Advertising co-creation and the engagement factor

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Co-creation, user-generated content, crowdsourcing… These expressions testify the contemporary trend of communication towards a more participative, interactive and dynamic relationship between communicators and their targets, between organizations and their stakeholders: a dialogue, a one-to-one communication flux, instead of a monologue, a one-to-many flow with sporadic feedback.

The concurrent media ecology promotes and intensifies connections both by hyper connectivity, the need to keep conversations alive and relevant, but also by redesigning communication structure as a web with multiple growing connections and not anymore as a succession of dead end channels. Powered by media technology, widespread access and connectivity, mobility and the embedment of all this in the everyday life, this trend is evident in the so-called new media and social media but also in the new uses of media.

Innovative and challenging as it is, advertising did not go by unscathed to this trend, being co-creation yet another sign of our times. The examples of co-created campaigns are endless and reach every type of ads, from hard selling products and services to cause related campaigns, in what could be coined as a "Co-Revolution". The fact that a significant part of prize-winning creative work involves consumer participation (Hall, 2010) is another an evidence of this trend.

Although co-creation is not an innovation in advertising — it has been used for years in the form of contests, quizzes and other consumer participation formats, namely the less visible ones like design and packaging contributions — it has become pervasive in the last years. So, if not for any other reason, to analyse its current implications has became more and more relevant, namely on:

- how brands are changing their communication strategies towards a more **interactive relation** with costumers and, most of all, proving emotional experiences, beyond their product or service;
- how brands are searching for **new ways of engagement** and for creative strategies to turn consumers into brand ambassadors or fans;
- **the risks** of those strategies since brands no longer control the reactions on social networks;
- and finally, the importance given to **transparency and authenticity**, as a sign al of crowdsourcing power.

Having established this frame of thought we intend to deepen our understanding of the concept of co-creation itself. What does it mean? How is it used and valued in advertising?

Theoretical approaches to the co-creation concept

The general significance of the concept applied to advertising indicates the idea of co-operation, collaboration or co-optation of contributions into a common creative project. However, the theoretical framework of co-creation goes beyond this notion and involves diverse contributions from different fields.

In a broader approach, co-creation is associated with a general view of social and political participation (Benhabib, 1996; Cammaerts, 2011; Cammaerts & Carpentier, 2005; Philips *et al.*, 2012), the increasing discussion on the urge and relevance of the civil society participation on the democratic institutions of the western societies.

In the entrepreneurial and management universe co-creation is associated with innovation and is understood as an added value driver (C. K. Prahalad, 2004; Prahalad & Ramaswamy, 2002; Ramaswamy & Gouillart, 2010) in the chain of value proposed by Michael Porter in the 80's. More recently co-creation is seen as a platform for the convergence of the traditional divergent perspectives of managers and consumers over value: efficiency *vs* experience. While managers tend to rate efficiency as the core value — from lowering unit costs of production through managing cost efficient processes — consumers tend to focus on the value of the experience and seem to have been able to balance the scale so far.

> "Consumers appreciate and expect efficiency when it improves their experience with a product or service (…) Spurred by the consumer-centric culture of the Internet — with its emphasis on interactivity, speed, individuality, and openness — the consumer's influence on value creation has never been greater, and it is spreading to all points in the value chain." (Prahalad & Ramaswamy, 2002:27)

Another vector on the concept of co-creation focuses on the impact of co-creation on consumer awareness. By being invited in the brand dialogue and involved in co-creation, the consumer becomes himself an ambassador of the brand. This works as a source of brand innovation, energy and activation (Sigala, 2013).

However, the increasing use of consumer-generated content in advertising poses some questions to the reputation and trust management. A recent study on the effects of disclosing the consumer authoring of advertising sets a double hypothesis. The acknowledgement that the advertising source is a consumer can lead to two opposing effects: scepticism or identification. On one hand the consumer might question the advertising creator competence and therefore the advertising trustworthiness itself. On the other hand the consumer might develop identifying bounds with the ad creator, also a consumer, one of his own pairs. The conclusions of the application of the scepticism-identification model, indicate that the disclosure of consumer authoring of advertising should be carefully assessed by brand managers. Its potentially positive effects depend on context, kind of creative input, media used, and on the level of the consumer loyalty to a specific brand. Furthermore, it was observed that there is a certain mistrust on the *prosumer's* capability to produce a professional-like ad — "(…) upon learning that an ad is consumer-generated, viewers become sceptical as they do not believe that other consumers possess the ability to produce persuasive advertising messages" (Thompson & Malavyia, 2012:34). This sceptical concern tends to lead the attention focus on the executional features (Ertimur & Gilly, 2012) of the ad, instead of on its persuasive efficiency, brand messages, content value or entertainment interest. This study — Consumer-generated Ads: Does Awareness of Advertising Co-Creation Help or Hurt Persuasion? — used different variables like authoring identification manipulation to conclude that

> "consumers do not necessarily perceive consumer-ads as more trustworthy than ads created by professional firms, challenging the view that such ads are processed as word-of-mouth communications. Instead, consumers seem to realize the need for advertising to be persuasive and use their perceptions of the competence of the ad creator to evaluate the effectiveness of the message. As a result, contrary to managerial intuition, we find that attributing an advertising message to a consumer can hinder persuasion, decreasing ad and brand evaluations" (Thompson & Malavyia, 2012:33)

Perspectives on co-creation in advertising

The extensive use of user generated content or co-created adverts might also lead to the questioning of the need of advertising professionals. Yet, the advertising industry perspective seems fully aware of the extend of power give up co-creation implies, and the communicational and organizational shift associated with it.

