The Power of Creativity

Paul Dyson, Co-founder, accelero consulting

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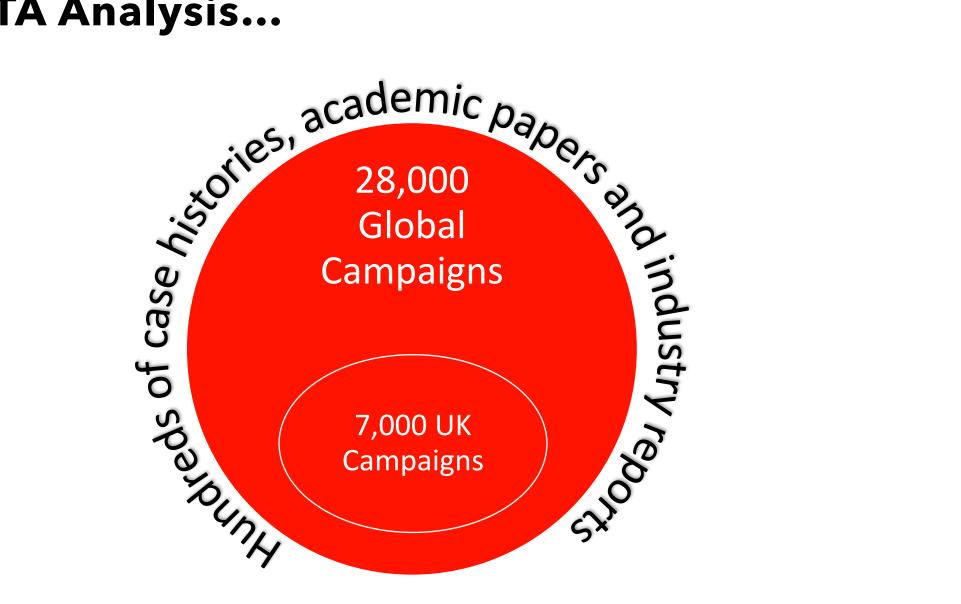
Update drivers of advertising profitability using publicly available data

| Top 10 Drivers of Advertising Profitability | | | | |
|---|--|---------------|--|--|
| Rank | Factor | Profitability | | |
| | | Multiplier | | |
| 1 | Brand Size | 18 | | |
| 2 | Creative quality | 12 | | |
| 3 | Budget setting across geographies | 5 | | |
| 4 | Budget setting across portfolios | 3 | | |
| 5 | Multimedia | 2.5 | | |
| 6 | Budget setting across variants | 1.7 | | |
| 7 | Cost/product seasonality | 1.6 | | |
| 8 | Brand v Product (Brand vs Performance) | 1.4 | | |
| 9 | Laydown/Phasing | 1.15 | | |
| 10 | Target Audience | 1.1 | | |

Paul Dyson "Top 10 Drivers of Advertising Profitability" 2014



A META Analysis...





To measure Creativity we start with ROI

Return On Investment (ROI)

Revenue ROI (RROI): Media Generated Revenue

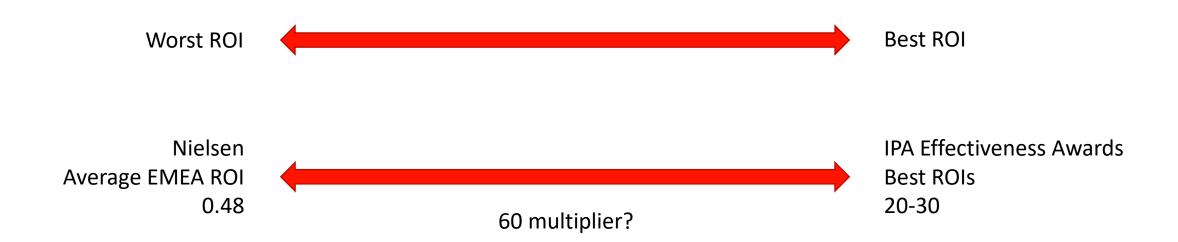
Media Budget

Profit ROI (PROI): Media Generated Profit

Media Budget

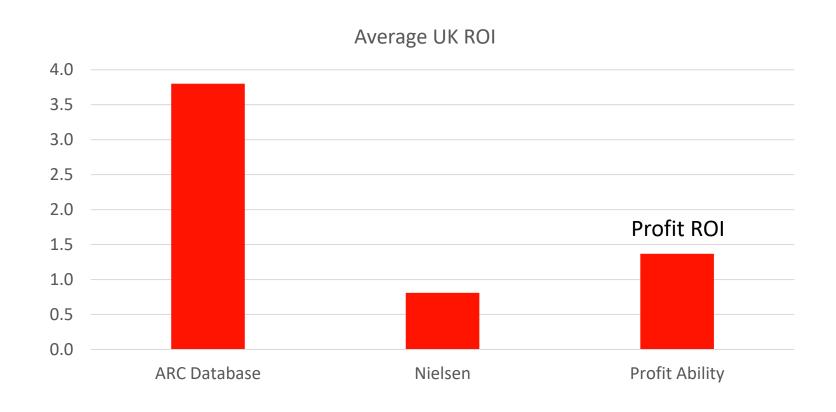


How do you measure the power of creativity?





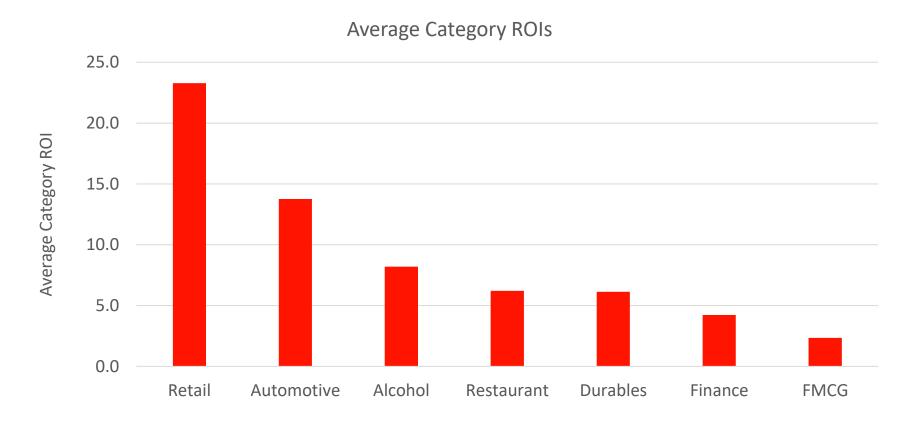
Average UK Revenue ROI around 4



Based on 7,000 UK ROIs across 3 key studies



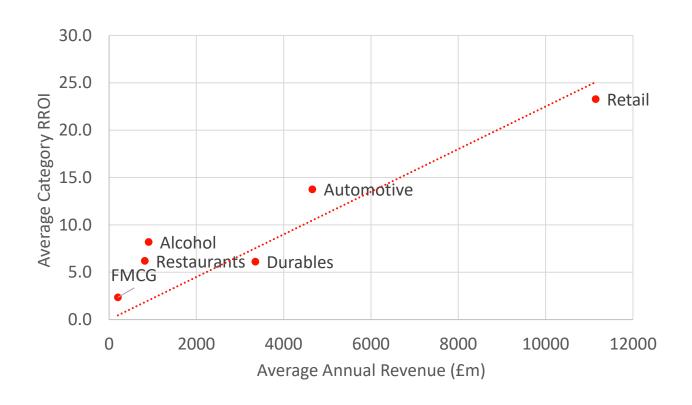
Retail, Automotive and Alcohol seem to do better than other categories...



