

# **THE ROLE OF CREATIVE IN DIGITAL ADVERTISING EFFECTIVENESS**

# INTRODUCTION

Digital capabilities have pushed advertising into new and exciting areas and we are finally arriving at the industry’s longtime goal: advertising that is highly engaging and incredibly relevant to the consumer.

The creative in an ad traditionally has always been a key part – if not “the” key part – of advertising, ensuring the message receives cut through in print, TV and radio advertisements. But the same can’t be said in the history of digital, with creative sometimes being secondary to reach, frequency and targeting. As we move beyond banner ads and repurposed 30-second TV spots, we see a fundamental shift in focus.

Consumers today demand tailor-made content. They expect it to be personal in ways that were unachievable in the past, but are being unlocked with advances in technology, the proliferation of mobile devices and the new ways that data is being used.

And in this connected, always-on digital age, the consumer is being inundated with marketing messages like never before. It is the role of the modern marketer to create relevant experiences, integrated across all platforms, that speak to the consumer no matter what the context.

Welcome to the age of Dynamic Creative and Dynamic Creative Optimisation.

The more relevant the ad is, the better a campaign will perform. Marketers can now use consumer data that is combined and aligned to a myriad of external factors – such as a consumer’s location, the weather at that location or the time of day – to create truly relevant and personal messages that speak directly to them.

The IAB Australia Advertising Effectiveness Council has produced this Playbook to help staff and senior managers better grasp the what Dynamic Creative is, what it can do, and it how it can best be optimised to create a successful campaign that speaks to the audience in a meaningful and relatable way. There are also more IAB resources on the page 18 if you want to learn more.

Happy reading.



**MARK MANSOUR**  
COMMERCIAL DIRECTOR  
EBAY

The IAB Digital Ad Effectiveness Council is committed to highlighting how marketers can use advertising via digital channels efficiently and effectively. In late 2017 the Council published a detailed Playbook on measuring digital ad effectiveness which highlighted the range of different factors that play a part in a success campaign.



Source: IAB Australia Digital Ad Effectiveness Playbook Dec 2017

There is no underestimating the importance of creative in the advertising process. According to research from Nielsen Catalina Solutions based on nearly 500 U.S. studies from 2016 and 2017, creative contributes 47% of the impact to sales, on average, across both TV and digital.

Technological advancements, access to data and expansion of programmatic buying provides new opportunities for creative development and delivery.

Ads that are tailored through Dynamic Creative and Dynamic Creative Optimisation are helping deliver on consumer expectations for more relevant advertising. So, it is fair to say that when aligned with data and technology, the better the creative, the more effective the ad.

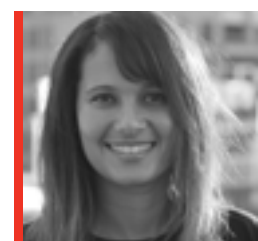
Percent Sales Contribution By Advertising Element	
Creative	47%
Reach	22%
Brand	15%
Targeting	9%
Receny	5%

Source: Five Keys To Advertising Effectiveness, Nielsen Catalina Solutions, August 2017



**GAI LE ROY**  
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# THE POWERFUL COMBINATION OF DATA-DRIVEN CREATIVE



**AYAAN MOHAMUD**

MARKETING DIRECTOR, APAC

**SIZMEK**

Today's connected consumer expects their experience to be tailor-made. Ensuring messages reach the right audience is a good start, but that's only half the story. To grab attention and drive results, creative must be instantly engaging and optimised for the specific audience and the moment. Targeted advertising with dynamically adapted ads has become essential to connect with audiences and increase return on spend.

True brand individualisation requires an approach that is data-driven, consumer-centric—and grounded in everyday customer experiences. Not only is it in the consumer's best interest but personalisation pays. According to a Boston Consulting Group survey, brands that use technology and data to offer customers personalised experiences are seeing revenue increase by 6% to 10%, two to three times faster than those that don't. Sizmek research also shows that creative optimisation can improve campaign performance by 47% and post-click conversions by 69%.

## CREATIVE OPTIMISATION ACROSS THE CUSTOMER JOURNEY

Tear down tactical silos and use every available data point to make agile creative decisions that teach you more about your consumer. Technology allows you to streamline your efforts, resulting in continuous, always-on messaging that combines branding and direct-response elements across all parts of the purchase funnel in a single campaign – sometimes even in a single ad.

Creative can also be adapted to align with external factors. For example, when combined with data points such as location, marketers can select from ad variants built in multiple languages to ensure different market audiences are served ads in the right currency or offers for relevant nearby stores. Furthermore, location targeting can be leveraged to deliver ads that complement what is happening around consumers — such as the weather. By identifying user location and establishing the current temperature or outlook (be it rain or shine), marketers can achieve in-the-moment impact by selecting ad versions that accurately reflect a consumer's real-world environment.

Indeed, context plays a sizeable part in the way ads are perceived by consumers. In the right setting, the power of a message can be positively amplified. For instance, an airline ad placed next to an article about a popular holiday destination is likely to be well received. By building contextually relevant and appropriately placed campaigns that blend in with—and make the most of—their surroundings, marketers can engage consumers and enhance results.