> "To some degree, 'co-creation' means 'letting go to take control', which is not easy or comfortable. Brands that embrace co-creation need to be prepared to open the doors and invite consumers in, listen, experiment and be guided by the community whilst accepting a significant change in company culture as a result (Welch, 2012).

Co-creation in advertising configures what might be described as media participation (Carpentier, 2011) through content, media and audience. That is, co-creation in advertising is a form of holistic participation both in the media, trough the media and for the media.

This participation is not always conscious and frequently the consumer is not fully aware of its own co-creation input in a certain brand. There is a significant amount of co-creation that implies the consumer awareness — enquiries, prize winning contests or the sheer opportunity to shine in the stardom system by featuring, whether as actors or directors and producers of a commercial, are quite appealing to consumers who are fully aware of their own participating role. Nevertheless there is also a significant part of co-creation of which the consumer is absolutely unaware of or at least as very little information about — data mining and internet profile investigations are among the most controversial practices leading to current debates on best practices, regulation demands and the rise of privacy issues.

On the other side of the advertising communication channel, advertisers are not in full control of the consumer participation that provides input — not all positive and some quite harmful — to the brand or product reputation, configuring a negative co-creation (Melo & Sousa, 2011, 2012a, 2012b).

Consumers and advertisers or advertising professionals have different perspectives on co-creation.

On one hand, consumers tend to look forward to participating in advertising through co-creation focused on the sheer creative and entertaining pleasure of that participation at first instance, but also on the social recognition and sense of belonging it might produce as a side effect.

Advertisers, on the other hand, value co-creation for its massive idea generating potential, especially centred in unique and fresh consumer insights, that are virtually impossible to access to otherwise. But the advertising industry also looks for co-creation to access to creativity and consumer awareness for free or at very reasonable prices.

This gap comes with a price for companies and advertisers as they both have to endure a learning process of negotiating power and control and this becomes a management imperative line of thought.

> "Although it is only human to feel threatened by a loss of control, it makes little sense for companies not to be open and engaged with consumers. By partnering with them in the value creation process, companies can better balance the objectives of value creation, managing the bottom line (cost and investments) and the top line (growth and revenues). Furthermore, co-creation is becoming a competitive imperative. Information illuminating what consumers value is voluminous, and it flows freely in information networks. If your company does not capture this intelligence to create more fulfilling experiences for consumers, your competitors will." (Prahalad & Ramaswamy, 2002:28)

For Prahalad & Ramaswamy (2002) companies are urged to learn how to co-create values together with their costumers and the consumers of their products. For that they need to be aware of the consumer's point of view and must structure their management and communication strategies with a consumer centred approach,

bearing in mind that the consumer is part of the value creation system, being able to influence how value is generated even out of the company or brand boundaries.

Another side of this equation deals with the credibility factor, as consumer involvement in advertising might work as a legitimizing driver of the advertising discourse, working as a word-of-mouth process.

Getting involved – three different approaches

As previously argued, consumers are being invited to get engaged with brands in an interactive way. How is this happening? There are several creative strategies to reach the new consumer. Amongst them, we have selected three creative approaches that emphasize key factors for the brands: to create affinity with the target and to catalyse emotional links with their own social network (either virtual or real).

The first case is McDonald's Picadilly Sign. In 2009, the fast food chain launched an interactive sign at Picadilly Circus, one of the most visited places in London. There, passers-by could interact with moving images displayed on McDonald's giant LED screen. Visitors could take an interactive role at one of London's most photographed locations. The interactive sign has displayed several pictures in motion, with objects chosen to be in interaction with people: an umbrella, a birthday cake with candles, a balloon, a football, among others. People passing by started taking pictures and sharing it with smartphones, to friends or on social networks. This creative approach provided real cheerful and funny moments at Picadilly, while people in the square were attentive and curious on the whole process.

Image 1 - McDonald's interactive outdoor in Picadilly Circus, London, 2009

The interaction became viral on social media. A video on the Youtube[1] that shows everyone taking pictures interacting with the sign in the background has been seen by 219 391 persons. The relation with the brand has continued in a viral way: people that took the picture with funny aspects have shared it on Flickr and Facebook. In fact, McDonalds has adopted a new creative approach, based on co-creation. It is about providing emotional experiences in a centred consumers' strategy, mediated by media technology.