Based on 2,500 UK ROIs across 4 studies: IPA Awards, Profit Ability, ARC Database, Media Mix Navigator



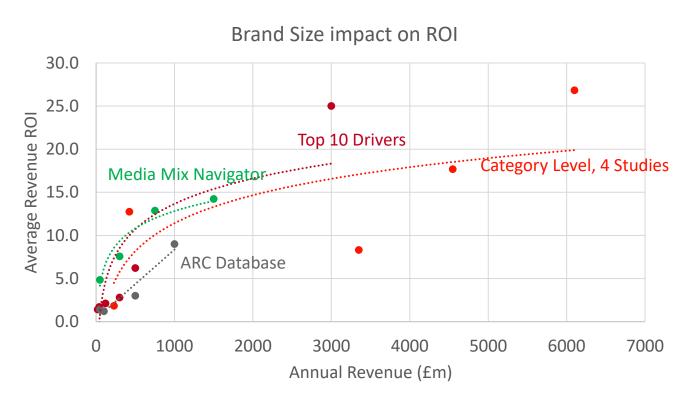
However, brand size is a key driver of category ROI



Based on 2,500 UK ROIs across 4 key studies



This relationship matches those published in other reports



Brand size can easily impact ROI by a factor of 20+

Upto £1bn roughly £1 extra ROI per £100m revenue

Based on brand size analysis across: IPA
Awards, Top 10 Drivers, Media Mix Navigator,
ARC Database



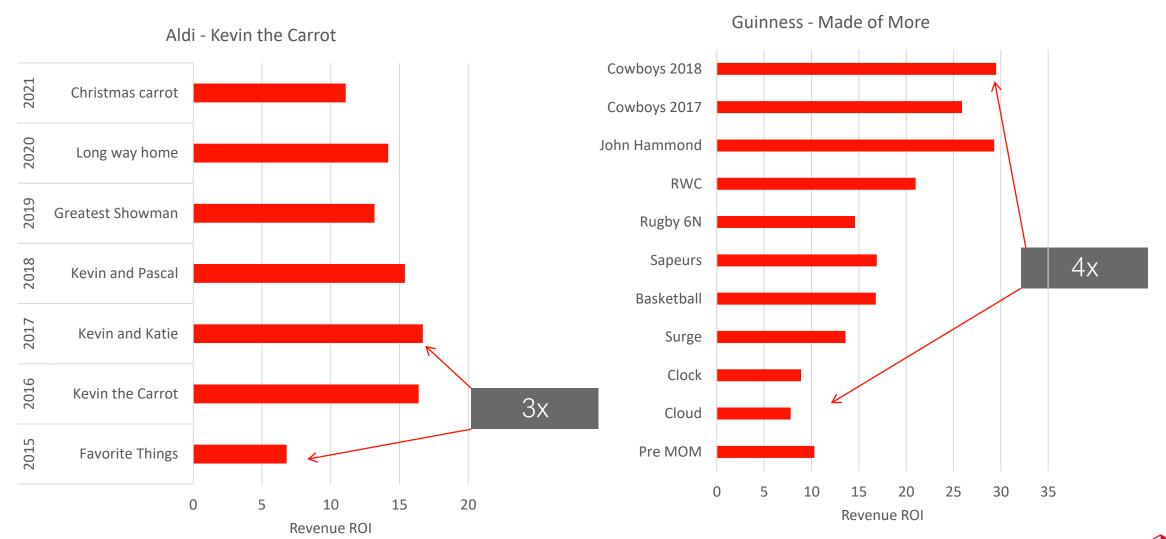
Look within brand to avoid brand size effect

| Advertising | Spend (£m) | ROI |
|-------------|------------|------|
| Campaign 1 | 1.59 | 0.12 |
| Campaign 2 | 1.26 | 0.21 |
| Campaign 3 | 0.03 | 2.86 |
| Campaign 4 | 1.62 | 0.65 |
| Campaign 5 | 0.65 | 2.79 |
| Campaign 6 | 0.24 | 2.21 |
| Campaign 7 | 1.29 | 0.23 |
| Campaign 8 | 0.52 | 0.97 |
| Campaign 9 | 1.18 | 1.38 |
| Campaign 10 | 1.91 | 1.85 |
| Campaign 11 | 0.70 | 1.43 |



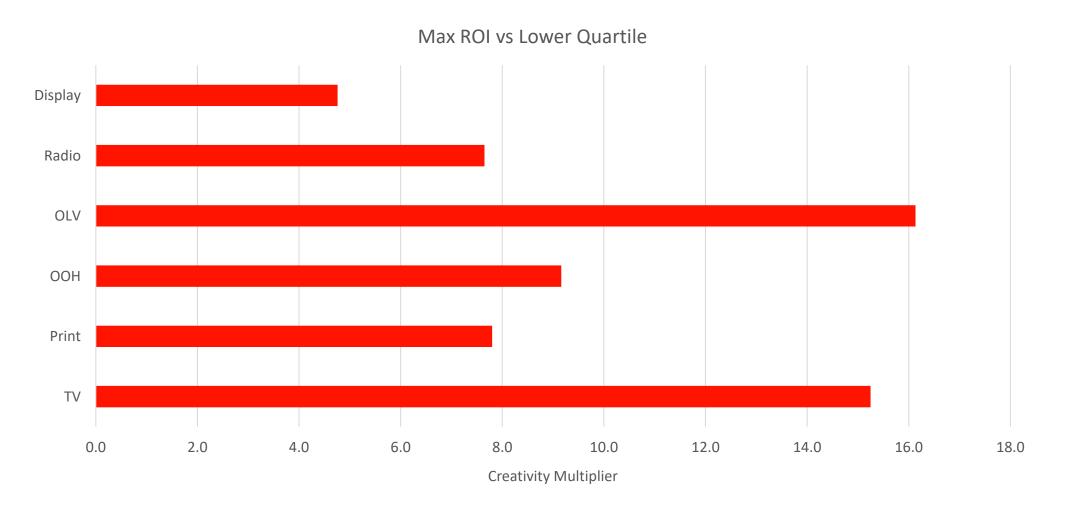


Some great examples in the IPA awards



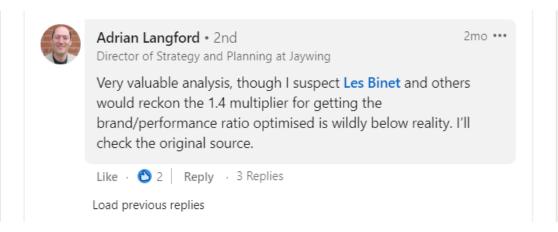


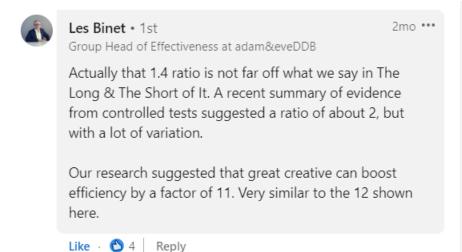
Video seems to have the biggest creative multiplier