When you start to take in all of these signals, you can start to really pin point moments, and make those moments count.

However, to reap the true benefits of personalisation, marketers must be cautious about their own preconceptions. It's vital to listen to the data and trust what the algorithms produce, even if it may differ from a brand's traditional user segmentations and their idea of what messages their target audiences should receive.



## THE POWERFUL COMBINATION OF DATA-DRIVEN CREATIVE

Creative optimisation can increase efficiency, speed, and relevance at scale, but this process only comes into play after two stages have been completed: employing dynamic creative to build multiple versions of an ad and then tailoring these ad variants for different audience segments by leveraging a mixture of data points. The performance of the different creative versions are then tracked by algorithms against specific KPIs within the various audience segments. Once the algorithms have identified the highest performing creative versions, their frequency is increased for each audience group.

By extracting insights about what works and what doesn't, and applying these insights when building ads, marketers can optimise particular aspects of ad variants and then implement further analysis to establish which combination of values has the greatest resonance with specific audiences.

### **PERSONALISATION REQUIRES CROSS-FUNCTIONAL COLLABORATION**

In recent months, agencies and advertisers across the globe have been increasing their discussions about the future of dynamic creative optimisation (DCO) within the growing programmatic media landscape. It appears most are excited to reap the benefits of personalised creative combined with programmatic media, but they are also often

frustrated by various factors hindering DCO's adoption.

Achieving successful data-driven programmatic creative requires a dramatic departure from the current industry mindset and practices. Fundamentally, teams need to rethink traditional silos, and collaborate across roles within the advertiser, media agency, creative agency, ad operations, media partners/trading desks, and technology vendors. Every team needs a broader understanding of the full picture than they currently have, and project managing a successful strategy is a challenge. Given the infinite variance of roles and responsibilities between parties, it's very difficult to standardise an approach to creating and executing personalised creative campaigns.

Luckily, forward-thinking agencies that recognise the value of programmatic personalisation are beginning to invest in dedicated internal teams tasked with building deep expertise in DCO, educating their colleagues, and bridging functional gaps to lead the organisation into this new paradigm. These agencies will be rewarded for their efforts with significant account wins, as advertisers will come to demand this level of strategic sophistication.

In general, the industry is grasping the value in pursuing personalisation. While some teams may be more averse than others, eventually every player in the digital advertising space will take incremental steps to evolve their business and provide a more efficient, effective, and relevant consumer experience.

### **THE FUTURE: PREDICTIVE PERSONALISATION**

Media buying has seen three distinct waves of evolution. In the first wave, you simply chose where you wanted your advertising to appear based on the people you wanted to see it and what media channels were best to reach them.

In the second wave, with the development of programmatic, media could be bought based on audience. While audience buying resulted in fewer dollars wasted because there was less distribution of ads to the wrong types of audiences, more dollars needed to be spent customising creative to avoid showing the same advertising to everyone.

Now we are entering the third wave of media buying. This creative-based approach allows customers to achieve a whole new level of relevance and impact

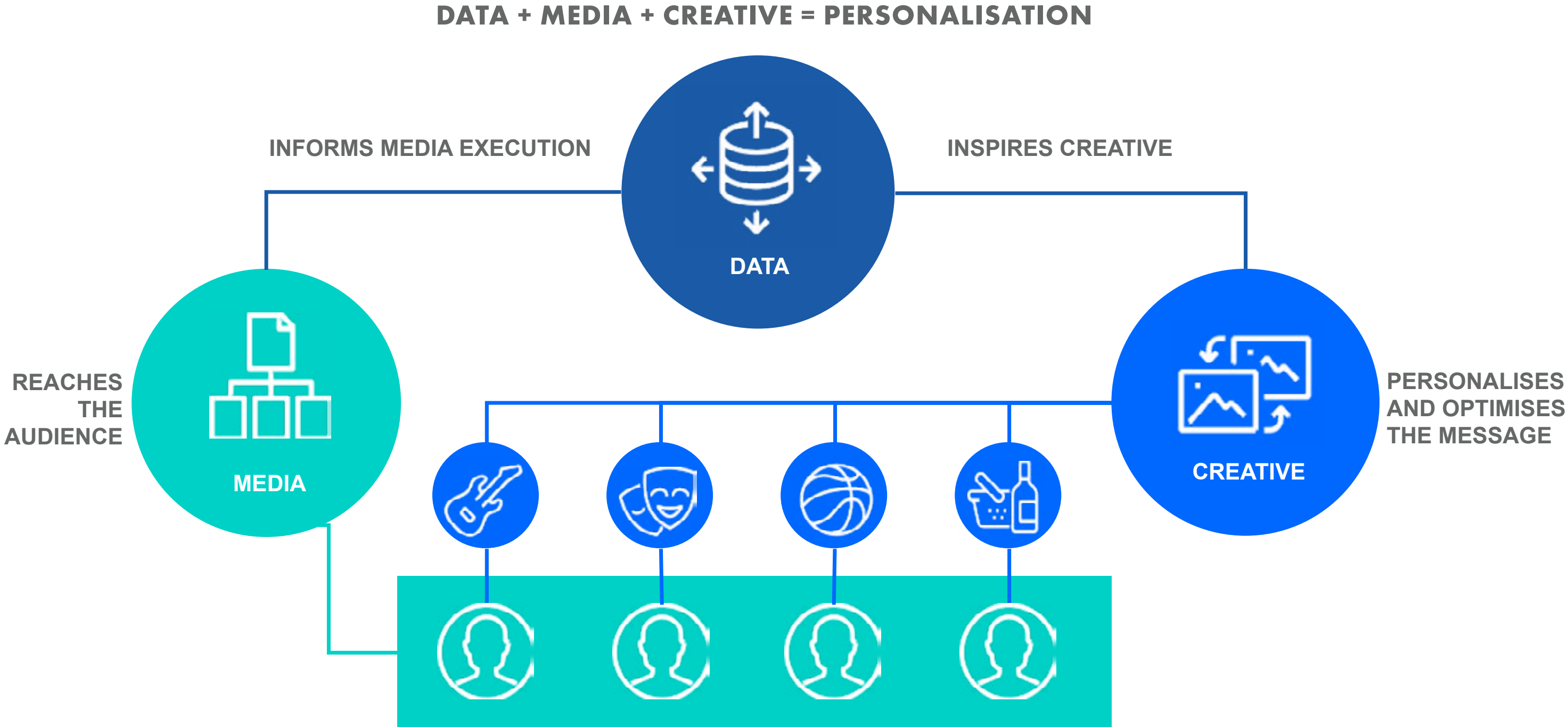
# THE POWERFUL COMBINATION OF DATA-DRIVEN CREATIVE

