through those time statistics, Google could learn how well consumers are familiar with the usage of the several web services included in the game. The cost of promoting an interactive advergame might be less, considering the saving in media planning section if it applies a word of mouth strategy. And interactive advergames’ production costs are usually not very high.

6.4 M&M Find Red

6.4.1 Impacts on Consumer

Unlike interactive advergame, participatory advergame isn\’t about an individual gaming experience but a collective one in most cases. In addition to individuals, consumers are also seen as social beings by marketers. Individually, consumers are given large freedom to decide to what extent they would involve in the game. The levels of participation could range from “active and obsessive” to “relatively passive and casual” (O\’Hara, Grian and Williams 2008, p.2). In the case of M&M Find Red, there were active consumers who devoted themselves to finding out all three Red in order to win the final prize. There were also consumers just wandering around casually in the virtual Toronto to play the game when they had time. It shows that consumers could determine by themselves to what extent they would like to be exposed to the participative advergame campaign. Consumers’ initiatives are further reflected. Socially, consumers are willing to communicate with other consumers to get access to more relevant information in the advergame to achieve the final goal. Working out the puzzles individually could be extremely hard.
Consumers’ retention to the advergame could be further increased thanks to such game information exchange among consumers.

6.4.2 Impacts on Publisher

M&M Find Red was primarily executed through its official accounts’ news update in digital social media channels, like Facebook and Twitter. And those digital publishers didn’t make any direct revenue through it. The positive influence on publishers might be the retention of their users and the increase in traffic, which could help publishers learn more about their consumers’ preferences and earn more advertising revenues through other ads.

6.4.3 Impacts on Ad Agency

The biggest challenges an agency face in executing a participative advergame, like ARG, might lie in that it needs to respond to consumers’ feedback in real time and try to avoid the occurrence of any controversial issue. Proximity, the agency that produced M&M Find Red campaign, had to quickly sweep the contents that rubbed some participants to the wrong way (The Global and Mail, 2011). The real-time content adjustments based on consumers’ participation progress and feedback could be counted as a big shift for agencies.

6.4.4 Impacts on Advertiser

M&M Canada’s purpose of launching the Find Red campaign was to promote its social media presence among consumers. Although the campaign gained over 15.6 million impressions, the amounts of follower of relevant social media accounts didn’t embrace an expected exponential growth. According to Blum’s article written in January 2011, only about 1 month after the closure of the campaign, there were only 600 fans of M&M’s Canada on Facebook. Less than 200 Twitter users followed the campaign’s Twitter account @mmsfindred. And its Foursquare account had less than 100 friends (Blum, 2011). It might be because of the clues were distributed in a few channels so that consumers could not get access to all of them in one single channel. However, the campaign still helped a lot in learning more about M&M’s consumers, like which social media platforms resonated best with the target consumers (Blum, 2011).

A digital ARG campaign, like M&M Find Red, could get advertising costs in media planning reduced since it doesn’t use so much paid media. The only cost in media was taken in the posters which enabled
consumers to participate in the campaign when they were on streets. On the contrary, for a more complicated ARG that goes both on digital media and traditional media, the costs might be very considerable.

6.5 Coca Cola Happiness Factory

6.5.1 Impacts on Consumer

The Happiness Factory campaign dispersed the branding stories in several media platforms, like online games, comics, music track and short films, which provided consumers with multiple entry points to the virtual world. The campaign enabled consumers to consume and interact with ad contents in different ways. In addition, the stories told in different forms complement to each other. They contribute the whole brand stories to being more compelling and enhancing consumers’ experience in ad consumption. Thanks to transmedia storytelling ads, consumers could have controls on how to consume the ads, how much time to spend on them, how large picture of the story world to get, and so on.

Consumers’ participation in enriching the virtual world, like user generated content (UGC), is also facilitated by transmedia storytelling ads. However, in this aspect, Coca Cola still has large space in inspiring consumers’ original contents founded on the fantasy world of Happiness Factory.