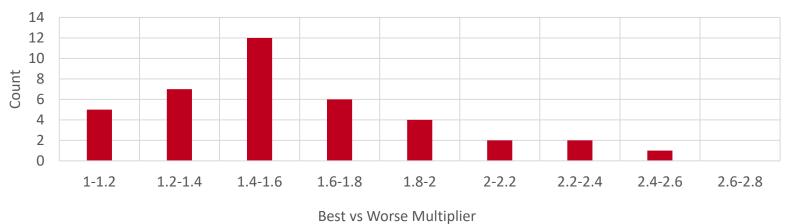


Brand vs Performance





Brand v Performance multiplier





Update

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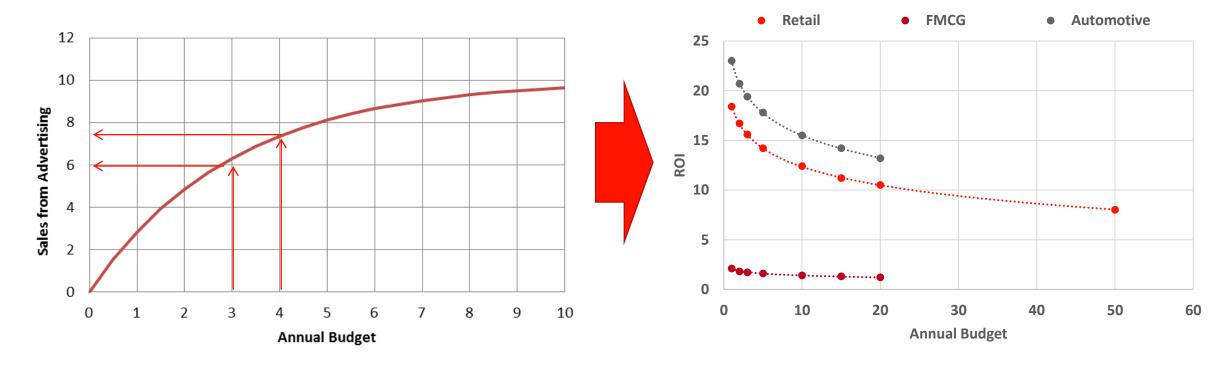
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There is another key driver of ROI - media budget



Practitioners agree advertising experiences diminishing returns...

...this means ROIs drop as budgets increase

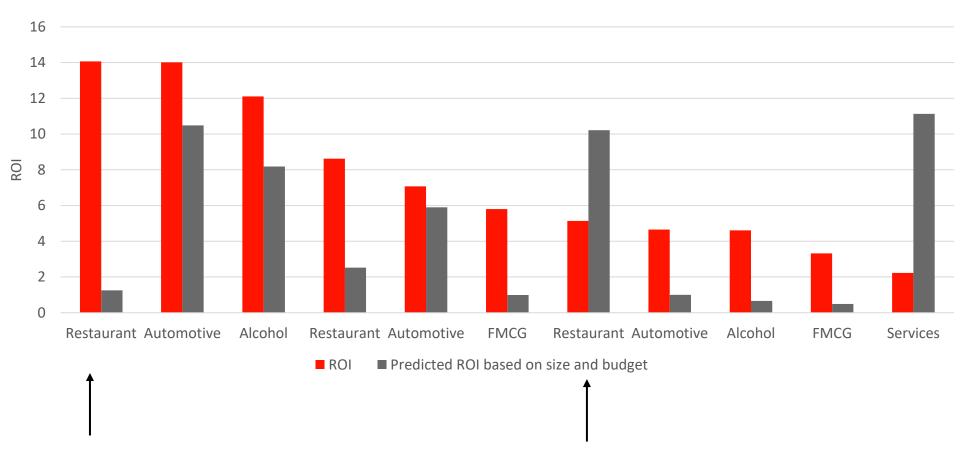


Brand size and diminishing returns have important implications for understanding the impact of creativity on ROI

| Expected ROI | Brand Size (£m) | | | | | |
|-----------------|-----------------|-----|-----|-----|------|------|
| Budget | 100 | 200 | 300 | 500 | 1000 | 2000 |
| 1% | 1.3 | 2.7 | 3.9 | 6.2 | 11.7 | 20.0 |
| 2% | 1.2 | 2.4 | 3.4 | 5.5 | 10.0 | 16.7 |
| 3% | 1.1 | 2.2 | 3.2 | 5.0 | 9.0 | 14.7 |
| 4% | 1.0 | 2.1 | 3.0 | 4.7 | 8.3 | 13.3 |
| 5% | 1.0 | 2.0 | 2.9 | 4.4 | 7.8 | 12.2 |
| 10% | 0.9 | 1.7 | 2.4 | 3.6 | 6.1 | 8.9 |



We can calculate a predicted ROI based on brand size and media budget





After looking at all the published evidence, it is clear that creativity is still, by some way, the biggest lever at a marketer's disposal

| Top 3 Drivers of Advertising Profitability | | | | |
|--|-----------------------------------|------------|--|--|
| Rank | Rank Factor | | | |
| | | Multiplier | | |
| 1 | Brand Size | 20 | | |
| 2 | Creative quality | 12 | | |
| 3 | Budget setting across geographies | 5 | | |



Thank you!

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Creative drivers of effectiveness

Rosie Pritchard, Senior Research Executive, Neuro-Insight

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Creative Drivers of Effectiveness









90%
OF ALL DECISIONS
ARE MADE IN THE
SUBCONSCIOUS





We measure electrical brain activity using:

Steady

State

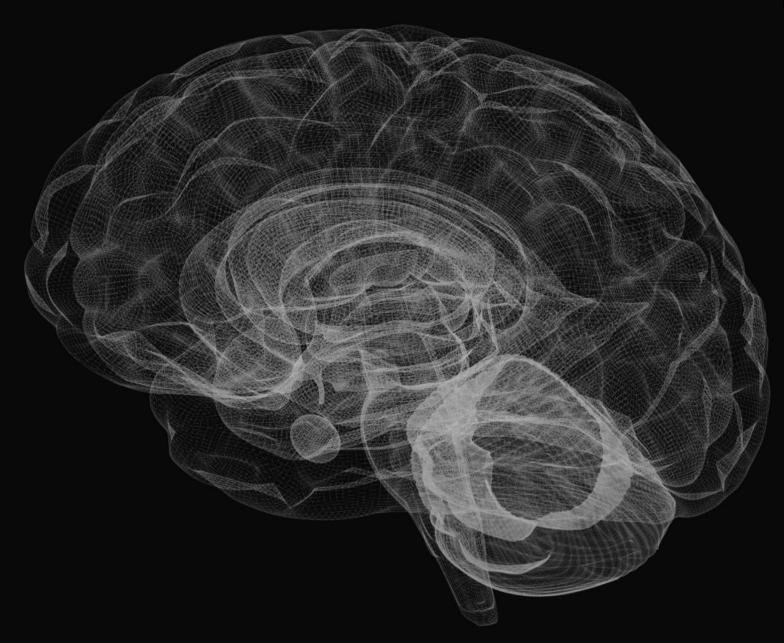
Topography





PERSONAL RELEVANCE

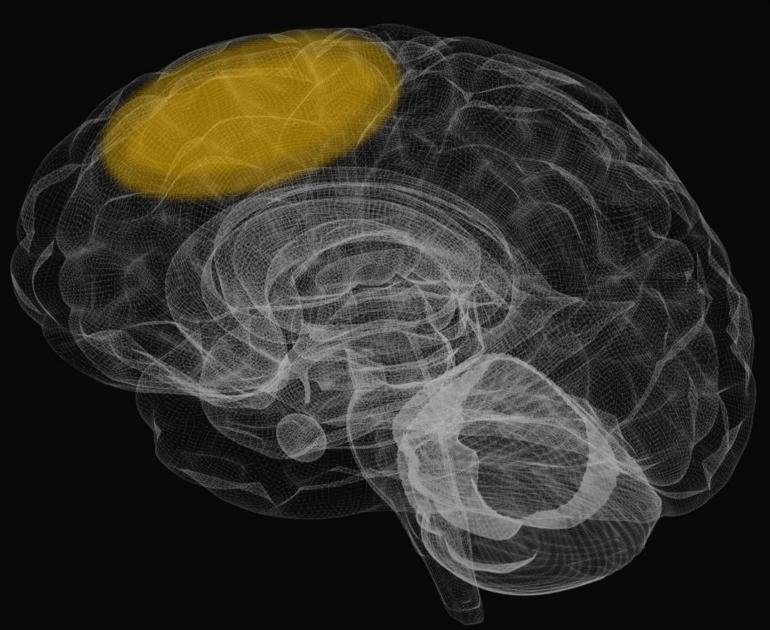
EMOTIONAL IMPACT





PERSONAL RELEVANCE

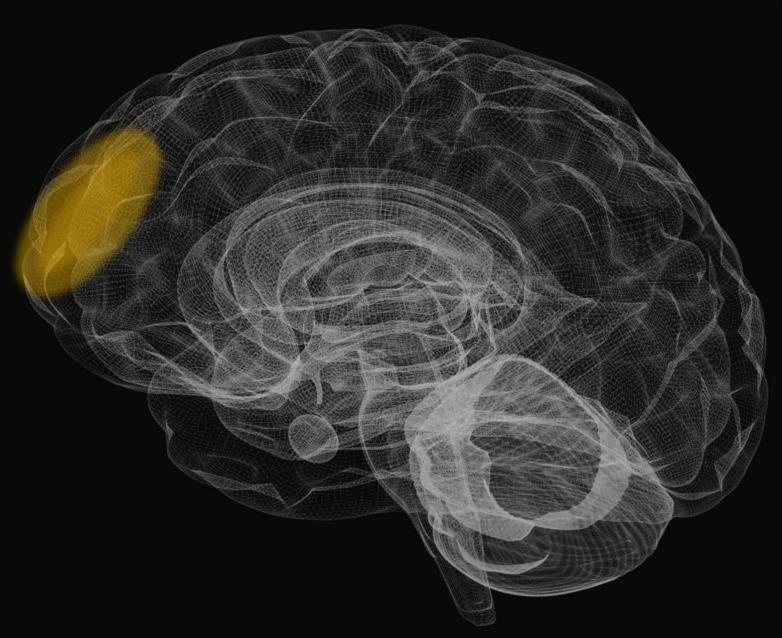
EMOTIONAL IMPACT





PERSONAL RELEVANCE

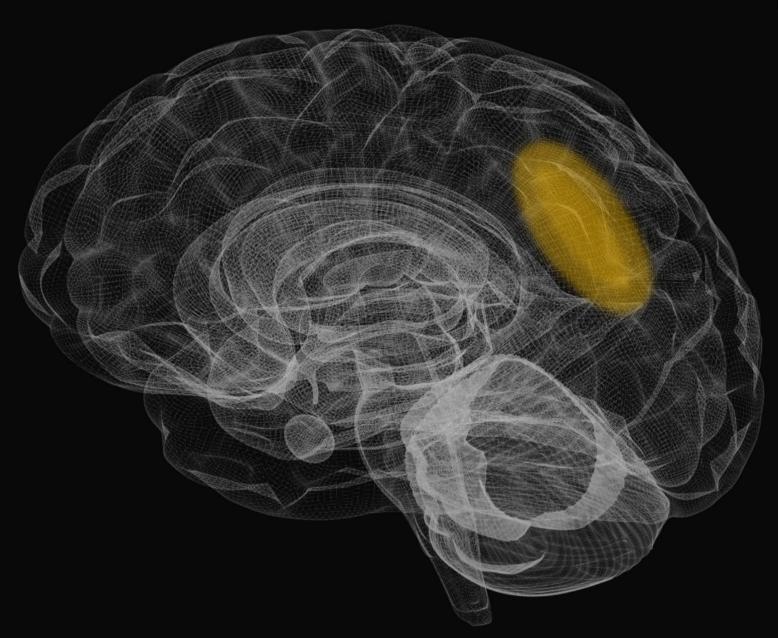
EMOTIONAL IMPACT





PERSONAL RELEVANCE

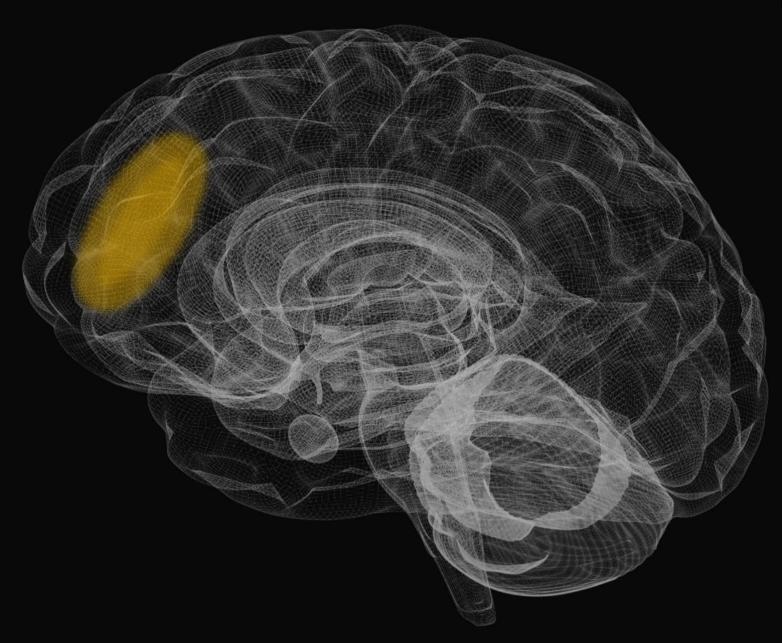
EMOTIONAL IMPACT





PERSONAL RELEVANCE

EMOTIONAL IMPACT

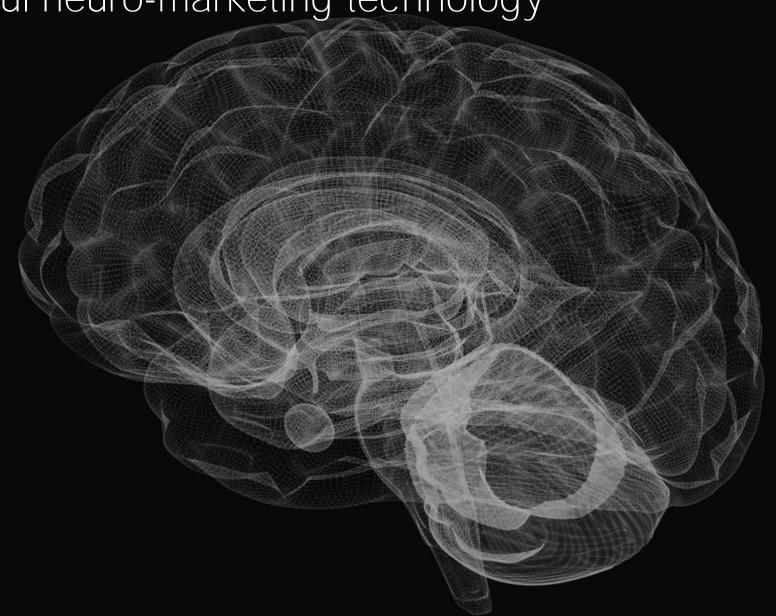




SSTTM is the most powerful neuro-marketing technology

86%

Linkage to in-store sales

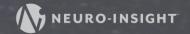