across the entire workflow of the ad, from creation through optimisation. The third wave isn't rooted in media or audience buying, it's about extracting key attributes from the creative that defines the ideal audience, optimal media context, and other crucial success drivers. Thanks to recent advances in AI, ads can be analysed to isolate these specific characteristics so the creative is delivered to the right person, at the most opportune moment, via the best media environment.

Creative based buying is a significant departure from the previous two models and offers key improvements. The combination of artificial intelligence and creativity is something we've been very focused on at Sizmek by pairing cutting-edge AI and dynamic creative to achieve the holy grail of customer relevance: predictive personalisation. Sizmek Research discovered that using artificial intelligence to determine the best content in the creative could drive **46%** better performance compared to static, non-dynamic creative ads.

Instead of prescribing which creative should be served to each consumer based on fallible human intuition and manual labour, AI can learn to predict the perfect creative to serve based on millions of data points in real-time. Augmented intelligence and efficient production allows advertisers to stay focused on their brand voice, spending less time on complex decisioning logic and more time learning from insights about what resonates with whom.

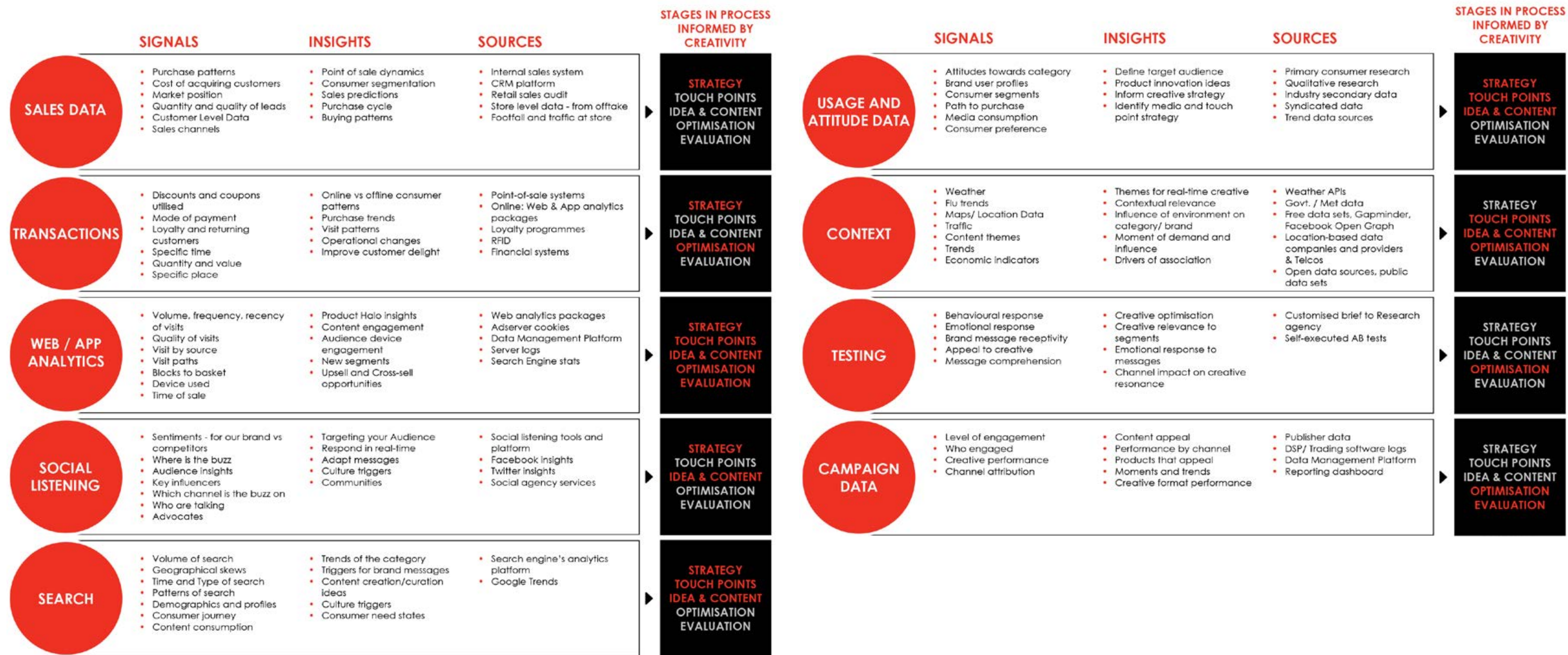
Acheiving accurate, authentic, and pitch-perfect personalisation in 2018 requires the careful merging of data, agile creative, and AI. Together, they deliver predictive personalisation that creates a closer consumer connection, drives a proven performance lift, and saves weeks of human work. Done right, it not only improves performance, it also leaves customers wanting to get more personal with brands.