6.5.2 Impacts on Publisher

Consumers who show strong interests in one story in one medium may actively search other relevant stories on other platforms. It indicates that transmedia storytelling ads may influence publishers in the way of attracting new consumers from other publishers. Consumers’ fragmentation in media form, device, and consumption time also increases publishers’ chance of benefiting from the mutual relations among media and transmedia storytelling ads.

6.5.3 Impacts on Ad Agency

Producing a transmedia storytelling ad requires the agency to make a fundamental rethink of how the creative and planning process should be organized (Yuki, 2010). In order to make a whole campaign’s effectiveness larger than the sum of separate parts, coordination among content production in different media forms should be taken from the very start. Happiness Factory transmedia storytelling campaign was originated from one successful computer animated commercial called “Happiness Factory” in 2006.
Based on the premise, Starlight Runner Entertainment was invited to design a transmedia storyline which could last for years. For its client, Starlight Runner came up with a franchise mythology, which could act as a “visually impressive guide to the people, places, history and devices of the fictional universe”, as well as a transmedia rollout “blueprint” which strategized “how Happiness Factory can play across comic books, videogames, outdoor interactive ads and other media across the globe over the course of the next several years” (Burkitt, 2009). Such works in transmedia storyline creation could act as the coordination guideline for the campaign’s extension in various media forms. When different entry points to the fictional world are built up, coordination should be lasting in the whole process of creative production to make sure that consumers would receive new insights, instead of redundant contents, through different platforms.

Thanks to the multiple possibilities of a transmedia storytelling ad, it requires ad agencies to think in a longer term. Starlight Runner thought 10 years ahead when it created the fictional world of Happiness Factory, which wasn’t common in the industry of ad agency where an 18-month vision is typically taken (Barrett, 2008). Agencies’ work in transmedia ads is more about shaping how brand stories, which reflect advertisers’ core value and culture, should be narrated. The goal is far more than stimulating the short-term sale enhancements.

6.5.4 Impacts on Advertiser

Launching a large-scale transmedia storytelling advertising project, like Happiness Factory, could be very expensive. For global advertisers, transmedia storytelling campaigns’ worldwide promotion could also be a challenge. In the worldwide promotion of Happiness Factory transmedia campaign, Coca Cola took local culture and budget into consideration to customize the way of local consumers in consuming brand stories. For example, there were comics published in Brazil and mechanical installations at shopping malls in Denmark (Burkitt, 2009). Transmedia storytelling’s feature of flexibility enables advertisers to transmit a consistent brand identity globally. As a whole, Coca Cola’s large budget in the campaign still paid off, especially when considering that the campaign was worldwide applicable and designed with a long-term vision.

The transmedia campaigns make consumers more immersed in the brand stories which transmit Coca Cola’s value of producing happiness. Such immersion could help deepen consumer loyalty to the advertiser’s brand. In addition, the multiple touch points of a transmedia storytelling ad campaign could help the advertiser reach to more consumers with different media consumption habits. New revenue streams of advertisers could also be exploited from consumers’ love for the ad campaign.
Summary

Thanks to the available ad options in the ASq system, consumers may feel more respects from marketers. However, there are also concerns discussed about ASq system’s impacts on consumers in terms of limiting consumers’ consumption scales, more waiting time before the media content, and consumers’ knowledge of privacy issues. Publishers could gain more consumers’ favorable impression and get more revenues from the popular and successful ads among consumers. But the revenue streams from less popular ads could be very limited. ASq system facilitated relevant ad service / technology providers’ developments. For ad agencies, they could monitor their ads’ operation situation through the statistics provided by ASq system and could therefore make corresponding adjustments in time. For advertisers, producing popular ads in ASq system could be very expensive due to the high costs in making high quality commercials and premium percentages added to the ad rates when their ads are selected by consumers. Besides, it establishes obstacles for advertisers who want to spread their ads in large scales in a short time.

