



| Advertising Creativity and Strategy

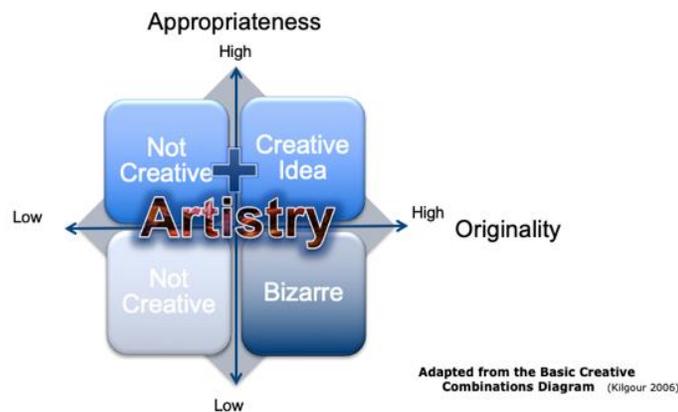
May 2020

Our recent Insights Studio Series entitled, Inside the Journal of Advertising Research: Advertising Creativity and Strategy, was a deep dive into a number of important studies published in the March issue of the Journal of Advertising Research (JAR). During the event, creativity experts in Australia, New Zealand, Sweden and the U.S. presented their work. These scholars delved into the creative-idea generation process, and whether the conveying of passion in advertising makes customers rate their products and brands more highly. Strategy experts explored what six-second TV commercials can and can't deliver, and how advertising and promotional effects drive QSR sales. The following are a crystallization of those presentations. Note that each subheading is a link which will get you the study associated with the presentation.

I. Why Do Great Creative Ideas Get Rejected?

A creative idea has to be both original and appropriate, according to this research. Not only does the concept have to be considered creative, but the generator of that idea must be able to sell it to the external decision makers. There is a difference between internal and external evaluation. How do groups of judges evaluate?

The research, conducted with colleagues at University of Waikato and Macquarie University, involved creative professionals and account executives who worked from a one-page brief for a household-brand ad campaign. Internal creatives and external judges tended to agree more consistently on originality than on appropriateness. Creative is a combination of two domains which are unrelated. Make an unusual connection and it is highly original. But, do the connections mean the same thing to others without the same domain knowledge?





Implications:

- Educating creative personnel and managers on the differences between self-evaluations and external evaluations of creative ideas can improve motivational incentives for creative personnel.
- Accentuate training for junior creative staff in the standard expected media, tools and language of marketing strategy.
- Increase emphasis on the selling-in skills of the idea generator, with a particular focus on the appropriateness of an idea + artistry; it cannot just be a beautiful idea, it must look beautiful.
- When possible, remove subjective heuristics from evaluation processes; for example, utilize blind judges.
- Gatekeepers within the domain must be open to creative ideas.
- We need to set up the correct environment to encourage creativity including rewards systems, encouragement, and the active solicitation of ideas.
- Big C thinking requires divergent thinking, extensive knowledge of multiple domains and strong presentation and selling expertise.

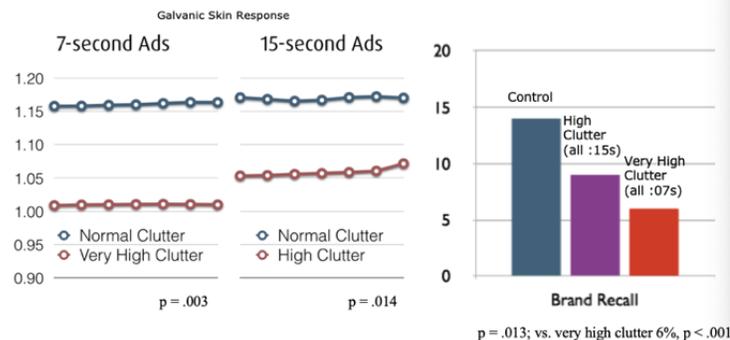
II. The Effects of Commercial Length on Advertising Impact: What Short Ads Can and Cannot Deliver

This research was comprised of three studies conducted by MediaScience and the Ehrenberg-Bass Institute. They compared the effectiveness of seven-, 15-, 30- and 60-second versions of the same commercials for brand recall, advertisement liking and brand attitude. Their results showed that seven-second ads were almost as effective (measured by unaided recall) as 15-second ads. Compared to 30-second ads, they were 60% as effective, meaning they can deliver 60% of memory of a 30-second ad. Unaided recall was 9%, 12% and 15% for seven-, 15- and 30-second ads, respectively.

However, measuring the emotional impact is very different. A 30-second ad gives you a far more emotive dynamic, which means you're going through a range of emotions that swing up and down.