Source: Sizmek, 2018, Data + Media + Creative = Personalisation



# DATA SOURCES THAT INSPIRE CREATIVITY





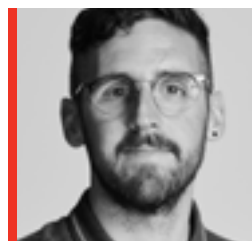
# THE ART OF INTEGRATION – WHY CUSTOMISING CREATIVE IS KEY TO DIGITAL EFFECTIVENESS



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Over the long term, strong brands outperform the market by five times – a fact consistently proven by Kantar Millward Brown's BrandZ™ studies. Yet in a world of media fragmentation, how do brands maintain a consistent purpose and still maximise the value of their interaction across all platforms? It's all about the art of integration.

## CAMPAIGNS WITH A STRONG CENTRAL IDEA PERFORM 64 PERCENT BETTER OVERALL ON KEY BRAND KPIS<sup>1</sup>

Kantar Millward Brown's global AdReaction studies reveal that marketers who start with a cohesive, compelling central idea are setting themselves up for success across all of their advertising platforms. However, today's increasingly fragmented media environment presents more challenges than ever for brands to maintain consistency and clear purpose. The raft of digital touchpoints alone makes this environment especially tricky to navigate.

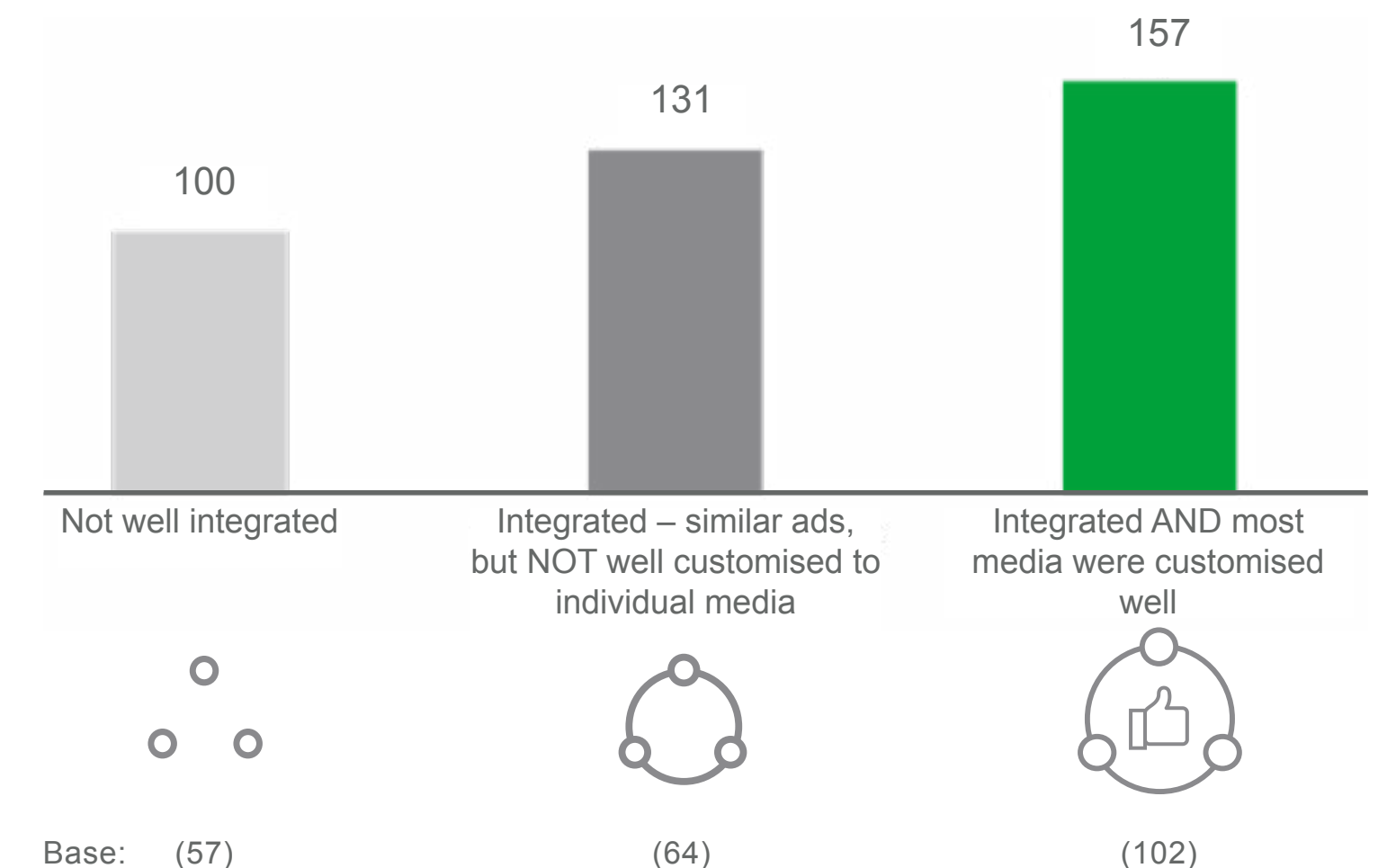
Integration is key to avoiding brand fragmentation and maximising long-term returns on marketing investment – and it all starts with a great campaign idea integrated across all executions to bring that idea to life.

