

TIME TO GET CREATIVE

The Financial Case For Creativity





Marketers Need To Think Like Investors

All Great Investors Focus On Capital Allocation.

Warren Buffett



Geraldine Weiss



Charlie Munger



Mary Meeker



And All Great Investors Want To Allocate Capital
Where They Can Find An Edge.



“A trading **edge** is a technique, observation, or approach that creates a cash advantage over other market players.”

Ray Dalio
Pioneer Of All-Weather Portfolio



Where Can You Find Edge In B2B Marketing Today?

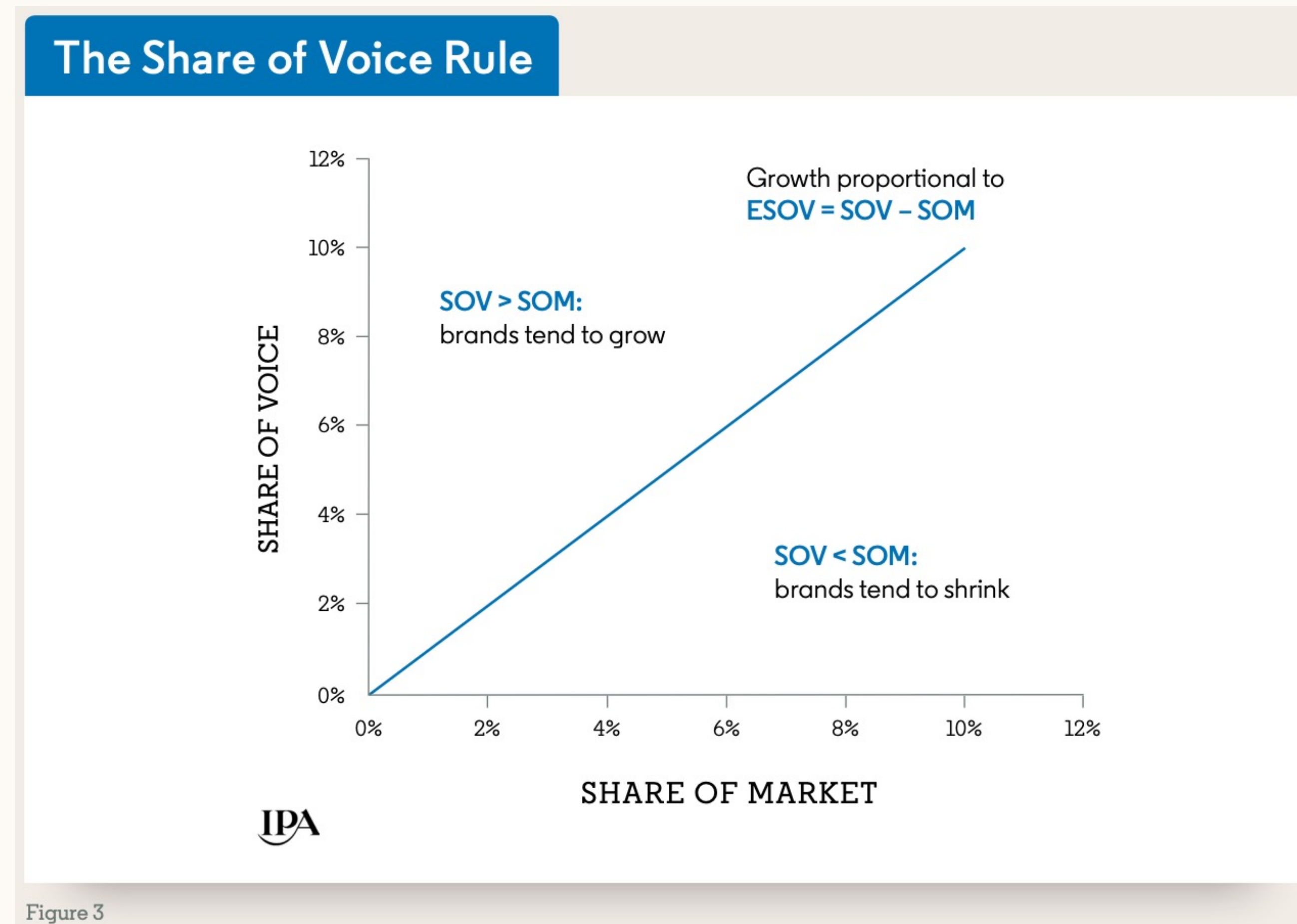
Start By Looking At The Factors Driving Advertising Profitability.

Factors Driving Advertising Profitability

Ranking	Factor	Profit
01	Brand Size & Share	18.00
02	Creative Execution	12.00
03	Geographic Budget Setting	5.00
04	Portfolio Budget Setting	3.00
05	Multi-Channel Campaign	2.50
06	Budget Setting across Variants	1.70
07	Cost & Product Seasonability	1.60
08	Product vs. Equity vs. Season	1.40
09	Laydown of Spend Over Time	1.15
10	Target Audience	1.10

Source: data2decisions

Most Marketers Realize How Important It Is To Invest In Media To Grow.