The Johnny Cash Project gives consumers rich options in customizing both their individual ad consumption experience and their social demands to communicate with other consumers. The ad agency’s work isn’t to create contents by themselves but to build up a comprehensive framework and a well-performed platform to guide consumers’ interaction and participation, which requires a very clear project goal. The advertiser could get consumers’ information through their interaction and participation behaviors. And a positive brand image of the advertiser could be transmitted to consumers since the ad campaign shows their innovation spirit and respects for consumers. However, the cost in producing a good participatory ad campaign could be high. And reaching to large amounts of consumers isn’t that easy.

Google Chrome Fastball enabled consumers to concentrate their full attention on the advergame which could bring them a lot of fun. It also supported consumers to share their gaming experience on social media. For publishers, it brought large traffic which means they got more chance to earn advertising revenues from consumers. Besides, it is relatively easier for advertisers to reach to large number of consumers due to the availability of viral marketing. Advertisers could also gain useful information through consumers’ interaction with the advergame.

M&M Find Red provided consumers with different levels of participation options, so they could participate in the ARG according to their own interests and habits. It also encouraged consumers to
discuss the campaign on various media platforms, which facilitated the social connections among consumers. For publishers, most of them didn’t get revenues from the advertiser. But the success of the campaign brought them a lot of traffic which could positively influence their revenues from other ads. The ad agency was supposed to take a flexible adjustment plan according to consumers’ feedback in real time. It is quite different from the traditional way of settling everything down before the ads are exposed to consumers. As for the advertisers, the costs in releasing an ARG could be varying. In this specific case, it didn’t cost M&M quite much in the media planning phase of promoting the campaign.

In Coca Cola Happiness Factory, consumers could choose to consume ad stories on different media platforms. Each story could be an entry point for consumers to learn the larger fictional world. And the consuming stories across media could serve consumers’ demands on further learning the world. Consumers’ interests in the fictional world may enable publishers to earn benefits in getting new consumers from other publishers, in that consumers would be more likely to explore the stories on other media platforms. In the phase of producing and promoting a transmedia storytelling campaign, coordination in ad agencies should be highly stressed. And transmedia storytelling campaigns would require ad agencies to think for a long-term vision. For advertisers like Coca Cola, it would be very expensive in conducting a transmedia storytelling campaign, especially in a world-wide scale. But it did positively influence consumers’ perception of the advertiser and create new revenue streams because of consumers’ love for the campaign itself.
7. Discussion

In this chapter, more general discussions about interactive / participatory ads and consumers’ interaction and participation are taken to achieve the latter three objectives of this thesis paper. The discussion will be taken in three areas: the impacts of consumers’ interaction and participation on value constellation players, criterion of evaluating interactive / participatory ads, and future assumptions about interactive / participatory ads’ developments.

7.1 The Impacts of Consumers’ Interaction and Participation on Value Constellation Players

The case analysis conducted in previous chapters shows the impacts of several specific forms of interactive / participatory ads on advertising value constellation players. The discussions made above are form-oriented. In this part, a more general discussion would be taken on this issue, which aims to achieve the thesis’s second objective of studying “how players in advertising value constellation are impacted by consumers’ interaction and participation in ad consumption process”.

7.1.1 Impacts on Consumer

Consumers own larger controls in interactive / participatory ads, in that they are empowered to choose what ads to receive (selective Ad system), whether to receive ads or not (advergame), to what extent to be involved in the ads (ARGs and participatory ads for consumers to contribute contents), and to what extent to be immersed in brand stories told in ads (transmedia storytelling ads). Ads become more like consumption goods for consumers to pick and consume. Consumers’ power gaining reflects the change of marketers’ view in advertising, which turns from offering-centric to consumer-centric. In interactive / participatory ads’ creative production and media planning phases, meeting consumers’ diverse demands on consuming ads are stressed. In this way, consumers can get more useful ad information from advertisers and make wiser consumption decisions.