When thinking about campaign messaging, less is best – consistency of message and a focus on the key campaign idea will yield best results. Conversely, when it comes to integration across platforms, more is better – campaigns with a greater number of integration cues perform up to

27% better at driving brand metrics. Consistent presence of logos, colour schemes and straplines are the ultimate 'hygiene' factors. But to really stand out from the crowd, it's imperative to consistently use characters and personalities, music and voiceovers across platforms.

## INTEGRATED AND CUSTOMISED CAMPAIGNS ARE MOST EFFECTIVE GLOBALLY, ACROSS ALL MEDIA<sup>1</sup>

Overall campaign contribution by campaign type



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## HOWEVER, CROSS PLATFORM EFFECTIVENESS IS MORE THAN JUST INTEGRATION

Best results are achieved when well-integrated campaigns are also customised to the platform. In fact, integration and customisation done well can increase campaign effectiveness by as much as 57%. In particular, those campaigns integrating TV and online video benefit the most from customisation.

## WHEN CUSTOMISING ONLINE VIDEO, REMEMBER THAT USERS HOLD A MORE POSITIVE PERCEPTION OF AD FORMATS GIVE THEM CONTROL

AdReaction finds users appreciate the ad formats offering something in return, or where they can command greater control - for example, skippable or click-to-play formats. When utilising such formats to increase receptivity, it therefore becomes even more important for marketers to engage their audiences quickly, to first attract and hold attention.

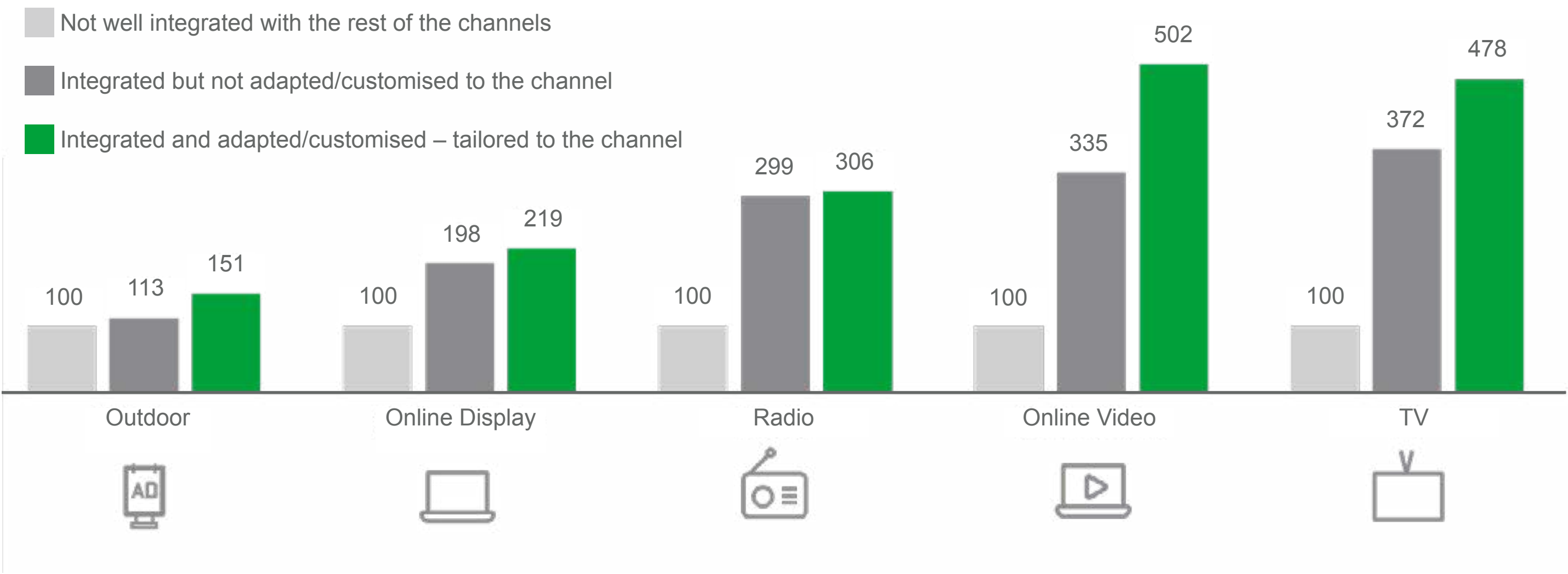
If they wish to yield the best results for their brands, marketers must create relevant content that consumers can choose to engage with further. But remember, even if consumers don't choose to engage further, it is key to ensure that brand and key message are conveyed within the initial exposure.