Although the video looks quite real, McDonalds's had to face consumers' scepticism. One of the posts on the Youtube video clarified that the brand "didn't hire actors for this movie but filmed general members of the public on the day."[2]

The second case is about the innovative way that Coke, a global brand, found in order to reach new young consumers in a personal approach. Focused on the self-centered consumer, Coca Cola Australia launched a campaign tagged "share a Coke"[3] in 2011.

[1] http://www.youtube.com/watch?v=JjVYVQOOJA8, accessed 29th July 2013.
[2] *Ibidem*
[3] http://www.youtube.com/watch?v=2l_WzEdUd0o, accessed 18th March 2013

The insight was based on an intimate experience: the "star-consumer" with the power to have its personal Coke.

Image 2 - Coke interactive consumer labelled campaign, Australia, 2010

Coca-Cola consumers had the opportunity to own and share a coke bottle branded with their names and their friend's names. The Coca Cola lettering was replaced by names such as: Jason, Matt, Luke, Kate, Liam, Kylie and many other common Australian names. Actually they were 150 of them printed on Coke bottles labels, creating a personalized product and giving consumers a reason to connect. The offline – online communications strategy was conceived to stimulate invitation to 'Share a Coke' with someone familiar and gave people the tools to find, connect and share. They could even personalize a Coke on Facebook.

Due to a quite positive impact on sales and on brand perception, the campaign "Share a Coke" has been launched across Europe.

The third case selected relates to the environmental cause and involves a specific case of co-creation of an ambient media campaign. In 2011, China Environmental Protection Foundation signed a campaign which objective was to urge people to participate in a action to minimize gas emission from cars, that demands people to walk more and drive less. A creative outdoor advertising was set down on a pedestrian

crossing in a busy cross road — where pedestrian and cars meet. A large leafless tree on a white background covered the crossing, where before was a zebra crossing. On each side of the road, on the sidewalks, under the traffic lights two cushions soaked with green paint. This ink was environmentally, friendly washable and quick dry. By stopping on the red light, people would step on the paint and, by crossing to the other side, would stamp green leaf like footprints on the naked tree, therefore turning it lively and green (Image 3: steps 1,2,3).

Image 3 - China Environmental Protection Foundation

The crossroad outdoor was set on 7 main streets in Shangai and later in 132 roads in 15 other cities in China. The co-creation of a greener environment is made by the almost 4.000 000 pedestrians involved[4], turned into participants-creators-consumers-citizens and, in this sense, is an evident co-creation. Furthermore, using innovative, fun and exciting strategies "is a great way to increase engagement and ensure that your message is retained well" (Kolster, 2012:150). The advertising piece was exhibited afterwards as a facade outdoor in the Zeng Da CANART Museum (image 4)
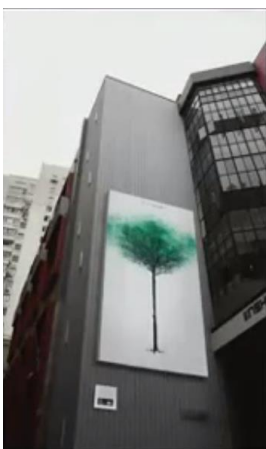

Image 4 - outdoor exhibit in a art museum outside wall

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[4] More than 3.920.000 people, according to the Youtube video on this case:
http://www.youtube.com/watch?v=Wq40n9BtpRk, accessed 15th May 2013

After the campaign the general public awareness of environmental protection had increased by 86% (Gilroy, 2011) and the campaign won several prizes, namely in the Adfest and Cannes and became a case study of *goodvertising* (Kolster, 2012:150).

The three cases briefly exposed demonstrate how brands and causes are seeking to engage consumers and citizens, providing long-term, memorable experiences. More than entertainment, we find innovative approaches based on the sense of belonging and on socializing development, at a very personal level but also with an impact on the public space.

Co-Creation challenges and opportunities

Co-creation is a common and intensive practice in the advertising communication strategies having reached a "must" status, whether for tactic convenience, legitimizing discourses, or for the pressure of the crowd and of the increasingly empowered consumer.

> "But in today's new marketing paradigm, participation is a powerful new currency. Particularly in emerging markets, consumers see themselves as fans, co-creators and champions of the brands in their lives, and they're weighing in on corporate promises and practices – whether asked to or not." (Floyd *et al.*, 2012:n/p)

Although co-creation practices have proved positive in a great number of cases, its consequences and implications should not be taken lightly and more research is recommended when making a strategic decision on the use of co-creation.

Nevertheless, as co-creation is embedded in the advertising industry practices as the new black —

> "We believe that brands embracing collaboration will experience deeper engagement on the issues that matter as well as richer collaboration on innovation opportunities and business benefits including tapping new markets, accelerating product trial and building consumer loyalty that drives long-term success" (Floyd *et al.*, 2012:n/p) —

participation of the consumer in advertising is valued as a crucial engagement factor connecting the public and the private sphere (Barsky, 2011; Berger, 2011; Boulianne, 2009; Livingstone, 2005; Papacharissi, 2011; Zúñiga *et al.*, 2012) both in commercial and civic terms, and therefore has been argued to be a driver of communication and even social sustainability.

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