We coded 150 UK ads against a range of creative variables

Ads were included from 2019-2023















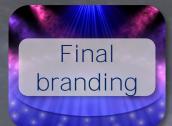


























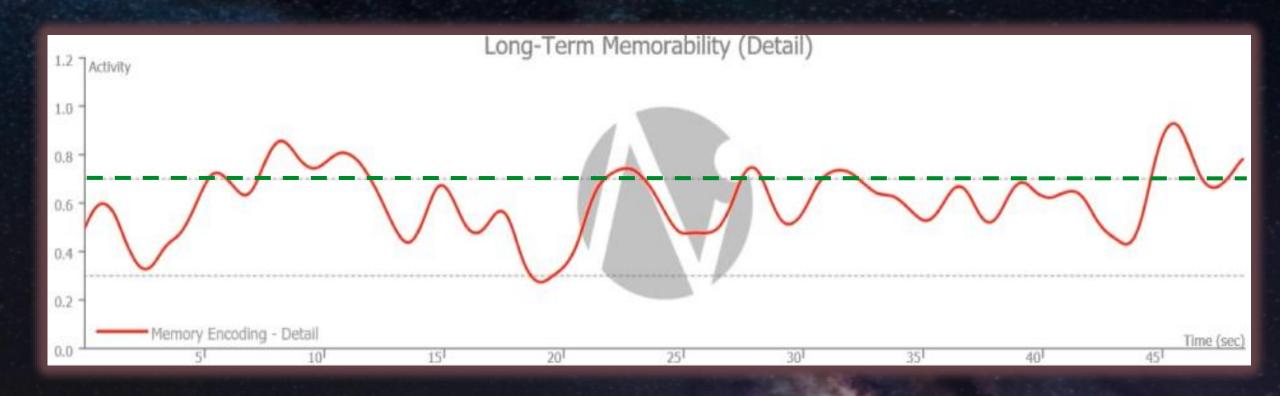






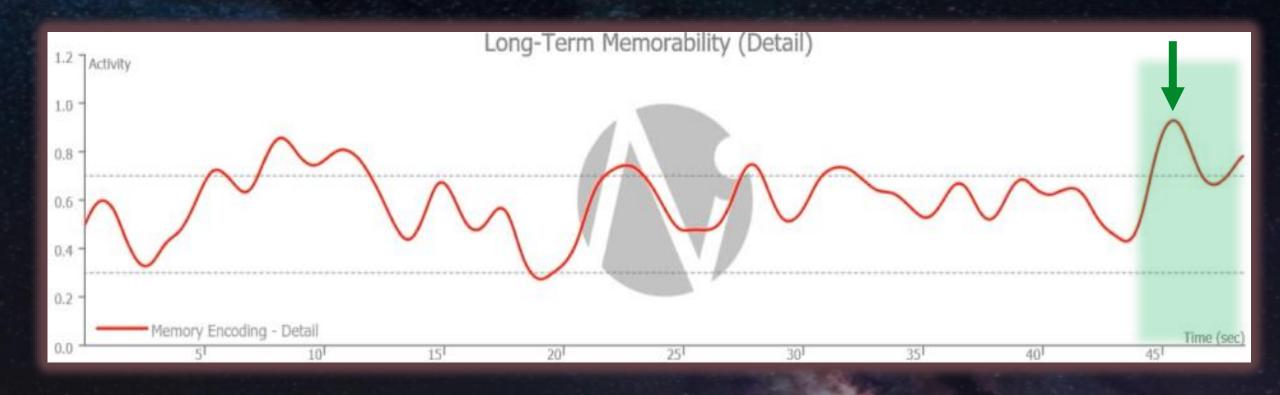


Statistical analysis was conducted on each variable



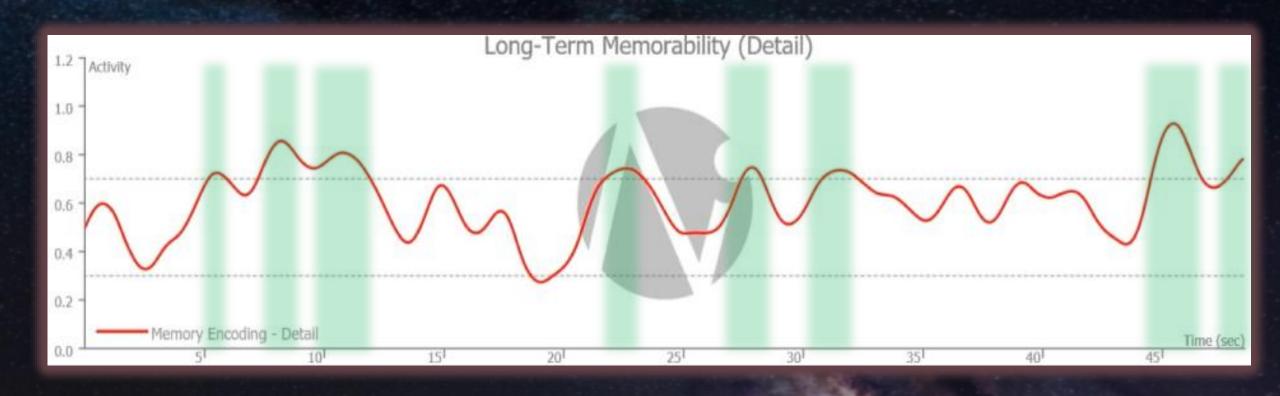


Statistical analysis was conducted on each variable





Statistical analysis was conducted on each variable





Long-term Primary metric memorability (detail) Personal relevance Secondary metrics (key drivers of memory) Emotional Impact