Consumers’ interaction and participation in ad consumption process do not only help optimize individuals’ consumption process, but also can serve for a social purpose. It’s not uncommon today that consumers would like to share through social media their contributory pieces in a participatory ad campaign (The Johnny Cash Project), their game scores of an advergame (Google Chrome Fastball),
discussions about a going-on ARG (M&M Find Red), etc. Consumer could connect with friends or even strangers in ad consumption process, which is hard to achieve in the passive mode of receiving ads.

The negative side of consumers’ interaction and participation in ad consumption process lies in the latent risk of revealing too much personal data and information unconsciously. The extent of such risk could be largely determined by the thorough extent of relevant laws. Therefore, the situations could vary in a worldwide scale. Consumers themselves should also intensify their awareness of protecting privacy. The risk could be reduced largely if consumers themselves could keep an eye on learning how their personal information and data input during interaction/participation would be used, which is written in the relevant terms provided by marketers.

7.1.2 Impacts on Publisher

As media platform providers to display and transmit ads, publishers could be impacted by consumers’ interaction and participation from two perspectives. One is about the consumers’ amount and loyalty. The other one is about publishers’ advertising revenue.

The publishers which run interactive/participatory ads are more likely to leave consumers the impression of being considerate and respectful. This would benefit publishers in terms of retaining audiences or consumers and enhancing their loyalty. Besides, if an interactive/participatory ad campaign is successful, it could lead to large traffic to publishers, like the situation in Chrome Fastball case. It also facilitates publishers to obtain new consumers.

As for advertising revenue, the impacts brought by consumers’ interaction and participation could be complicated. It’s better to analyze specific cases than to make a general description. Through adding extra value for advertisers by empowering consumers’ interaction and participation, publishers can gain more revenues. For instance, publishers could earn a premium percentage of ad-rate from the advertisers whose ads in ASq system are selected by consumers. However, consumers’ preference of high-quality ads may lead to publishers’ revenue decrease from smaller advertisers who don’t have sufficient budgets to produce high-quality commercials. In this way, consumers’ control power in interaction might make publishers’ revenue source concentrate on the higher-quality ads of larger advertisers.

There are more and more advertisers and their agencies utilizing social media in promoting their brands, offerings, or larger advertising campaigns. Social media companies usually cannot earn revenues from
those advertisers, in that they are actually their media product customers instead of advertising customers. This situation could be seen in the case of M&M Find Red. Nevertheless, publishers may still get advertising revenues from their free services provided to advertisers. Good interactive / participatory ads could bring more consumers and enable them to spend longer time on publishers’ media platforms. Thus, publishers would have larger chance to keep consumers exposed to other ads from other advertisers and making advertising earnings.

Publishers, as an industry, could also benefit from consumers’ interaction and participation and the mutual relations among themselves. Among publishers who run a same series of ads, one could win new consumers because of their strong interests in the stories told in other media platforms. Such situation, which is common in transmedia storytelling advertising, could facilitate the prosperous developments of the whole media industry to some degree.

7.1.3 Impacts on Ad Service / Technology Provider

Interactive / participatory ads could create many opportunities for ad service and technology providers. For instance, they could be provided with more comprehensive data to analyze consumers’ ad consumption demands, preferences, and behaviors in order to help advertisers and agencies better target consumers. In interactive / participatory ads, the issue of consumers’ privacy protection in those data’s utilization particularly stands out. Focusing on empowering consumers’ interaction and participation, they could also develop new ad forms, like ASq system, for publishers to attract advertisers.

In the previous cases, ad service and technology providers don’t play a major part except in the case of ASq system. It doesn’t mean they are considered to have development limitation in other forms of interactive / participatory ads. An idea is brought up in this thesis about the ad service and technology for other marketers to satisfy consumers’ diverse passion for various interactive / participatory ad forms. More specific description would be further put forward in the following “Future Assumptions” part.