Few Marketers Realize How Important It Is To Invest In Creativity To Grow.

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Creative That Sells: How Advertising Execution Affects Sales

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Advertising creative is widely accepted as critical to advertising success. However, generalizations of what works in applied settings across different conditions are few. The present study replicates the seminal work of Stewart and Furse (1986), who investigated the effect of more than 150 creative devices on several copy-testing measures of advertising effectiveness. We replicate the analysis using the original codebook but examine the

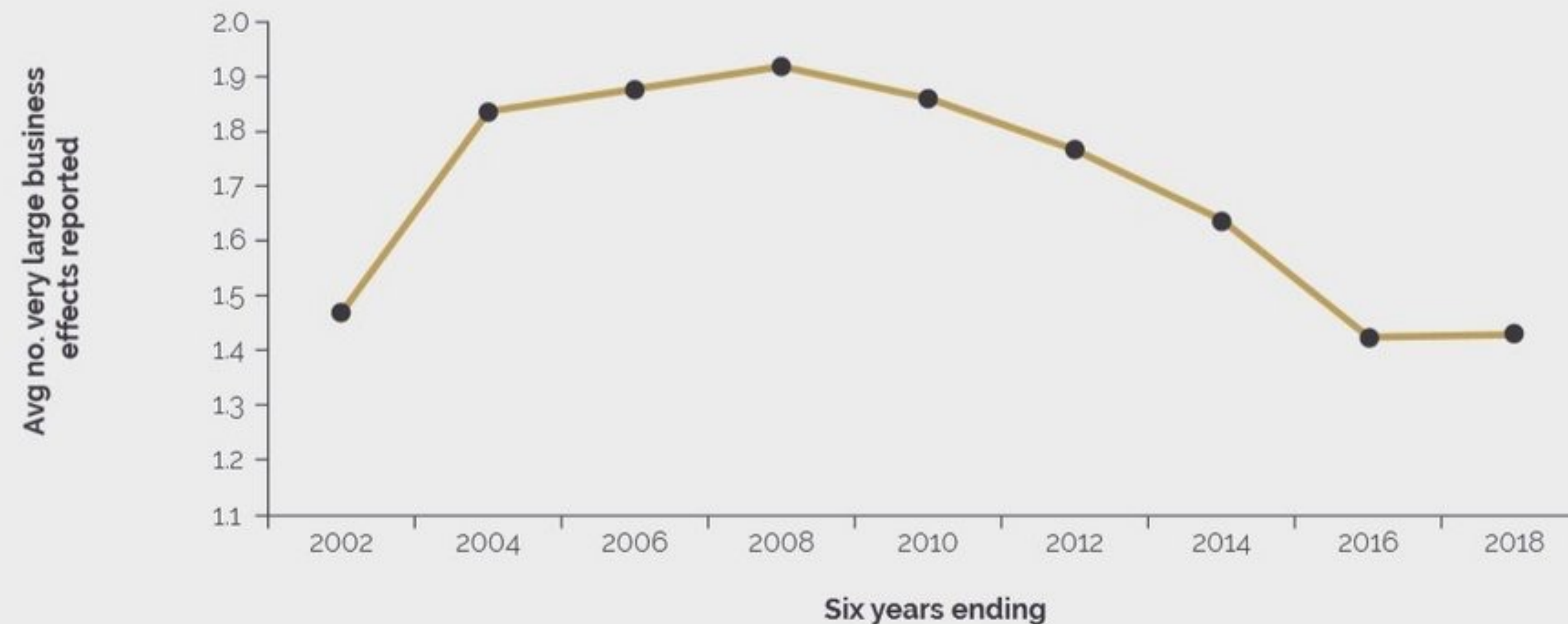
for example, found that powerful creative was 10 to 20 times more sales effective than mediocre creative.

Exploring the efficacy of the various creative message strategies (i.e., *what* is communicated) and creative execution devices (i.e., *how* it is communicated) used in advertising is therefore an important area of research that has a long history. Initial studies of advertising's creative effects examined mechanical

Even The Arbiter Of Advertising Creativity – Cannes – Seems To Have Forgotten That Great Creative Sells.