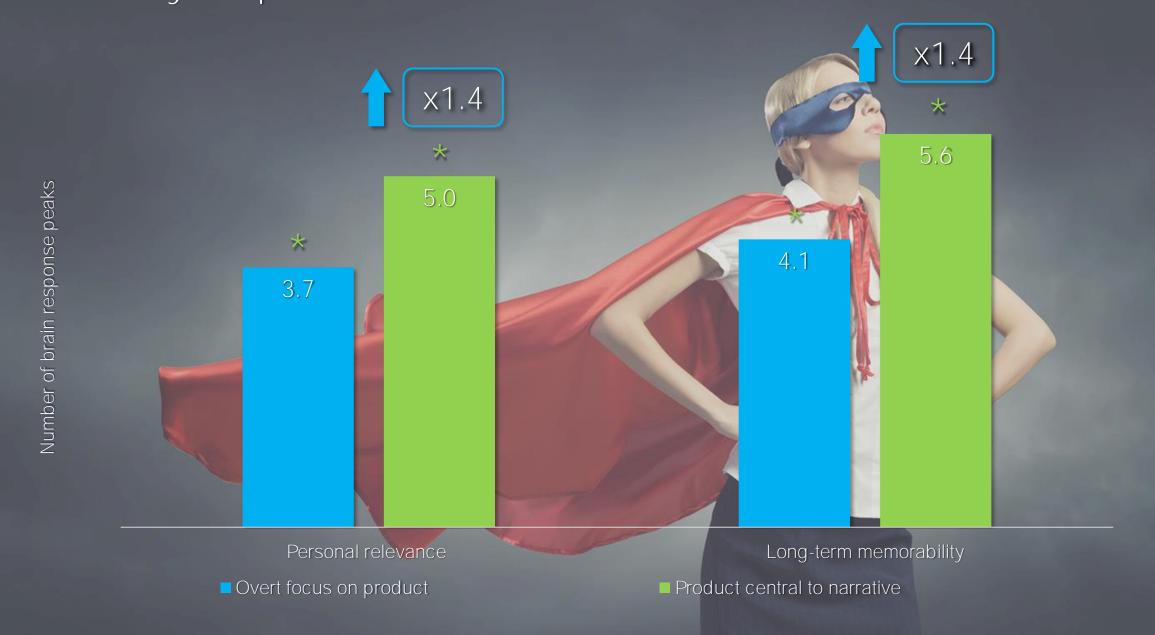


1. Showcase your product, don't shout





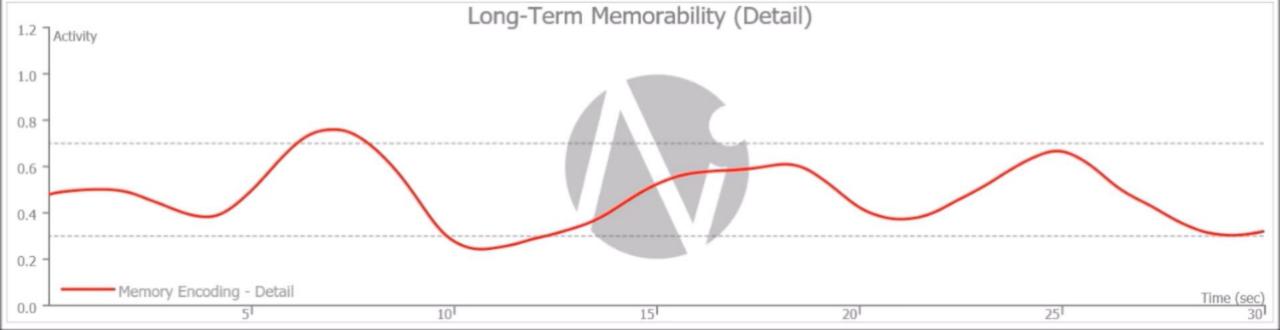






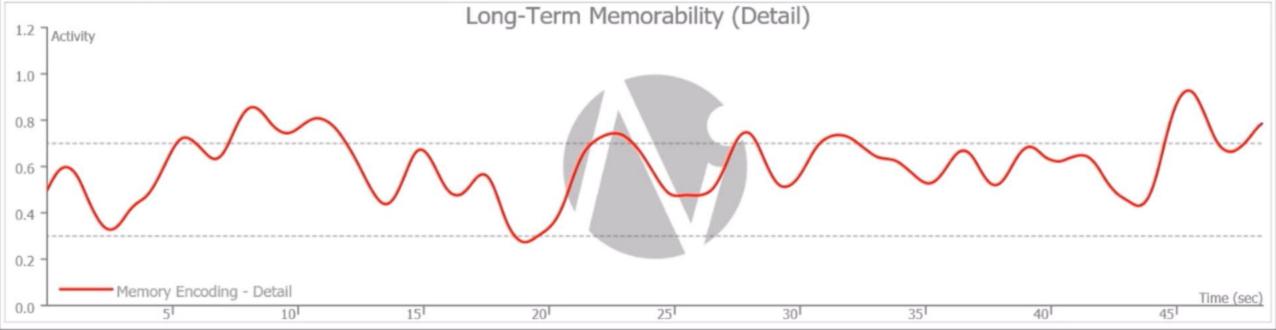
Samsung Galaxy S4 - Boarding TVC All Viewers

Accessory sold separately

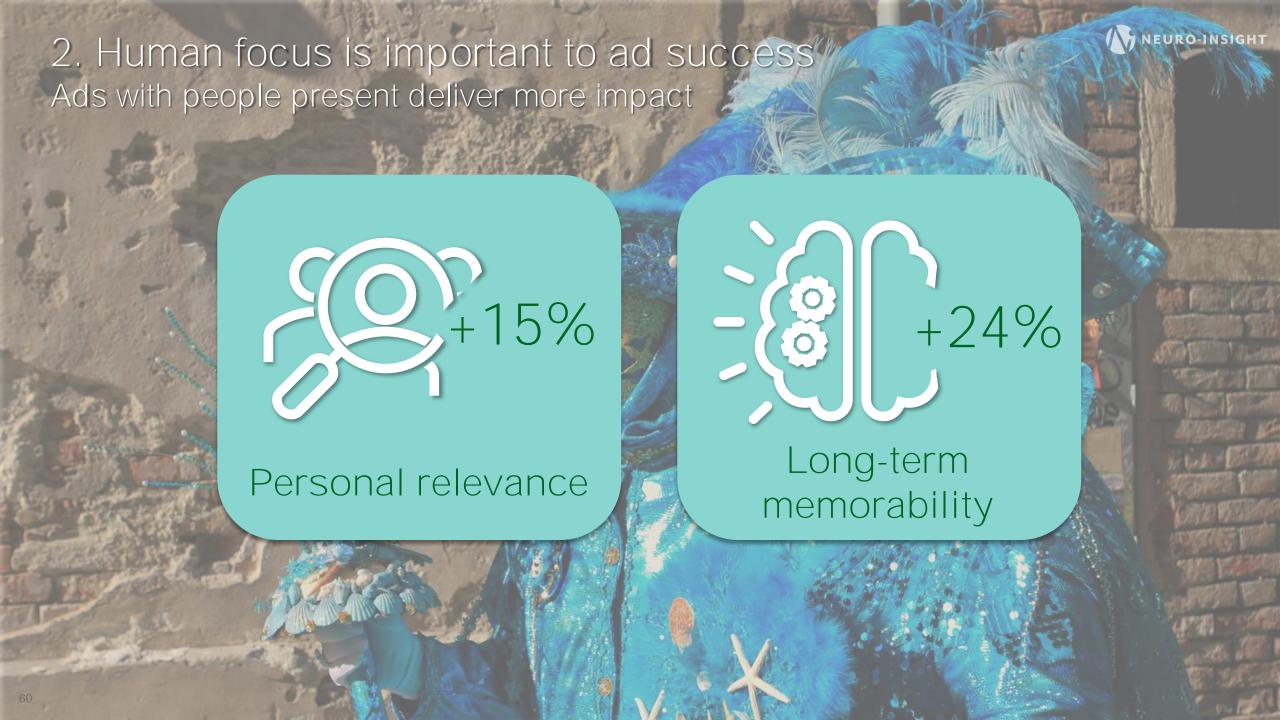




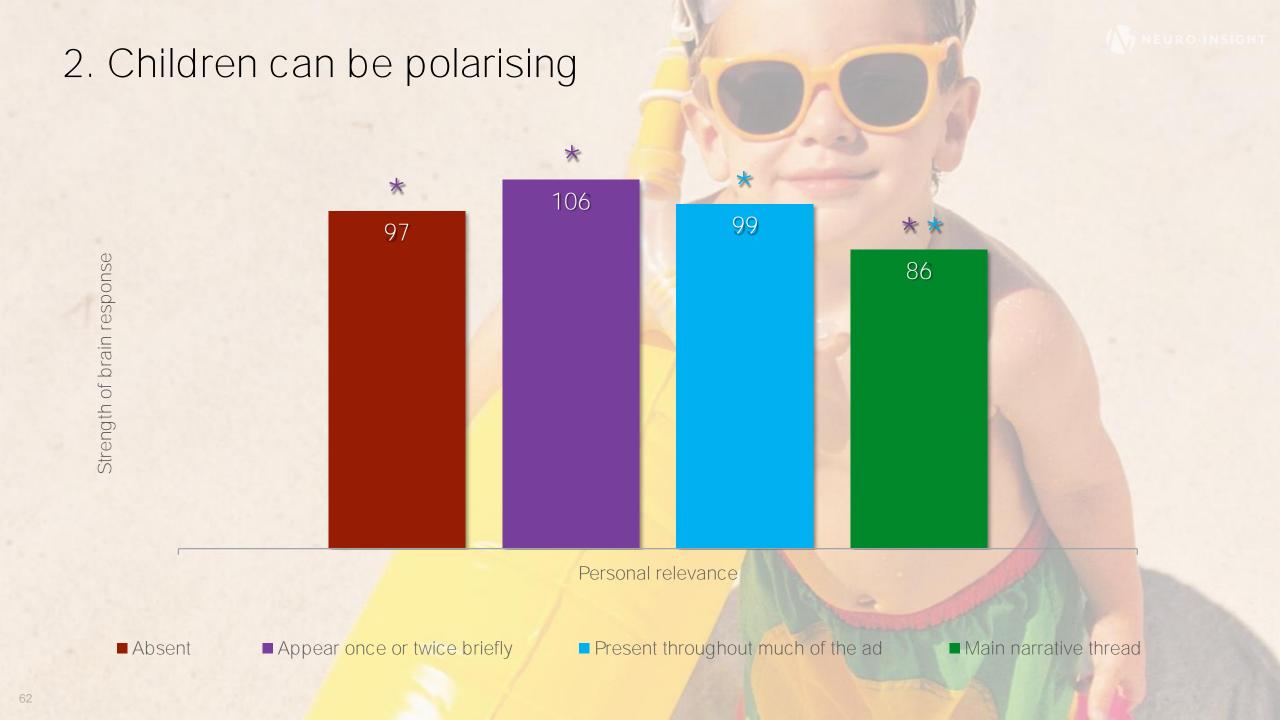
Heineken - Cheers To All TVC All Viewers