7.1.4 Impacts on Ad Agency

Taking consumers’ interaction and participation into consideration alters the traditional working process of ad agencies in many cases, especially the one of producing a participatory ad campaign, in that an ad’s exposure to consumers doesn’t have to be after its complete production accomplishment. The two separate and linear processes in traditional working process, creative production and media planning, could be well integrated into one ever-changing process in interactive / participatory ads. The Johnny
Cash Project and M&M Find Red are examples in this aspect. Their contents and media exposure developed together with consumers’ interaction and participation. These two ads only made sense when there were consumers’ interaction and participation involved.

Consumers’ interaction and participation also make instant and real-time feedback from consumers possible for ad agencies. Therefore, ad agencies are able to adjust their ads in time, either in strategy or tactic, according to the feedback. For instance, the success or failure in running ads in ASq system could reflect whether or not ad agencies did a good job in targeting right consumer segments and producing compelling content to attract consumers. Such instant feedback could also be useful in other cases besides ASq system. In M&M Find Red, some clues given on the social media were also adjusted and edited based on consumers’ feedback. Consumers’ straightforward responses could reduce ad agencies’ risks in imprecisely estimating target consumers’ preference and interests, in that there is still chance to fix them.

What’s more, thanks to the success of some interactive / participatory ads, like the cases mentioned in previous chapters, ad agencies are encouraged to pay more attention on latest media technologies and employ them to create new ad consumption experience for consumers. The average advertising quality in the whole industry may also take a leap because of that. Some forms of interactive / participatory ads also encourage agencies to think in a long term for their clients, like transmedia storytelling advertising. The trend of emphasizing consumers’ interaction and participation in ad consumption process urges agencies to keep both creative concepts and practical skills up to date.

### 7.1.5 Impacts on Advertiser

The wide application of involving consumers’ interaction and participation in advertising might lead to the polarization of advertising effectiveness for advertisers, which means larger advertisers with sufficient budgets are more likely to win consumers’ favors due to the higher quality of ads, while smaller advertisers may get in more unfavorable situations. It doesn’t benefit the health of the whole advertising ecosystem.

Given the multiple options provided by interactive / participatory ads, consumers could be further segmented based on, for instance, their preferences and habits in consuming media, in addition to the traditional segmenting variables like demography. The information collected through consumers’ interaction and participation could act as a guideline for advertisers’ present and future advertising plans. Further consumer segmentation and collected information both enable advertisers to better understand
their consumers and optimize their own marketing or even production activities. For example, M&M could learn which social media platforms are more popular in their target consumer segmentation through the Find Red campaign.

There could be a few challenges for advertisers to invest on interactive / participatory ads. One of them is reaching to a large scale of consumers in a short time, which is usually achieved by advertising in traditional mass media. Such limitation in advertising scales might be overcome by transmedia storytelling advertising, which, however, might be less likely to be executed by smaller advertisers without sufficient advertising budgets. Another way might be taking full advantages of viral marketing, which seems to be more practical for interactive / participatory ads with fewer budgets.

7.2 Criterion of Evaluating Interactive / Participatory Ads

Any form of consumers’ interaction and participation could be seen as a process of consumers’ customization in their own ad consumption experience. ASq system enables consumers to customize ad contents. Transmedia storytelling advertising supports consumers’ customization in selecting media forms. Participatory advertising, like ARGs and the ones for consumers to contribute contents, makes it possible for consumers to customize their participation degrees. Consumers could also customize their own gaming experience in an interactive advergame. Based on above facts, how well interactive / participatory ads can meet consumers’ demands on advertising customization is regarded as the key criterion of evaluating interactive / participatory ads.

Advertising customization by consumers’ interaction and participation could be divided into two categories in general. One is the customization of consumers’ demands on advertising. And the other one is about the customization of consumers’ experience in interaction and participation.

The diversity in consumers’ consumption habits and preference determines the necessity of ads’ demand customization. It could enable consumers to avoid undesired ads and help advertisers reduce unnecessary media planning costs. There are some forms of interactive / participatory ads relying on consumers’ demand customization quite much to succeed, like ASq system.

