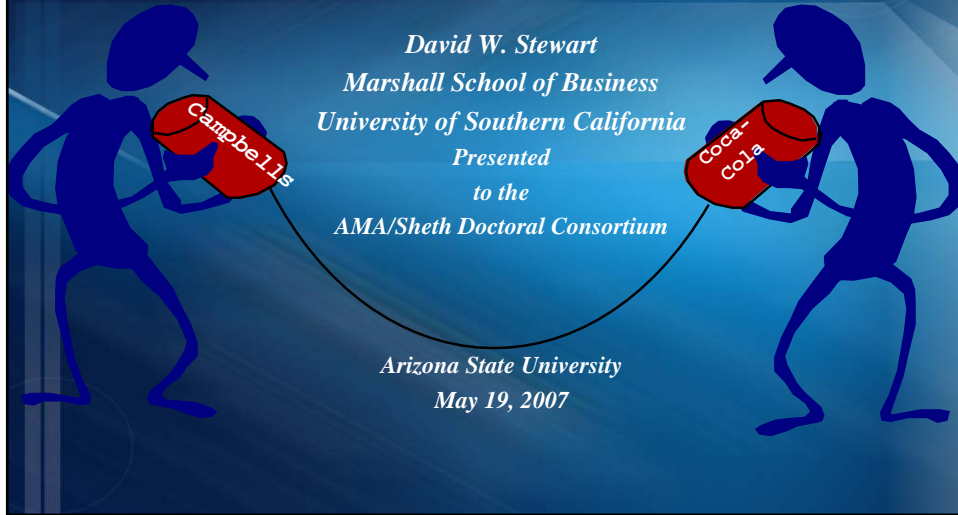


Brand Relationships in Interactive Media

David W. Stewart
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Presented to the
AMA/Sheth Doctoral Consortium

Arizona State University
May 19, 2007



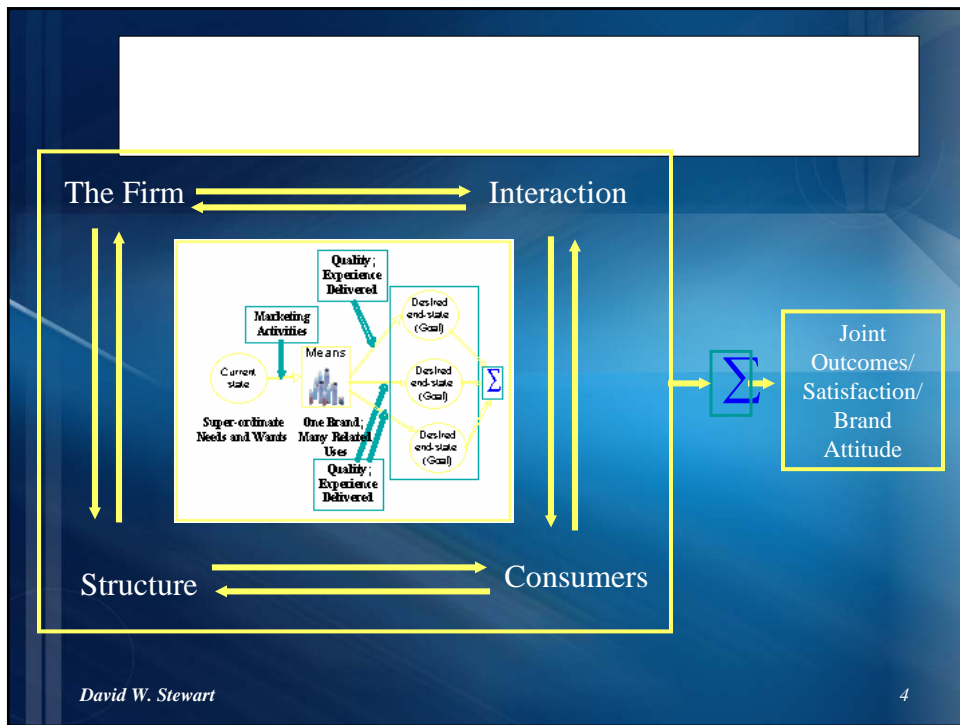
The Traditional Model



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Interactive Advertising: A New Conceptual Framework Towards Integrating Elements of the Marketing Mix