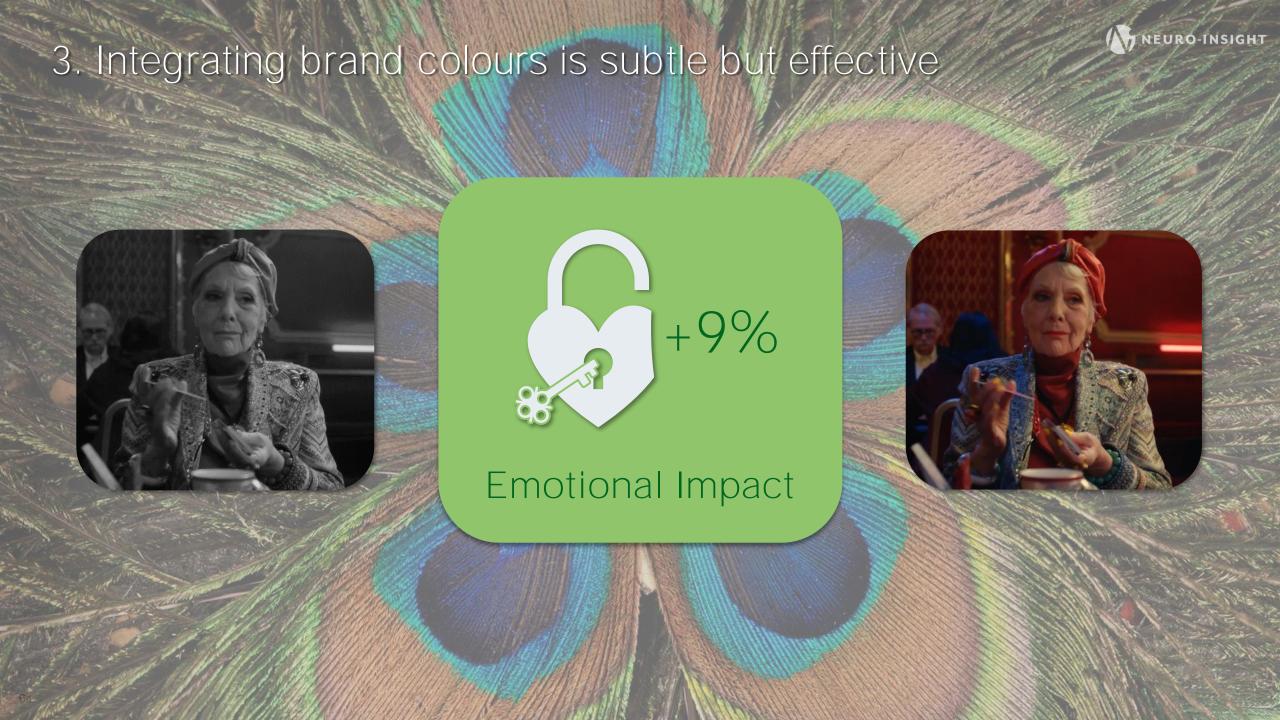








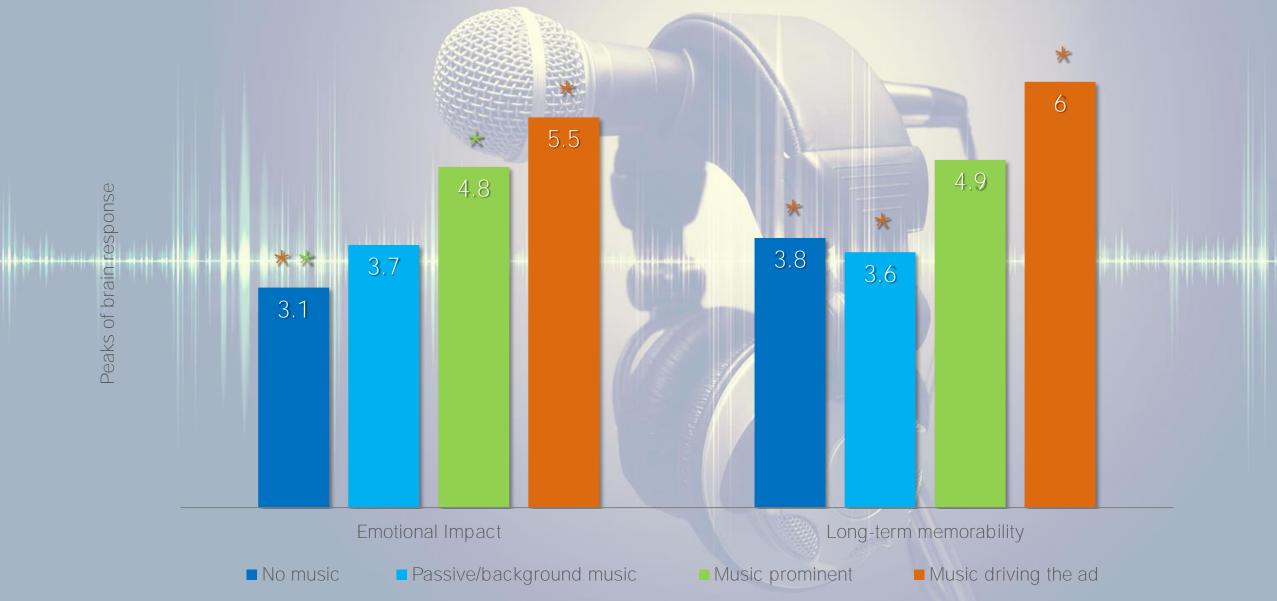






4. Use music to drive the action

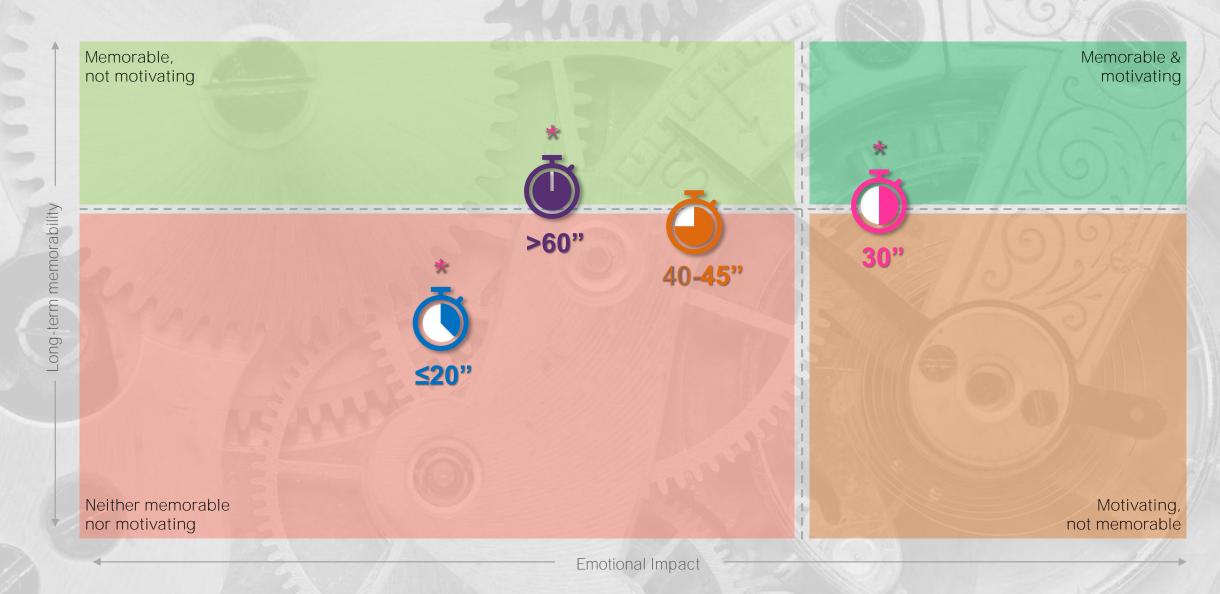








5. 30 second ads deliver the greatest impact





5. Having final branding on screen for longer (3+ seconds) drives the strongest impact



Emotional Impact



Personal relevance

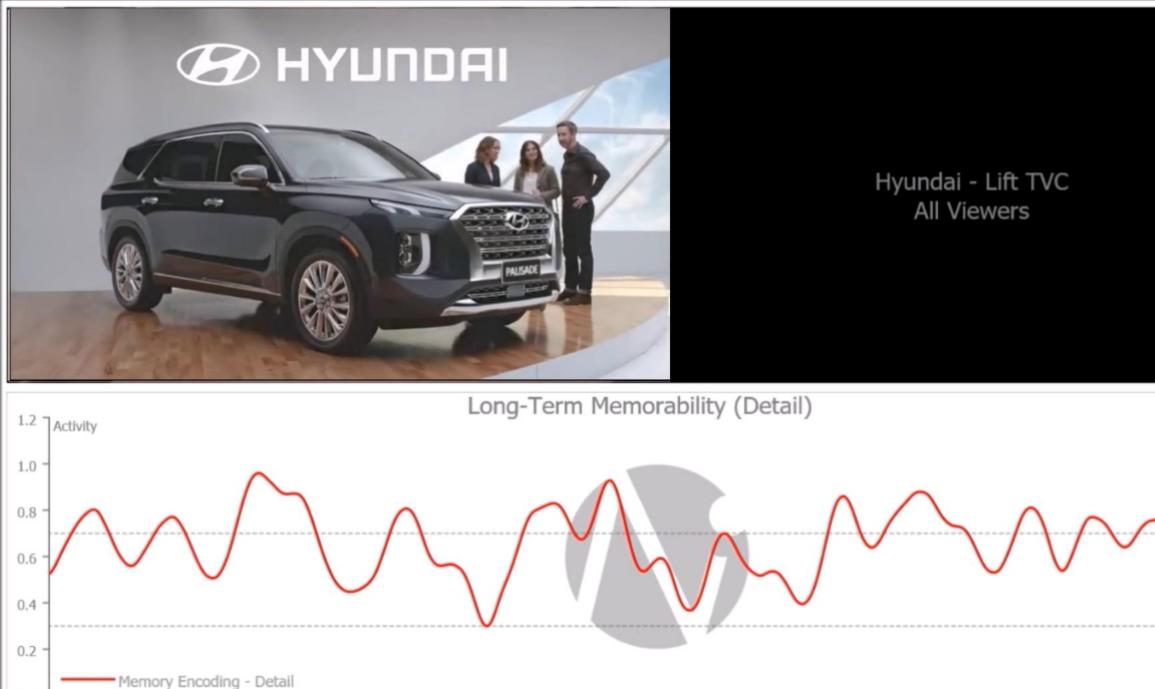


This is due to conceptual closure...



Conceptual closure is a subconscious processing pause



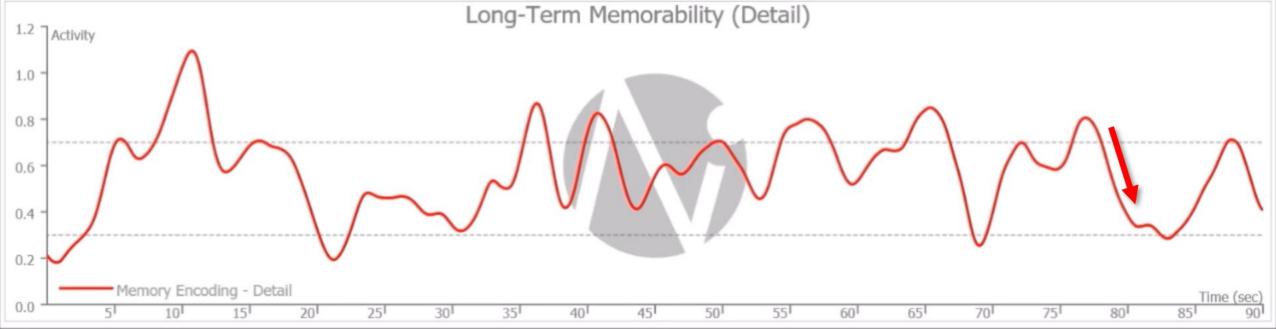


0.0

Time (sec)



Walkers Crisps - Spice Girls Best Ever Fan TVC All Viewers





- Branding moments
- Brand assets
- Tonality
- Celebrities
- Character interaction





Branding moments















From Good to Great

Laurence Green,
Advertising Strategist

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Participants

















































- Creative State of the Nation
- + Common Barriers
- + Best Practice
- + Actions

+ Creative State of the Nation

11 The past is a foreign country. They do things differently there."

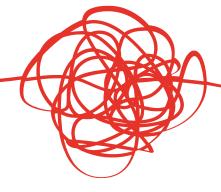
The bar can always be raised."

+ Common Barriers

The single biggest barrier...

*Not timings

Complexity:



a tyranny of choices and/or spaces to be filled.

Short-termism compounded by the cost-of-living crisis

The problem in advertising is getting long-term thinking going and sustaining it. "

Client CMO

Risk-aversion and a climate of fear

We're norming rather than storming. ""

Client CMO

Incremental but guaranteed"

beats the less predictable but more advantageous discontinuities that creative leaps can bring about.

Campaign practice aimed at 'point in time' rather than over time.

Production is now about creating hundreds of assets. "

Agency CPO

Hybrid working threatens the

sparks and serendipity...