In some cases, demand customization doesn’t play the most important role in an interactive /participatory ad. It is the case for some advertisers whose offerings don’t have very segmented consumer groups. Google Chrome browser is a good example of such offering due to the fact that it targets at all Internet surfers with little further consumer segmentation. For interactive / participatory
ads of such offerings or brands, the key evaluation criterion lies in the customization availability of consumers’ interaction and participation experience.

Interaction and participation experience of consumers in advertising, on one hand, could be customized based on consumers’ own behaviors in a given and fixed advertising framework. A typical example is interactive advergame, like Chrome Fastball. In spite of the fact that all consumers play the exactly the same advergame, they have very unique game experience because of their diversified reaction to the obstacles and the corresponding inputs. There would never be identical game experience even for one single consumer who may have played the game for several times. Such interaction and participation experience customization is accomplished based on the behavior and preference distinctions among consumers themselves.

On the other hand, marketers could also be the ones who lead consumers’ interaction and participation experience customization by allowing consumers to interact with or participate in ads to different extent. In The Johnny Cash Project, consumers’ interaction and participation options include selecting certain frames to be displayed in the music video, rating other consumers’ work, producing consumers’ own video frame and so on. In ARG campaigns like M&M Find Red, consumers’ different levels of interaction and participation, like sharing new clues on social media, taking discussion, and actively searching for the lost red M&M, are all encouraged by marketers. As for transmedia storytelling campaigns, consumers could receive the story from only one media channel, as well as initiatives further explore the fantasy world through consuming other stories told in other media forms. Consumers could even create and share their own original stories based on the same fictional ground. Thanks to the consideration of the distinctions lying in consumers’ individual interests and intentions for ad interaction and participation, interactive / participatory ads could reach to more consumers and satisfy their own demands on interaction and participation experience.

In summary, good interactive / participatory ads should be consumer-centric to meet consumers’ different demands. Customization availability plays a key role in it. The customization should be taken at least in one of the two general aspects, consumers’ demands on being precisely targeted and personalized interaction and participation experience.

This thesis paper is developed based on the discussion of consumers’ interaction and participation in ads. Because of it, in this thesis, the evaluation criterion of interactive / participatory ads is explored from the perspective of the realization of consumers’ interaction and participation. The evaluation criterion mentioned in this thesis is not suitable to be applied in measuring the effectiveness of interactive /
participatory ads, because the effectiveness relies on the specific cases and other external factors very much. It might be difficult to discuss those factors in a general way. And they are not relevant to the central topic of this thesis. The criterion of customization availability pointed out in this thesis could be better employed to act as a guideline for marketers’ creative production and media planning activities in releasing interactive / participatory ads.

7.3 Future Assumptions

Although the adoption of interaction and participation in advertising is not uncommon today, opt-in mode advertising with them involved is still not widely employed. Based on the discussions taken above in this thesis paper, a few future assumptions for interactive / participatory ads are addressed in this part, which intend to cover all the players in the advertising value constellation.

Utilizing consumers’ fragmented time to promote offerings would become a more and more important aspect in interactive / participatory ads for marketers to think about in the foreseeable future. Earning consumers’ impression in fragmented time could be very likely to lead to consumers’ long relationship with advertisers. Yahoo’s “Bus Stop Derby” campaign in 2010 is a good example of utilizing consumers’ fragmented time in waiting for the bus. The campaign turned bus stops into social gaming hubs and promoted Yahoo’s brand quite successfully. In addition to such public “advertising facilities”, mobile devices would play an indispensable role in fragmented time utilization for individual purposes. Location and context gained through mobile devices would be the key points in realizing consumers’ satisfying ad customization experience in fragmented time.

For ad agencies, the developments of new media technologies and creative application of existing ones will bring them a plenty of opportunities in producing creative and effective interactive / participatory ads. Consumers’ interaction and participation in advertising could also become more convenient and interesting. Taking voice recognition technology as example, it could enable consumers to customize their ads consumption experience through speaking, which is a faster and more natural way.