Interactive Advertising: A New Conceptual Framework Towards Integrating Elements of the Marketing Mix

Interactive Media

- World Wide Web
- Internet forums
- Digital Worlds
- Computer games
- Online games
- Video games
- Interactive television
- Mobile telephony
- E-Mail
- Short Message Service
- Electronic literature

SEND

@

http://www

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Interactive Media Are Not New

- Word of mouth
- Personal Selling
- Board Games
- Choose Your Own Adventure Books

What Is New: Proactive Use of Increasingly Prevalent
Digital Interactive Media
By Marketers and Consumers Alike

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Implications

- Brands are increasingly being defined by the interactive experience as well as attributes and benefits
- Not completely under control of marketers



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www.ebay.com

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Two Critical Measures

- Engagement
 - any kind of interactive involvement with a communication – not clear how to define and measure this
- Transference
 - “The medium is the message,” – consumers’ experiences in an interaction may reflect on an advertiser
 - So, if you’re positive about a brand sponsored computer game, you may transfer that to the sponsor



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Interactive Media and Integration of the Elements of the Marketing Mix

- **Interactivity, Increasing Availability of Information, and Sophisticated Technologies Blur the Boundaries of the Marketing Mix**
- **Traditional Advertising is Merging with Personal Selling and WOM Communication to Create a New Form of Marketing Communication**
- **Interactive Media Facilitate the Integration of the Marketing Mix by Blurring the Boundaries of MARCOM with Other Elements of the Marketing Mix**
- **The Integration of These Elements of the Marketing Mix Necessitates Framing Consumer-Marketer Relations as Interactive Marketing Communications**



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Traditional Approach to Measuring Effectiveness of MARCOM

- **Unidirectional Communication**
 - The marketer does something to the consumer
 - Marketers' actions dominate any communication
 - Focus of measurement on satisfying the marketer's goals and objectives
- **Limited Set of Measures of Success**
 - Awareness, Recall, Attention, Persuasion, Purchase Intent
- **Narrow focus on the Technological Medium**
 - Issues related to technology adoption, adaptation, and sustained use



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Interactivity Changes Marketing Communications

- **Interactivity makes Traditional Approach to Marketing Communications Incomplete**
 - Need to focus on the active role of the consumer
- **Need for a Broader Perspective for Measurement**
 - Measures of the effectiveness of advertising capturing collaborative relations (process and outcome measures)
- **Technology Adoption and Adaptation**
 - Technology is multidimensional, not deterministic and influences consumer-marketer relationships
- **Need for a New Paradigm (high-level theory) to Guide Research in the Interactive, Collaborative, and Technology-Driven Context of Marketing Communications**



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Interaction as the Unit of Analysis

- Interaction as the Unit of Analysis Rather than the Behavior of the Marketer or the Consumer
- Interaction must be Examined with the Context of the Goals of Both the Consumer and the Marketer
- This View Broadens the Set of Measures of Effectiveness of Marketing communications and Suggests Alternative Meanings for Various Measures Under Different Goal States.
- Understanding the Effects and Effectiveness of Interactive Communication Requires Identifying the Goals that Give Rise to the Interaction of the Actors Involved in the Interaction.

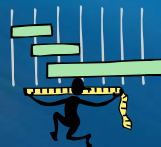


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Goals: Process Vs Outcomes Measures

- **Outcome Measures of Success**
 - Measures that have long characterized research on traditional advertising. These measures focus on the responses of individual actors and on individual behavior
- **Process Measures of Success**
 - In an interactive context, there is also a need to focus on the characteristics of the interaction itself and also on the process of the interaction



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Need for New Theory

- **Marketing Communications and branding are Viewed as Attempts to Coordinate the Consumer-Marketer Interaction for the Purpose of Fulfilling Goals that Neither Party can Accomplish Individually.**
- **An Interaction System (Transaction) is Put into Place to Achieve Each Party's Goals Through a Coordination Structure Formed by Rules, Resources, and Norms.**
- **Example: Structuration Theory (Giddens 1979, 1984) can explain consumer-marketer interactions and also interaction process.**