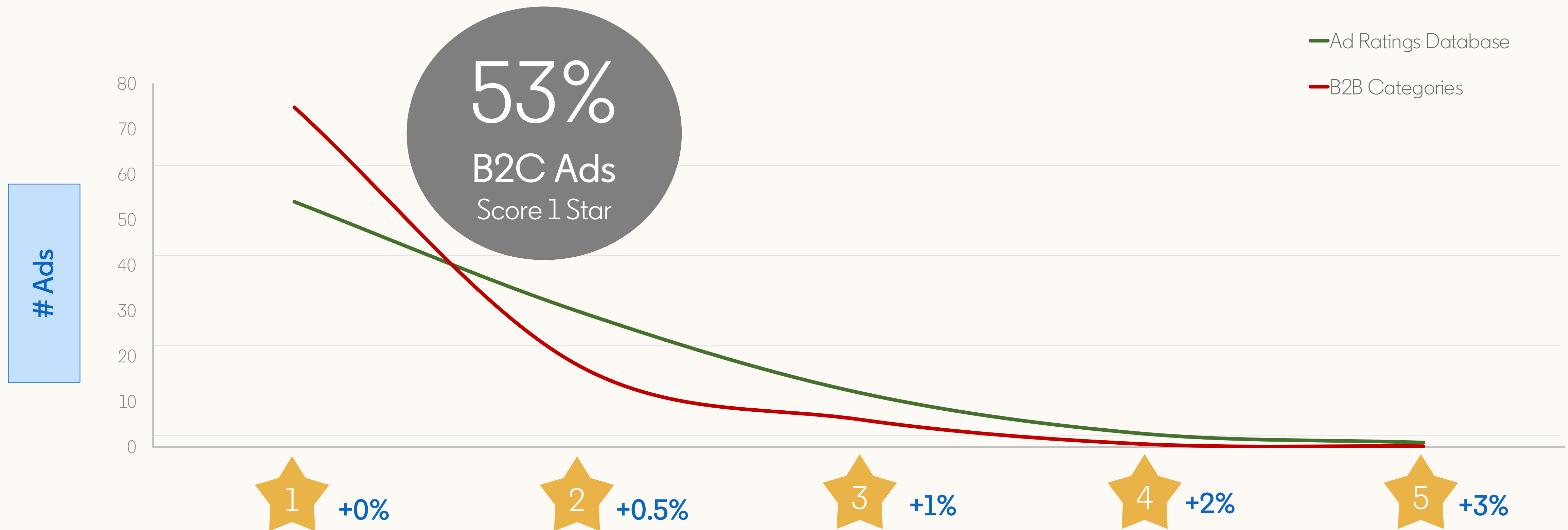
Figure 1

The declining effectiveness of creatively awarded campaigns



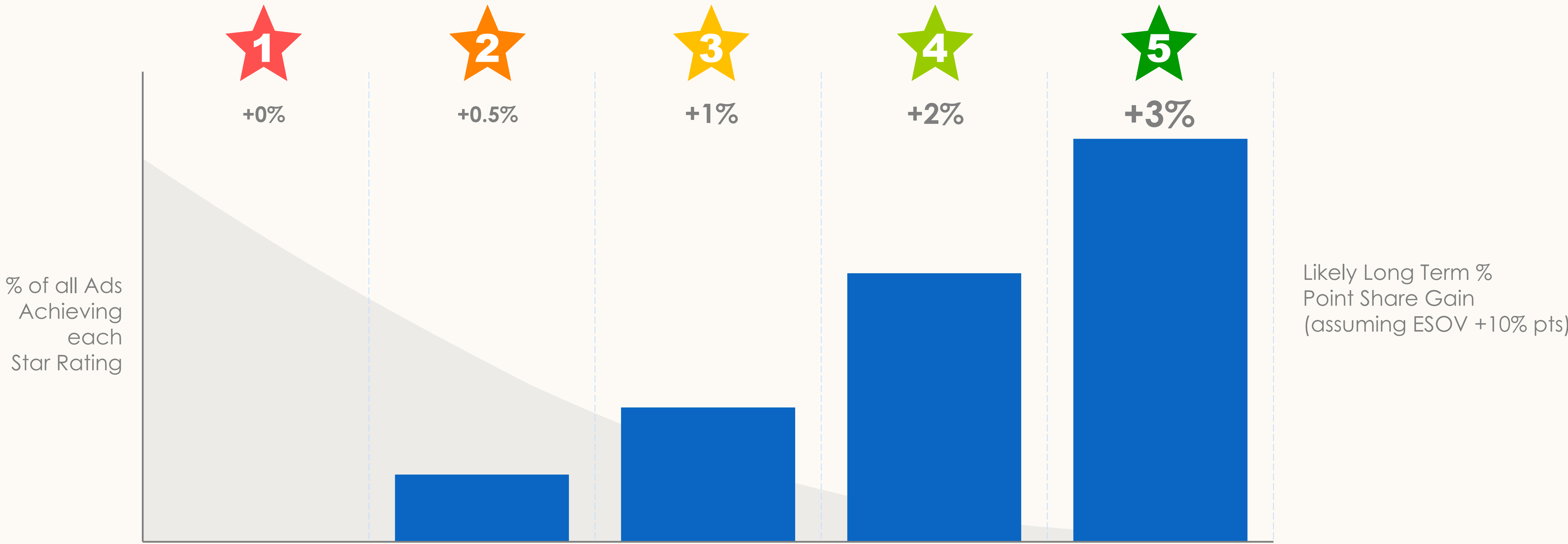
Source: IPA Databank, 1998-2018 creatively awarded cases

We're In The Midst Of A "Crisis In Creativity." 77% Of B2B Ads Generate *No Sales.*



MARKET SHARE GAIN
For 10% Points of eSOV

But Great Creative Still Sells When It Follows Timeless Principles.