There is no relevant case found in the category of “co-controlled and form-oriented” interactivity when selecting the cases for this thesis. For publishers, exploiting such form of interactive / participatory ads is feasible. One possible way is that consumers are empowered to set what forms of ads they would like to receive in their personal setting page of the publisher. Consumers could make choices among audio, video, text or other forms of ads that are in publishers’ ad running scope. For example, if consumers
select text as their most desired ad form, then the publishers should give priority to text-form ads, instead of other forms, within consumers’ demand scope to be displayed. In this form of interactive / participatory ads, marketers control the ads’ interactivity by limiting consumers’ selection scope in forms. Only the available ad forms supported by publishers are selectable for consumers. On the other hand, consumers control it by setting their own preference in ad forms. Hence, this form of interactive / participatory ads could reflect the “co-controlled and form-oriented” interactivity.

Ad service / technology market would be further segmented in the future to adjust to consumers’ increasing demands on different levels of interaction and participation, and publishers’ demands on new profitable forms of interactive / participatory ads. For Ad service and technology players who work on the side of advertisers and ad agencies, they could collect the data of consumers’ preference to interaction and participation type, in addition to their demands on advertisers’ offerings. In this way, interaction and participation behavior targeting could be achieved by advertisers and ad agencies as well. For those who work on publishers’ side, they need to further explore publishers’ potentials in providing new interactive / participatory ad forms, which empower consumers to engage to varying extent. For ad networks, their ad database should also be open for new forms of interactive / participatory ads, like advergame, besides text and video ones which are the most common ones nowadays. Moreover, advertising service / technology providers should assume a larger responsibility in serving the demands of smaller advertisers who don’t have large advertising budgets to produce commercials with high quality. For example, in ASq system, the algorithm of displaying optional advertisements from database could take advertisers’ scale into consideration. In this way, the advertising effectiveness polarization between larger and smaller advertisers could be mitigated to some degree.

7.4 Limitation of the Research

The limitation of the research in this thesis lies in mainly three aspects. Firstly, the case selection process is based on the interactivity dimension model. Only the cases fit to the model are selected. Therefore, there might be some other interesting interactive / participatory ad forms missed to be discussed. Secondly, there isn’t much primary data collected due to the difficult access to interview opportunity, especially considering the study cases are selected in a global scope. Hence, the depth of impacts’ discussion mainly based on secondary information and evidence is restricted. Thirdly, this research focuses on the global advertising market without discussion of the situations in specific local areas where advertising value constellation may have their own features. Hence, the study of consumers’
interaction and participation's impacts on local advertising players is pointed as a future study area in the later chapter of this thesis paper.

Summary

In interactive / participatory ads, consumers gain more controls in shaping their own ad consumption experience through their interaction and participation. In quite a few cases, consumers’ demands on individual consumption and social communication could both be achieved. One issue existing in consumers’ interaction and participation is consumers’ private information security. Consumers’ interaction and participation could impact publishers primarily from two perspectives, consumers’ loyalty and publishers’ ad revenues. In most cases, consumers would feel respected when being offered the customization availability of their ad consumption experience. That is good for publishers to win consumers’ loyalty. Publishers’ ad revenues could be impacted both directly by varying ad rates and indirectly by consumers’ amount and time spent on the media platforms. For ad service / technology providers, consumers’ interaction and participation provide them with more consumer information to achieve better targeting for advertisers and more chance to develop new ad forms for publishers. In ad agencies’ working process in quite a few interactive / participatory ad cases, the phases in creative production and media planning don’t necessarily have a linear relationship. The two phases could be well integrated into one ever-changing process. Consumers’ feedback in real time also alters ad agencies’ traditional way of working, in that they have to make corresponding adjustments in time. Ad agencies would also realize the importance of applying latest media technologies in producing convincing and appealing interactive / participatory ads, which is good for the whole industry’s progress. For advertisers, there might be a polarization in advertising effectiveness emerging among larger and smaller advertisers, because larger advertisers usually have more sufficient budgets in producing high quality ads which consumers would more likely to take interaction and participation. Additionally, consumers’ interaction and participation could impact advertisers by offering useful information and feedback to improve their business performances.