## MARKETERS DON'T NEED TO BREAK THE BUDGET - IT'S ABOUT BEING SMART WITH TAILORING AND DOING FEWER THINGS EXCELLENTLY

For example, if there's a need to use the television campaign (TVC) within the skippable online video realm, then small tweaks can be made to enhance consumer experience and brand outtake - i.e. ensuring brand and message are delivered within the first few seconds before the skip. For social media platforms – where audio is often muted during viewing – it's about ensuring that the key message is delivered impactfully without sound. This can be via the use of subtitles or ensuring the visuals clearly tell the story.

### VIDEO FORMATS BENEFIT MOST FROM INTEGRATION AND CUSTOMISATION<sup>1</sup>

Overall campaign contribution by campaign type



Source: <sup>1</sup>Kantar Millward Brown, 2018, AdReaction – The Art of Integration



## THE ART OF INTEGRATION – WHY CUSTOMISING CREATIVE IS KEY TO DIGITAL EFFECTIVENESS

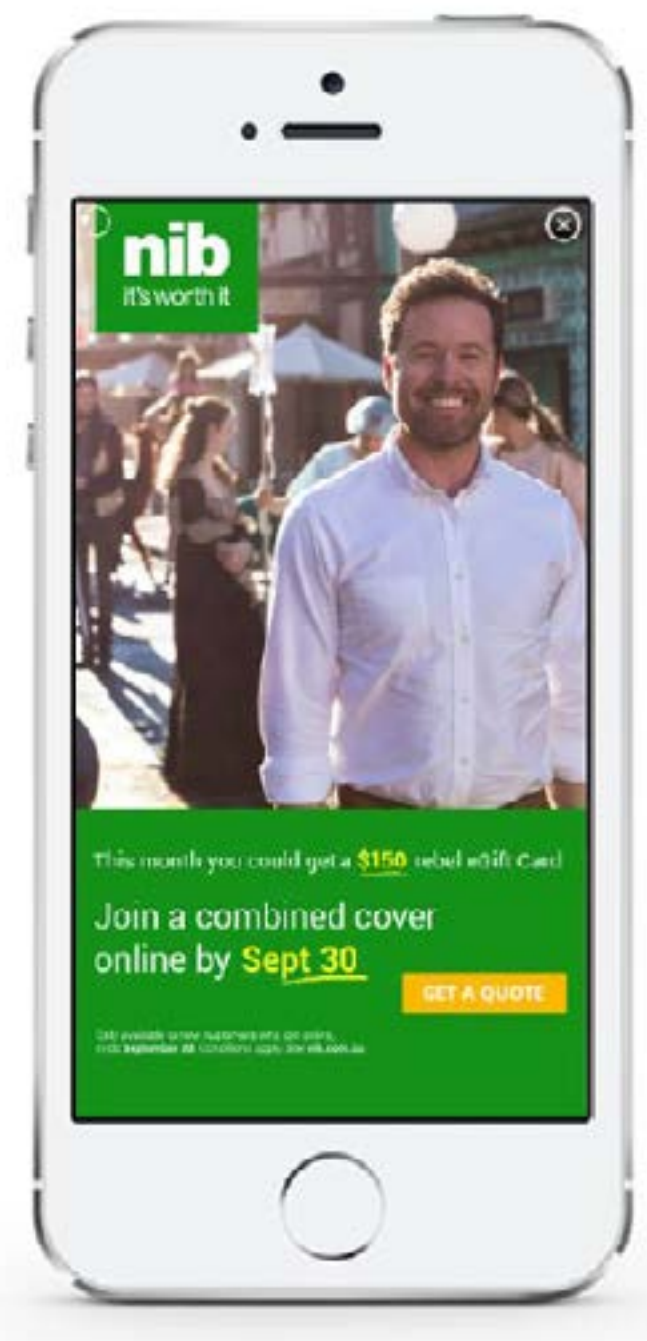
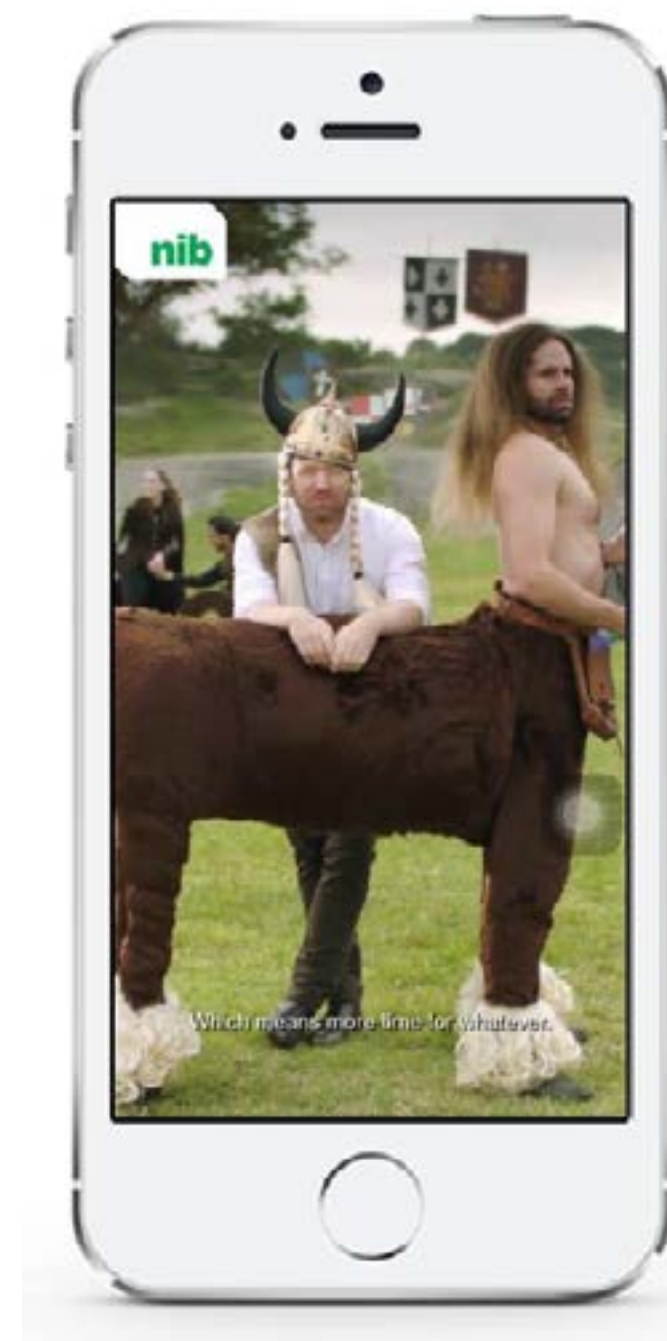
### ‘HOW IT SHOULD BE’ - DIGITAL CAMPAIGN INTEGRATION AND CUSTOMISATION DONE RIGHT

Health insurer nib is one Aussie brand doing integration and customisation extremely well. To deliver on their intended brand and campaign objectives in their 2017 campaign, ‘How it should

be’, nib went beyond re-purposing their TVC across their chosen digital channels.

nib’s online video included both skippable and non-skippable formats. Non-skippable edits were short to aid ad receptivity, with most surrounded by branded borders and end-cards with a clear

call-to-action — making the most of the interactive online environment. Skippable formats were tweaked to include both branding and messaging within the first few seconds, ensuring both were communicated even if viewers chose to skip. Edits also included tactical offers that had the same look and feel as the overall campaign idea creative.





# THE ART OF INTEGRATION – WHY CUSTOMISING CREATIVE IS KEY TO DIGITAL EFFECTIVENESS

## IN MOST CASES, MESSAGING WITHIN NIB'S DISPLAY FORMATS WAS CLEVERLY ALIGNED WITH THE CONTEXT

For example, nib's sport-related messaging drew a clear link between the overall campaign messaging and the placements where the ads were shown, i.e. on sports content websites. Similarly, messaging related to 'Skipping the wait (on extras)' aligned with the skippable formats and environments in which this messaging appeared.