Note: Share is used to account for changes in the size of the category. Gain is an average and other factors will impact on performance (such as price, promotion, availability, competitor advertising quality, ESOV etc)

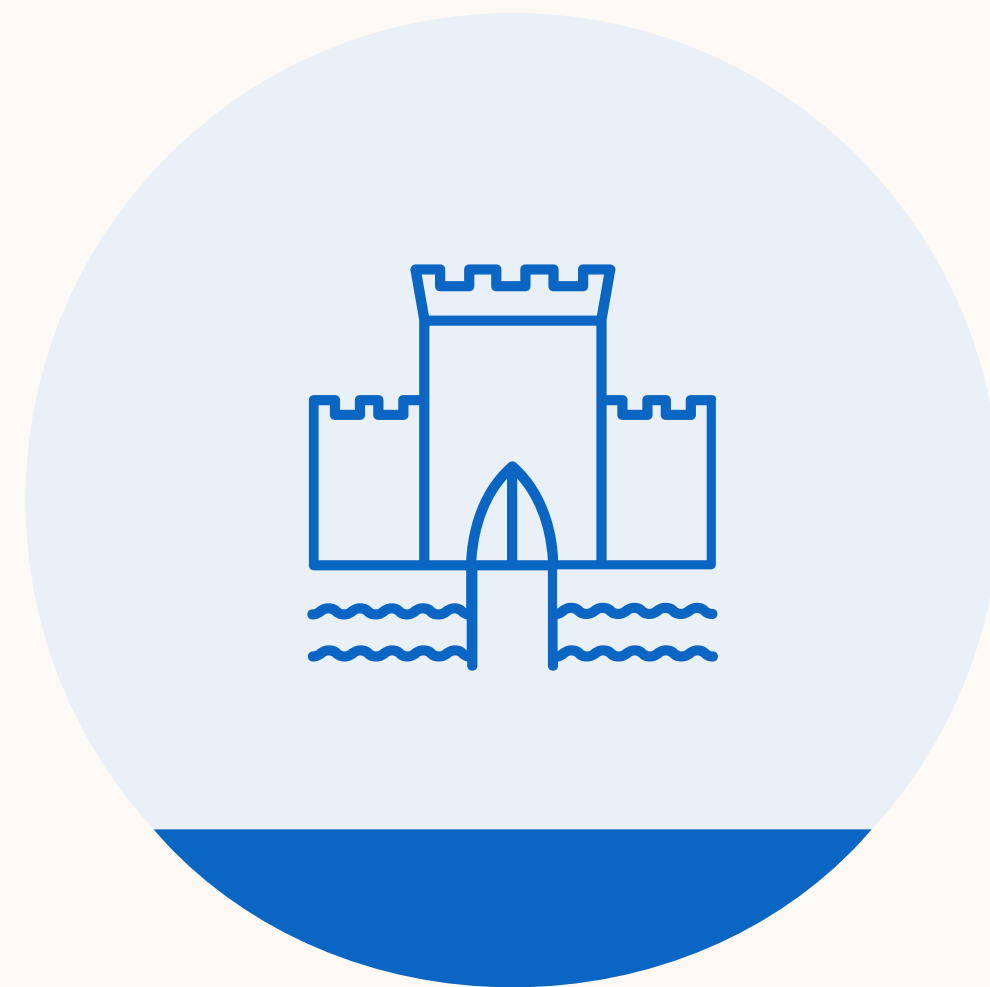


What Are The Characteristics Of Creative That Sells?

People Are Not Logic Processors.
People Are Story Processors.