And, if you have clutter, the benefit diminishes dramatically:

Clutter





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Among the takeaways:

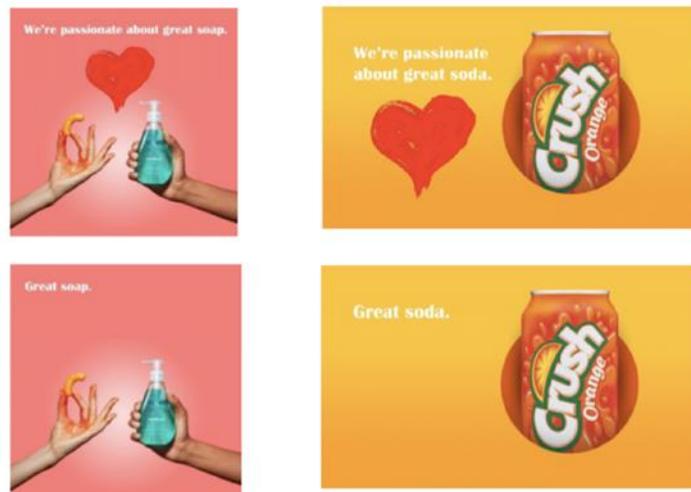
- The findings confirm and extends a diminishing returns explanation for recall and other measures of effectiveness, such as ad liking.
- Short ads on TV can deliver effectiveness efficiently, because commercial length has diminishing returns, but clutter should be minimized.
- Short ads seem a sensible tactic to increase continuity of a campaign in conjunction with longer copy, at least for established brands.
- Longer commercials allow more time to tell a story, however, and take viewers on an emotional journey, which increases brand recall and ad liking.

This is a new creative arena. Research needs to further explore its new opportunities, roles and limitations.

II. The Effects of Communicating Passion in Advertising

Brands often communicate passion through messaging in ads like “love what we do.” In this study researchers asked, how does showing passion for your brand and products influence the way consumers evaluate them?

Two different features were explored in this study: Signaling effects—how your advertising conveys your message—and emotional or mood contagion. We already know that factors like expense, media choice and creativity act as signals that convey the brand’s effort and commitment to its products. By the same logic, consumers would expect that a brand using passionate messaging like “We love what we do” will put greater effort into producing and offering better products. Previous research also found that passion rubs off from a CEO to employees, and from an entrepreneur’s business plan to investors through mood contagion. By the same logic, wouldn’t a brand’s love spill over to consumers so that they experience more positive emotions?



This study—a collaboration of the Stockholm School of Economics (SSE), Norwegian School of Economics, with consultants AT Kearney and McKinsey & Co.—showed



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increase in impact when a coffee ad had a heart on a print ad vs. one that was not. The subjects perceived more effort put into the love ad. The study was replicated with Swedish coffee, and then again introducing a utilitarian product (hand soap) along with a soft drink.

Takeaways:

- By using brand-passion statements in advertising, brands can signal brand effort and increase consumers' positive emotions
- When a brand advertises that the company "loves" what it does, consumers believe that the company works harder and makes better quality products.

Future research should:

- Use high-involvement products like cars, designer clothes, entertainment and cosmetics – for which consumer engagement and brand relationships are typically stronger
- Investigate what connotations apart from passion are evoked by ads such as the ones used in these studies and how these affect consumer responses. (One respondent cited 'dedication', not passion.)
- Further investigate additional factors, and how they might affect consumers' responses, such as previous purchase behaviors, brand experience, consumer-brand relationship, etc.

[Advertising and Promotional Effects on Consumer Service Firm Sales: Media Ad Spend and Quality Matter for Driving Restaurant Sales](#)

Researchers at Western New England University, University of Massachusetts at Amherst and Northwestern University tackled a topic typically studied in the CPG sector. But the impact of marketing communications on QSR sales is very different, given QSR's high marketing costs and their perishable products that require the consumer acting immediately on, say promotions.

Based on four datasets, the authors tested all facets of the QSR campaign, specifically advertising executional quality, media spending, and sales promotions. Monthly data were acquired for nine QSRs from January 2009 through December 2013 from Ameritest's API (advertising performance index), NPD Group's CREST panel, Kantar Media and the National Restaurant Association's RPI (restaurant performance index).

Regression analysis was used to model the relationships between ad spend, ad quality and sales promotion and changes in monthly QSR sales. Monthly sales and traffic data were used. Ad spend was turned into share of voice. RPI and prior-month brand SOV (share of voice) were included to control for extraneous factors.

For the category leader, ad quality mattered most, with a significant impact on sales. Otherwise, traditional media SOV mattered most for changes in sales performance, regardless of advertising-execution quality for the category overall. TV and print shares had strongest effect. Even radio had a significant effect. Digital had little effect. Menu promotions had a negative effect.



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Brands that experienced sales gains compared to those with losses in sales had:

- Higher share of voice across media
- Higher overall advertising quality scores
- Fewer sales driven by Menu and Classic promotions

When the market leading brand is removed from the analysis, similar results are observed.

The researchers did a separate descriptive analysis where they examined the brands that generally had positive increases in monthly sales over the five-year period. They called these the “gainers” as opposed to the “losers”—firms that had mostly losing months. Brand gainers had higher market share voice across media than losing brands in all of the media. Also, brand gainers had quality scores that were between 20% to 27% higher on the API scores from Ameritest than loser brands. And, gainers tended to use 25% to 26% of traffic using promotions compared to 33% of traffic using promotions for the loser brands. These results were consistent though regression analysis.

In conclusion, QSRs need to reassess their use of sales promotions. Possible differences for QSRs versus CPG products include inventory stock effects due to sales promotion in CPG. Also, menu-based sales promotion often are used to help counter declines in sales. The researchers are looking more carefully at the effects, observing possibly more micro companies in specific control experiments. Such work they believe should help guide sales promotion and advertising resources decisions, it's likely to turn out that some promotions have very short term effects that others may be detrimental, while others may be more consistent with long term brand building.

Source: The ARF. (2020, May 12). *Insights Studio Series: Inside the Journal of Advertising Research: Advertising Creativity and Strategy*.

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