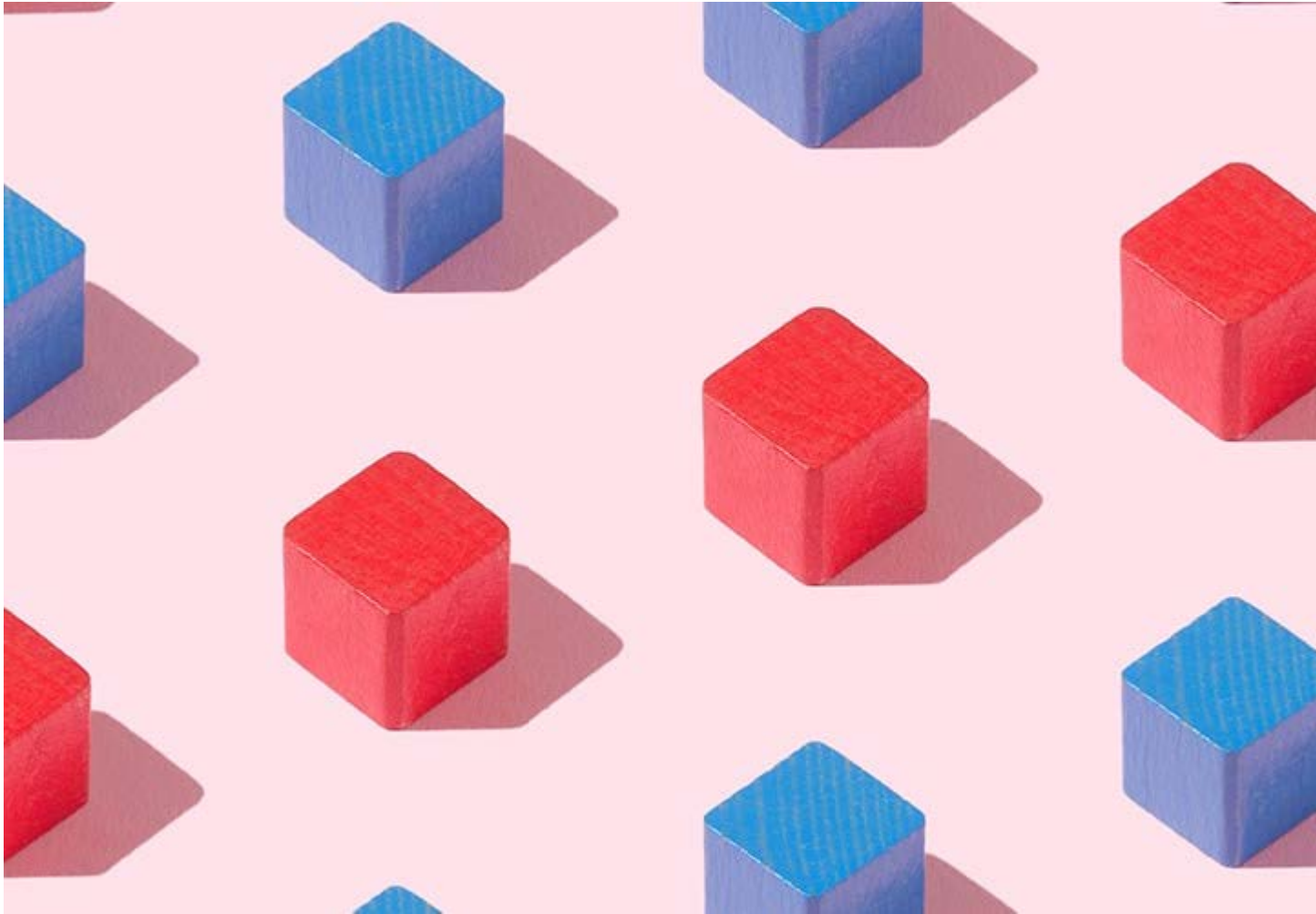# Blockchain Isn't Just a Buzzword Anymore. How Advertisers Are Testing Its Applications

Dunkin', American Express, Anheuser-Busch InBev among companies adopting the tech

By [Marty Swant](#)
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Beyond building an engaged and loyal fan base, Dunkin' hopes blockchain can improve its media spend.
Getty Images

Perhaps Dunkin' should change its tagline to Running on Blockchain. Early next year, the company, using blockchain technology from a startup called iPowow, will let TV viewers who have watched a commercial enter a code online to get discounts and prizes. Beyond building an engaged and loyal fan base, Dunkin' hopes blockchain can improve its media spend, as the tech can give marketers a more concrete way of tracking who sees an ad based on who redeems tokens.