the final 2%

Agency CEO

Layers of decision-makers and lack of access to the top.



Does the CMO have the ear of the CEO? If they don't, you don't. "

Agency CSO

Creative awards that place purpose above 'selling things'.

They're more out of kilter than ever before.

Creative fashion.

```
Long ads in the wrong hands
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Vignette-y spaghetti. ""
```

66 What is important is seldom urgent and what is urgent is seldom important."

+ Best Practice

Optimism is our oxygen.

Shared mission.

Great work happens when everyone and everything comes together. J. Agency CPO

If you're unsure of this you'll be blown by the wind. "

Client CMO

A single-minded springboard and clear definition of 'job to be done.'

Brief in hope, not in fear "

Agency CSO

A memorable idea with roots and wings: a simple thought that works emotionally.



Because human beings are emotional units. >>

Bought (and sold) with conviction.

When mission and creative align... you can crash through anything. "

Client CMO

Trust in production running mates.



Don't let anything get in the way. Foster and feed the idea.

Client CMO

Appropriate idea-led explosion into other channels.

Measure, celebrate, repeat...

The brief never changed. ""

Client CMO and Agency CCO

+ Actions

+ Actions

- Remember what's possible.
- Allocate resource against outcomes not inputs.
- Spend time together. Discuss work. (Not just yours.) Is anything holding you back?
- Aspire to better briefs and better feedback.
- Go long, not just wide.
- Mark your CEO/CFO.
- Learn from Christmas.

We have healthy conversations about the role of the brand and how we want the audience to feel."

You think of advertising as this monolithic machine making you buy things but it's just people trying to make other people smile."

Good night, and good luck.