In this thesis, how well interactive / participatory ads can meet consumers’ demands on advertising customization is regarded as the key criterion of evaluating interactive / participatory ads. Marketers should take interactive / participatory ads’ customization availability for consumers into consideration. The customization should be taken at least in one of the two general aspects, consumers’ demands on being precisely targeted and personalized interaction and participation experience.
A few assumptions of interactive / participatory ads’ developments in the near future are also put forward in this chapter. They include further utilization of consumers’ fragmented time, creative application of various media technologies, new interactive / participatory ad form with “co-controlled and form-oriented” interactivity, and further segmentation in ad service / technology markets.

This thesis’ limitations could be demonstrated from three perspectives. Some valuable study cases which might be missed due to the application of interactivity dimension model. And the discussion might be restricted and less credible without much primary and original information and evidence. Further, the discussion is taken from global perspective without much consideration of local situations.
8. Future Research

In this chapter, the relevant research topics based on this thesis paper are pointed out. They could work as the references for researchers who get interested in these topics.

This thesis’s study cases are selected from a global perspective without much consideration in studying the research question in one or several specified countries. And the discussions taken in the previous chapters are also based on the general situations in advertising industry worldwide. That is because interactive / participatory ads haven't been so widely employed all over the world that representative cases are not very easy to find. In the future, the impacts of consumers' interaction and participation on specific countries’ advertising industry could be further studied, in that advertising environments and consumers’ interaction and participation preferences in different countries and areas could have distinctive local features.

Besides, with the developments of media technology, there will be more and more forms of interactive / participatory ads appearing in the near future. These new forms and the business models behind them are also worthy being studied.
9. Conclusion

In the final chapter of this thesis paper, the questions displayed in the four study objectives pointed out in Chapter 1 are answered in a very brief way based on the previous elaborate discussions. Those answers work as the final conclusions of this thesis paper.

The advertising value constellation nowadays mainly consists of five players, consumers, publishers, ad service and technology providers, ad agencies and advertisers. The value addition process in advertising industry has shown the trend of being reciprocal, in contrast to being sequential in the traditional value chain. Thanks to the appearance of interactive / participatory ads which highlights consumers’ interaction and participation in ad consumption process, those five players are impacted from different perspectives to varying extent.

Consumers are gaining more controls in determining what ads to receive before the complete contents are displayed before their eyes. And when they have interests in involving in advertising process, there are several levels of interaction and participation available. The impacts on publishers are largely reflected through consumers’ loyalty and advertising revenue fluctuation brought by visiting traffic and ad rates. Ad service / technology providers could obtain more specific consumer behavior data to achieve better consumer targeting in both aspects of advertising content or forms. For ad agencies, they would have more pressure on producing innovative and effective ads by utilizing the ever-developing media technologies.Advertisers who invest on interactive / participatory ads are more likely to be considered as innovative and respectful to consumers. The impacts of interactive / participatory ads on larger advertisers, who own larger budgets and are more likely to produce higher quality commercials, could be more positive than the ones on smaller advertisers.

Customization availability is considered as the key criterion in evaluating interactive / participatory ads. It could be taken in aspects of demand customization and interaction and participation experience customization. The more customization availabilities there are, the larger possibilities there would be for advertisers to reach to more target consumers and win better advertising effectiveness.

Currently, interactive / participatory advertising is still in its starting and exploratory phase. It hasn’t been widely used worldwide. All the five players in the advertising value constellation could contribute to the further developments of it. There are several trends of interactive / participatory ads in the near future being pointed out in this thesis, like consumers’ fragmented time utilization, further segmentation
of ad service / technology markets, etc. New interactive / participatory ad forms and specific situations of interactive / participatory ads’ impacts on advertising value constellation players in various countries and areas could be taken further research.
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