Dunkin' isn't the only brand dipping its toes in blockchain technology. American Express, Anheuser-Busch InBev and even a Brooklyn coffee company—with the help of IBM—have dabbled in blockchain. Agencies and television networks like Horizon and

Fox have signed nonbinding letters of intent with iPowow (although some companies touted by iPowow have no plans to test in the immediate future) to determine its applications. And CMOs across a variety of industries are joining councils and consortiums designed to explore and set standards for blockchain.

Early next year, Dunkin' Donuts, using blockchain technology from a startup called iPowow, will let TV viewers enter a code online to get discounts and prizes after they've seen a Dunkin' ad.

While the use of blockchain technology across almost every industry is still new, the increased frequency of tests are being seen as a way for startups to tout their technology, propping it up long enough for the more hesitant players to sign on. (At a blockchain dinner a few months ago, one startup founder said he worried it might be seen as "vaporware" without enough buy-in.) The hope is to explore blockchain technology for a variety of uses ranging from advertising transparency to logistics to membership benefits. In the past two weeks, for example, the French grocery chain Carrefour announced plans to track food shipments using IBM's blockchain, and Forbes became the first major publisher to test writing stories to a blockchain.

Carrefour has begun testing how IBM's blockchain network can be used to track food safety along its supply chain. (Walmart's also testing it in the U.S.)

Alongside the pilot programs, other blockchain companies have been creating organizations that aim to foster the burgeoning space through dialogue and education, attracting key brands and their marketers as a means of gaining traction. Kiip, a mobile marketing platform, has created an Executive Blockchain Council—a group of brands and agencies interested in exploring the technology alongside the companies creating it. The council, which plans to meet twice a year, already has several big names on board, including the CMO of Kraft Heinz and head of media for L'Oréal.

Following a playbook

Educating an industry is part of the challenge facing both companies selling the tech and those interested in using it. However, players who stand to benefit from confusion find it's easy to misdirect. All they need to do is follow the playbook of previous industry-

changing technologies: social platforms and programmatic buying. Obfuscation, it seems, is a cottage industry.

Lucidity is currently running tests with Toyota and agency Saatchi & Saatchi to eliminate fraud and deliver supply chain transparency during digital ad buys.

"Even in the early days of mobile you were forced to do free tests—people were unable to understand what you're serving and what you should pay attention to," said Kiip CEO Brian Wong. "And over time when you have enough use cases, then you're going to have a sense of trust."

While brands are increasingly eager to test, the ad industry's feelings are more mixed. According to a May survey by Advertiser Perceptions and Kochava, just one in seven said they thought blockchain technology was "very likely" to solve their efficiency and transparency problems, while 40 percent said it was "not very likely" or "not at all likely." Meanwhile, 41 percent said they do plan to implement some sort of blockchain technology in the next two years.

Campbell Harvey, a professor of finance at Duke University, believes the use of blockchain technology in the marketing industry has been under-hyped over the past few years—partially because of confusion around whether it's related to the volatile cryptocurrency markets. Even if activity is slow to start, he recommended companies create a strategy now, and even designate someone to be the "blockchain czar" to lead training within an organization.

"The wait and see [approach] is a dangerous strategy," Harvey said. "You wait and see and you're gone."

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[Marty Swant](#)
@martyswant

Marty Swant is a technology staff writer for Adweek, where he specializes in digital marketing trends, social platforms, ad tech and emerging tech such as virtual reality and artificial intelligence.