Characters



Stories



Emotions



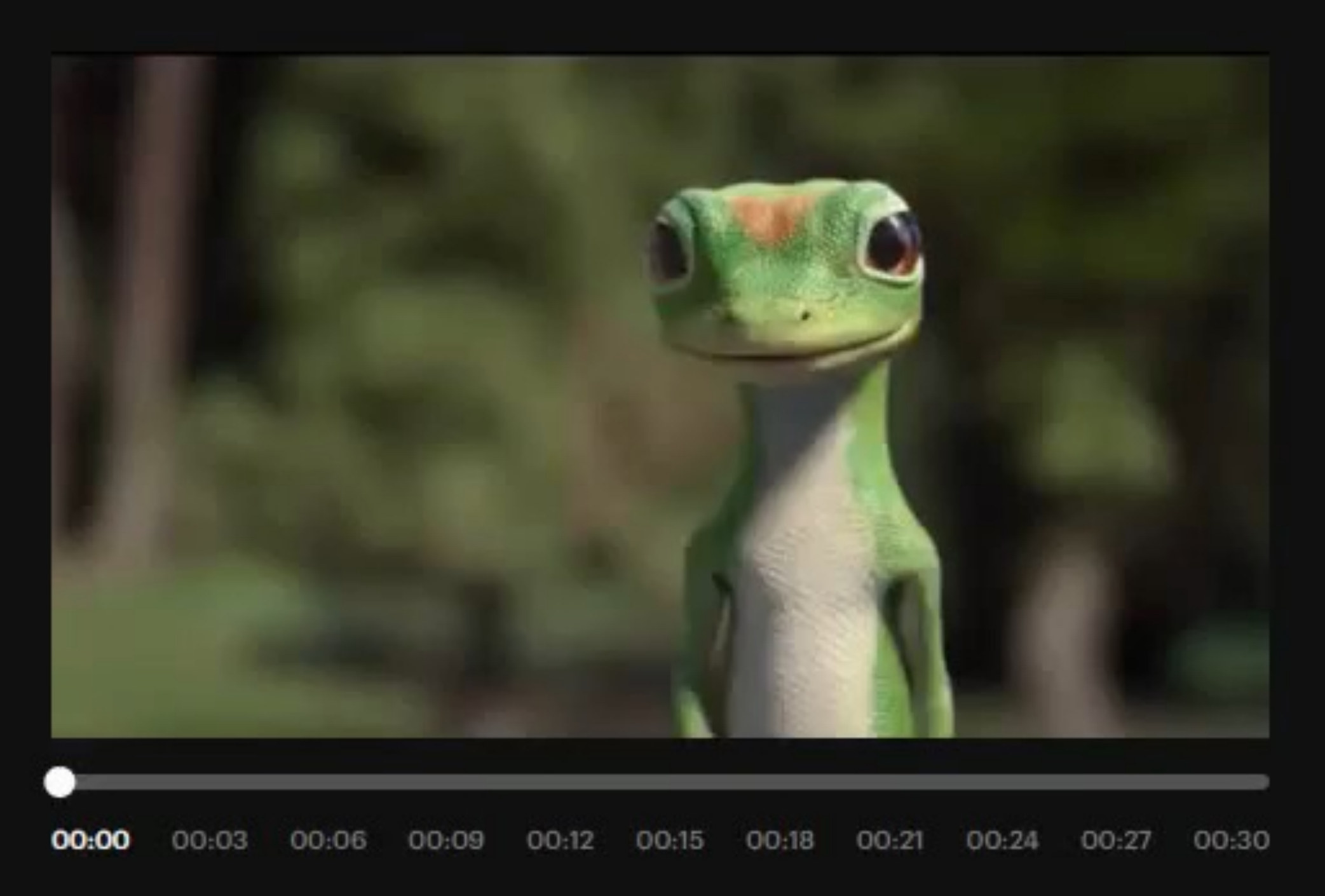
Sounds

CHARACTERS


People Generally Love Characters Like The Gecko

Gecko's Star Turn Is An Emotional Smash

Everybody knows the GEICO Gecko - the prime example of a US Fluent Device, who appears in more than half of Geico's marketing. In this ad there's not even much of a story, just a Gecko trying to get through his lines without cracking up. It's still enough for sky-high Fluency and Spike scores and a very strong Star Rating.



'Laughing Gecko'
GEICO



4.8 Star Rating
Strong

1.61 Spike Rating
Exceptional

86 Fluency Rating
Exceptional

STORIES

Characters Need To Be Placed In Business Situations

Intuit's Robot Is The Friendly Face Of Tax Software

Making tax software emotionally appealing is a tough brief. Intuit turn to a potential Fluent Device - a giant robot who steals the show in this appealing animated ad, scoring a strong Star and Spike score and Good fluency. Intuit would be strongly advised to stick to their robot character and develop it more for greater recognition.

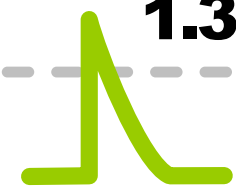


'Get Rated'

Intuit

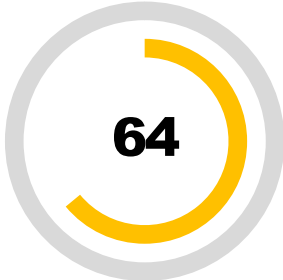


Star Rating
Good



1.30

Spike Rating
Strong



64

Fluency Rating
Good

EMOTIONS

More Emotional Situations Are More Likely To Be Remembered

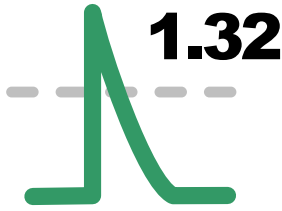
Mastercard Meets Change With Positive Emotion

The Covid-19 pandemic changed the way businesses work and Mastercard found the positive feeling in working from home, with the help of a few pets. The charming ad, which emphasises security without raising fears, ended up being one of the top-scoring Covid-related ads as well as the highest-rated B2B ad we've ever tested.

