

INTERNET

## Cost-per-engagement online ads most effective metric for luxury brands: expert

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By RACHEL LAMB

An industry expert claims that luxury brands should be using cost-per-engagement metrics for their online advertising to ensure effectiveness and ultimately drive sales.

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**Luxury Daily**

Cost-per-engagement ads measure what kind of consumers look at the ads and ask a few specific questions to gather information for future marketing. Brands only have to pay a one-time fee for this two-step marketing technique, and only if consumers actually interact with the ad.

"The efficiency starts from the beginning," said Mark Drusch, president of e-Miles, Plano, TX. "The ads target a specific audience, and luxury brands only want to target those who can afford to buy their products.

"The follow-up ads are second, and once brands ask very specific questions, they know what kind of message to follow-up with," he said. "Brands only have to pay when consumers interact with the ad."

**E-Miles** is a Web site that invites members that already have existing relationships with brands to answer questions about themselves, which is used to help specific marketers

target intended consumers.

### How it works

When users sign up for e-Miles, they are asked a series of questions including gender, household income and geography.

After consumers answer the questions, brands can hone in on those most likely to be interested in the content of the ad.

This is especially useful for luxury brands, who want to target only people who can afford their products.

“If the ad asks a woman to name specific brands that she usually buys and she says Christian Louboutins, then other high-end shoe manufacturers would know that this woman can probably afford to buy their shoes, as well,” Mr. Drusch said.

Cost-per-engagement ads help with online advertising, and can drive in-store traffic.

For example, Louis Vuitton ran a geographic-specific ad to invite customers to check out new products in its retail locations.

The brand claimed that it was the most successful invitation that it had ever sent out, because it was actually able to measure how many customers came to the stores after reading the ad.

### Bulls-eye advertisements

In addition to being a tremendous opportunity for brands, consumers also benefit from this.

Not only are affluent consumers served hand-picked advertisements via e-Miles, their participation in ad interaction rewards them with “virtual currency” that they can use for interaction with airlines, hotels and retailers like Louis Vuitton and Nordstrom.

In addition, marketers can use cost-per-engagement ads to deliver an immense amount of creative, including rich media, video content, applications and custom ad units.

“CPE’s target very clearly – you don’t want to go after people that can’t buy your brand, and we’re able to target based on income level,” Mr. Drusch said. “Also, the brand only pays when the intended audience engages with their advertisement.

“The first measurement is how many people watched or viewed the ad and answered questions,” he said. “The second is determining if the ad is asking them to do something, and whether or not they do it really becomes the ultimate measure.”

### Final Take

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