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Structuration Theory - Terminology

- **Structuration theory focuses on the reciprocal interaction between agency, structures, systems, and goals.**
- **Structuration -- Making A Verb From the Noun Structure, and it refers to the process of interaction in which agents draw upon an existing structure of a social system, and during this process they produce and reproduce the structural properties of the system.**
- **A system is defined as the interdependent relationship between human agents (consumers and marketers)**
- **Structures are defined as a set of rules and resources that guide agent behavior and influence interaction**

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Structuration Theory and Goals - Assumptions

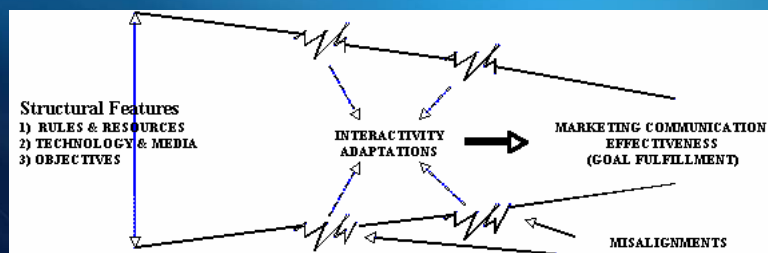
- Active, knowledgeable, purposeful, and reflexive agents whose actions are governed by goals.
- Importance of interdependence between agents, and mutual dependence of the relevant structures, system, and goals.
- Focus on relationship dynamics by emphasizing the recursive interplay between action and structure.
- Structuration theory views customer-marketer interactions not as isolated events (e.g. dyadic spot transactions), but as a flow of interactions.
- Consumer-marketer relations are enacted in response to structures and pursuit of goals.
- Marketing communication effectiveness is defined in terms of achieving consumer and marketer goals.

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Structuration Theory and Goals - Interactivity

- Interactivity captures the effectiveness of reciprocal marketing communication (outcome measure), which can be viewed as an effective emergent structure that achieves goals.
- Interactivity is a salient malleable structure (process measure), which is adapted toward reducing misalignments.



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Structuration Theory and Goals - Implications

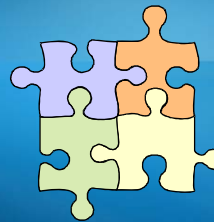
- The adaptation process of interactive marketing communications depends on the malleability of each structure, which may facilitate or impede alignment (goal fulfillment)
- Marketing communications to be viewed over time to predict goal fulfillment of consumer-marketer interactions based on the existing structures, misalignments, and adaptations.
- Existing structures represent different constraints on the adaptation process toward goal fulfillment

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The Role of the Brand

- Agency -- The Role of the Brand
 - Part of Structure
 - Background element
 - Distractor
 - Structural Facilitator
 - Actor
 - Interactive Agent
 - Interaction Facilitator
 - Resource
 - Goal Enabler
 - Goal Facilitator (Information, Authentication, Trust)



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Implications for Theory

- **Understanding interactive marketing communications requires analysis of the structure of the interaction and the way(s) in which this structure develops and changes over time.**
- **There is a need to focus on the character, nature, and structure of the interaction itself.**
- **A focus on goals changes the paradigm for theory building related to marketing communications.**
- **There is a need to develop richer theoretical insights related to how goals influence development of behavioral patterns and interactive sequences.**
- **Brand identities will increasingly be influenced by roles within an interactive structure**

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Implications for Research

- **Interactive media offer a rich domain for future research within goal-driven interactivity.**
 - Opportunities to develop new measures.
 - Redefine the meaning of well-established measures in the context of the interactive structures that arise.
- **There is a need for greater focus on the development of measures of interaction and the structure that evolves from interaction**
- **Need for measuring the adaptation process over time, not research on static structures**
- **Data using multiple methods (ethnography observations, monitoring, log data, experimentation).**

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Implications for Practice

- There is an urgent need for new and more appropriate measures of success (process and outcomes) that are applicable to an interactive context and a greater focus on the development of measures of interaction.
- Effectiveness cannot be understood without understanding goals and the substitutes and complements associated with individual goals.
- Brand Identities Are Expanding Beyond Products/Services to Reflect Character of Interaction

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