'Be Protected'
Mastercard



Star Rating
Exceptional



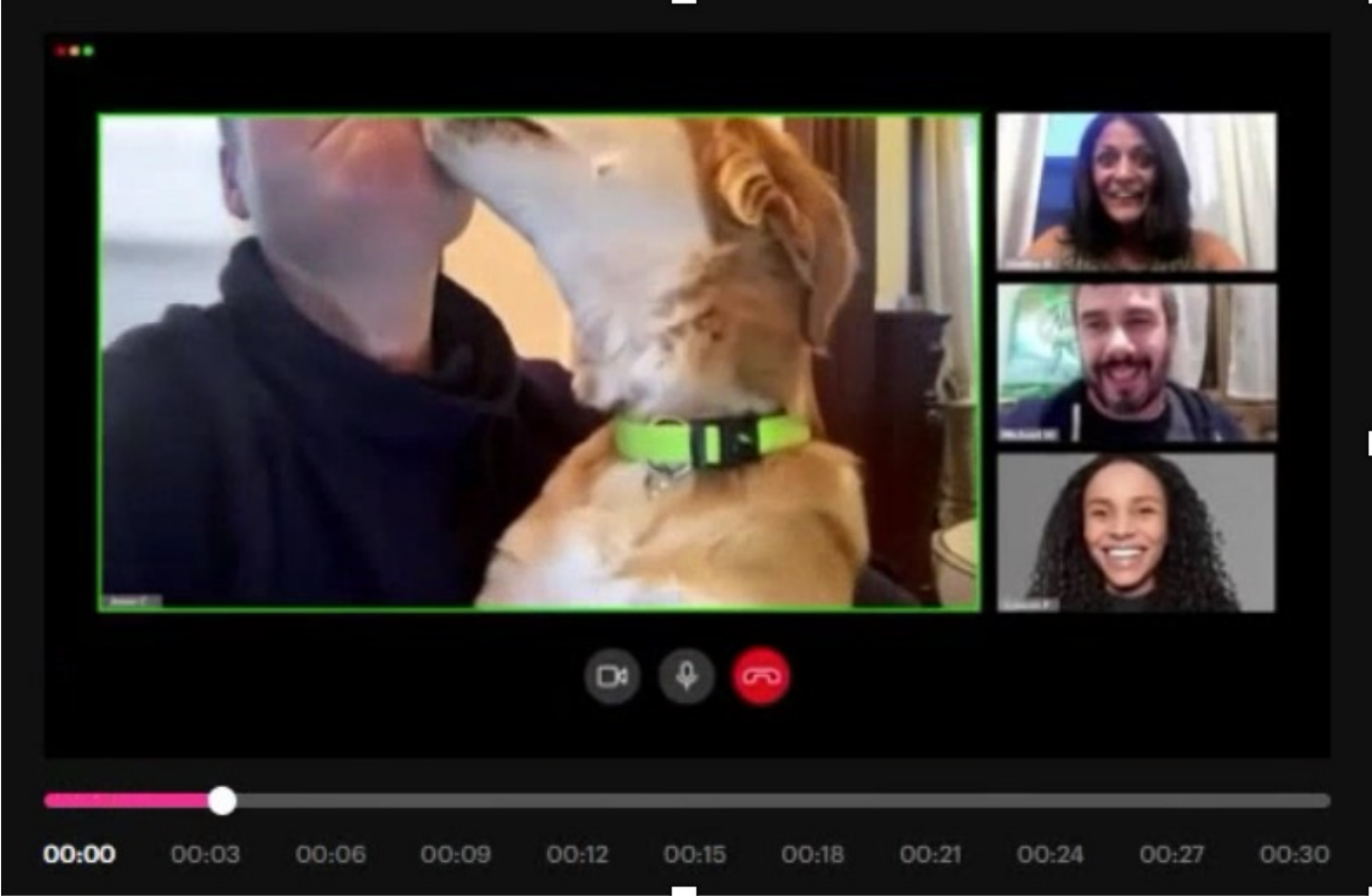
1.32

Spike Rating
Exceptional



48

Fluency Rating
Modest

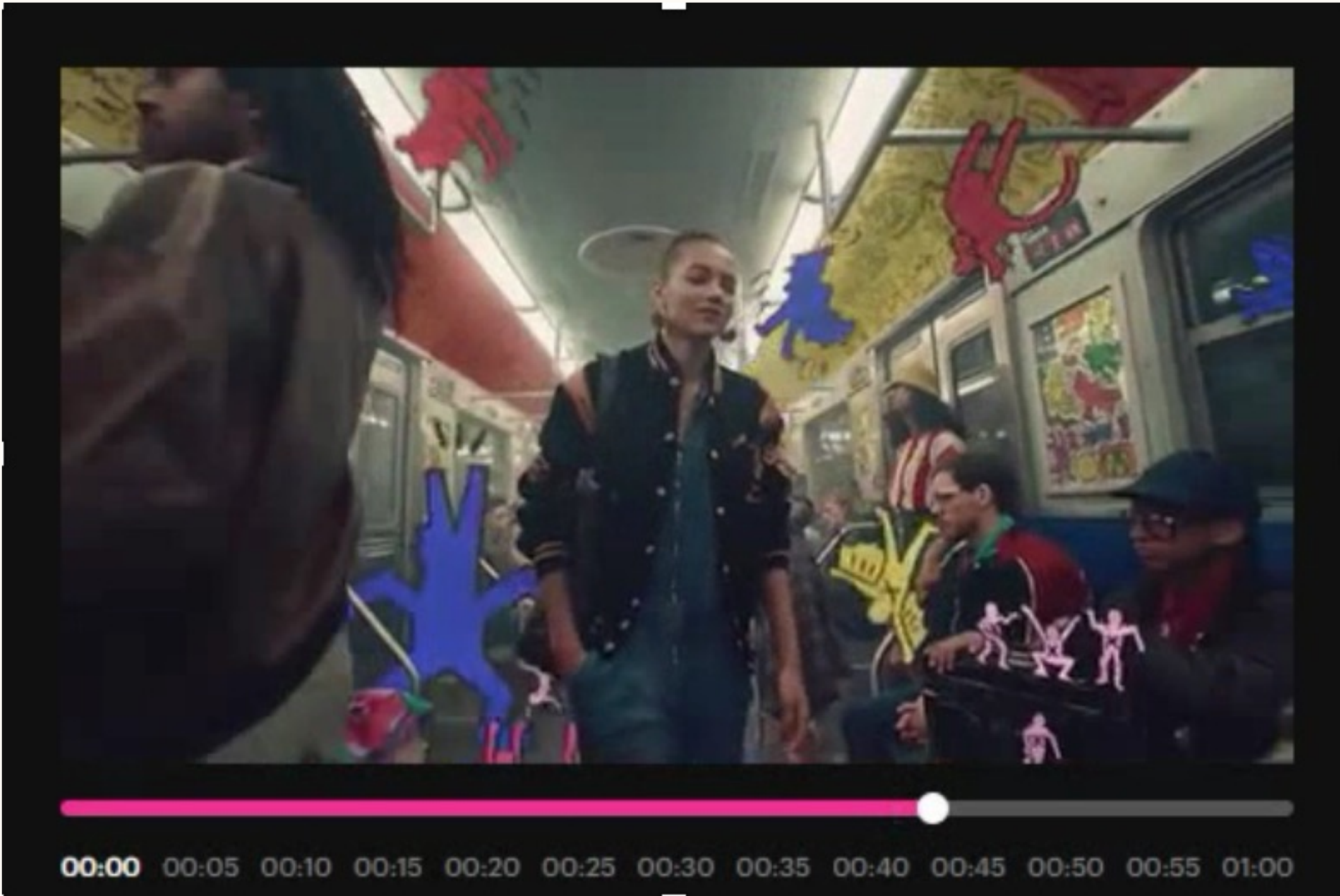


SOUNDS

Soundtrack Is The Most Underrated Emotional Element

Classic Rock Adds Creative Splash

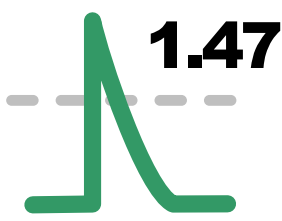
Soundtracks are an area where B2B ads often neglect to be creative, but using a familiar, lively song - like The Rolling Stones' "She's A Rainbow" - can give a lift to emotional response and intensity.



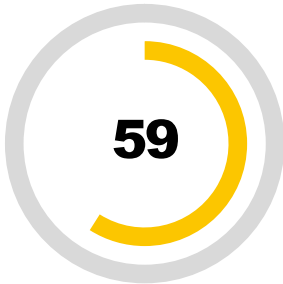
'Creative World'
Adobe



Star Rating
Good



Spike Rating
Exceptional



Fluency Rating
Good

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Systematizing Creative
Measurement Creates Edge.

Systematically Measure – And Benchmark – All Past And Future Creative.



Star Rating: **Modest**

Long-term market share growth based on on ad's creative effectiveness, calculated by measuring emotional response to the ad.



Low
67.6% of Ads



Modest
22.5% of Ads



Good
9.0% of Ads







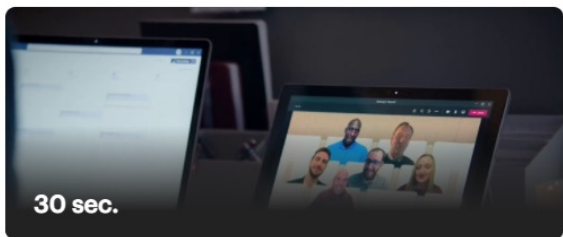





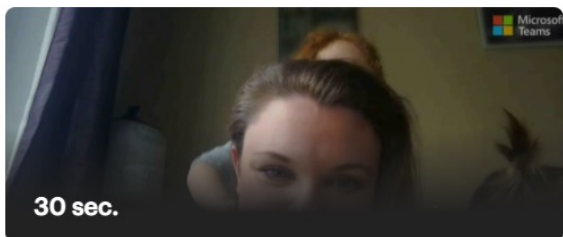





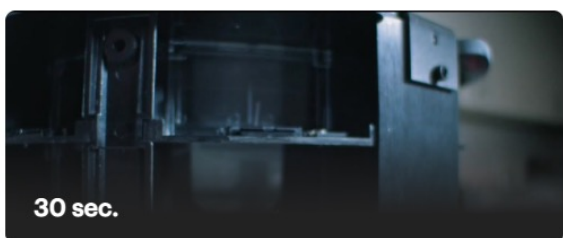







Strong
0.7% of Ads

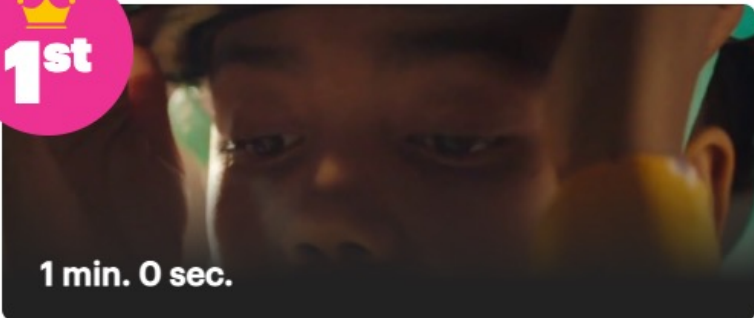





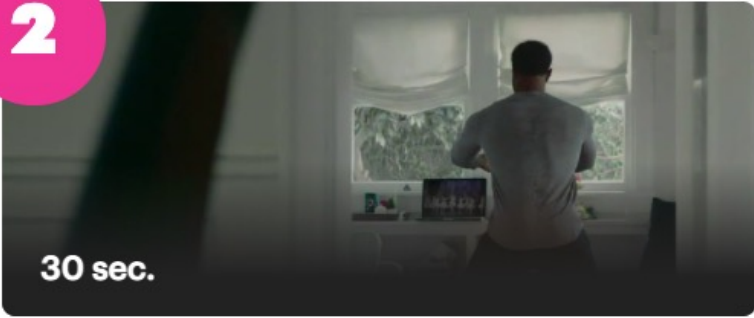













Exceptional
0.1% of Ads

Understand Where You Have Creative Edge. Allocate Capital Accordingly.

5 Microsoft (US)		2.6	\$317,700,111	View Analytics			
 1 min. 0 sec.	Take A Step Microsoft	 Star Rating: Strong	 Spike Rating: Exceptional	 Fluency Rating: Good	 Ad Ranking: 3 out of 687	Total Spend: \$894,425	
 30 sec.	We Are A Team Microsoft	 Star Rating: Good	 Spike Rating: Good	 Fluency Rating: Modest	 Ad Ranking: 27 out of 687	Total Spend: Unavailable	
 30 sec.	Modern Parenting (US) Microsoft	 Star Rating: Good	 Spike Rating: Strong	 Fluency Rating: Modest	 Ad Ranking: 34 out of 687	Total Spend: \$1,228,059	
 30 sec.	Beneficial Research Microsoft	 Star Rating: Good	 Spike Rating: Unavailable	 Fluency Rating: Unavailable	 Ad Ranking: 37 out of 687	Total Spend: \$3,381,476	

Edge Requires Compelling Creative And Big Budget.

 <p>1 min. 0 sec.</p>	<p>1st</p> <h2>Top Notch</h2> <p>Adobe</p>	 <p>Star Rating: Exceptional</p>	 <p>Spike Rating: Strong</p>	 <p>Fluency Rating: Modest</p>	<p>Total Spend: Unavailable</p>	<p>First Aired Date: 26/11/2020</p>	 
 <p>30 sec.</p>	<p>2</p> <h2>One To Remember (US)</h2> <p>PayPal</p>	 <p>Star Rating: Exceptional</p>	 <p>Spike Rating: Exceptional</p>	 <p>Fluency Rating: Exceptional</p>	<p>Total Spend: Unavailable</p>	<p>First Aired Date: 18/11/2020</p>	 
 <p>1 min. 0 sec.</p>	<p>3</p> <h2>Take A Step</h2> <p>Microsoft</p>	 <p>Star Rating: Strong</p>	 <p>Spike Rating: Exceptional</p>	 <p>Fluency Rating: Good</p>	<p>Total Spend: \$894,425</p>	<p>First Aired Date: 12/11/2019</p>	 

Winning Market Share Requires Big Bets On Creative and Distribution.

\$ 7,900,000,000

19%
market share
in CRM



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Win The Mind
To Win The Market.

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That Means It's
Time To Get Creative Again.

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Thank You.