## BUT IT'S NOT ONLY ONLINE THAT CAN OR SHOULD BE CUSTOMISED

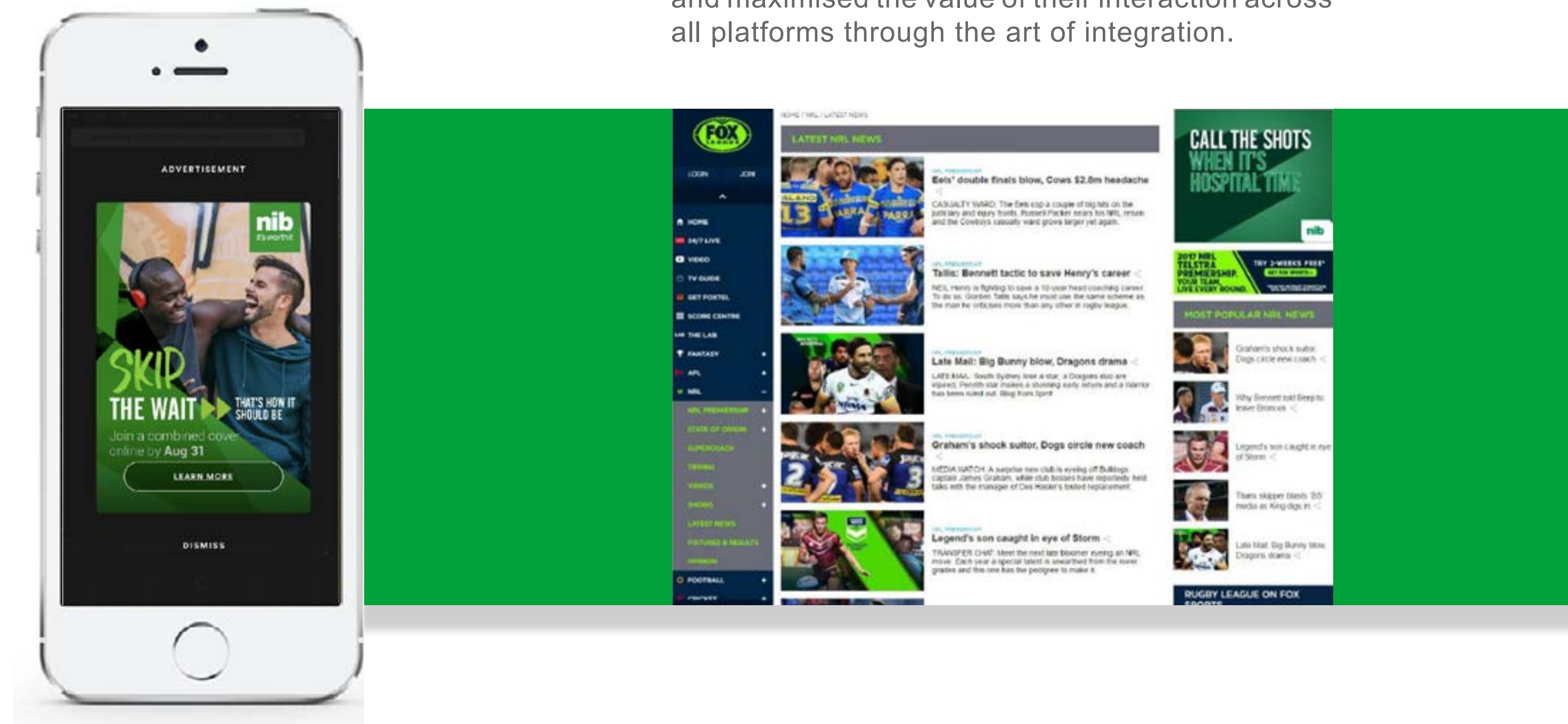
When it came to their TV campaign, nib found that while reach was considerable and set the foundation for overlaps and impact with other media, creative also was also crucial to channel performance. Their creative was well aligned to sporting programming and other programming relevant to their key customer profile.

One core TV station in the media mix also provided the unique opportunity to show pre-ad-break

messaging where the following break contained only one ad 'thanks to nib'. Campaign messaging was also weaved into the pre-break messaging: 'It's an ad for nib, as it should be'. Customisation here helped to deliver brand message in a relevant and relatable way.

## NIB'S WELL-EXECUTED CREATIVE CUSTOMISATION WAS A KEY CONTRIBUTOR IN ACHIEVING BRAND HEALTH KPIS PERFORMANCE ABOVE AUSTRALIAN BENCHMARKS

nib delivered impactful cut-through amongst their audience within the fragmented media landscape and maximised the value of their interaction across all platforms through the art of integration.





# TIPS FOR EFFECTIVE VIDEO CREATIVE



**PATRICIA NEUPAUEROVA**  
BRAND STRATEGIST  
GOOGLE

At Google we are constantly working on helping our clients meet their business objectives. And creative plays a crucial role in helping them achieve that. According to Nielsen, creative contributes to sales by 49% across all media platforms and for the digital campaigns the contribution is even higher with 56%, followed by media contributing with 30%. This is a significant result making marketers ask, does my creative work and how can I make it even better?

There has never been more exciting times to leverage the immersive quality of sight, sound and motion together with all the data signals measurement to make your campaign as effective as possible.

By reviewing tens of thousands of pieces of creative that have been run on YouTube we have been able to develop creative guidelines, a set of recommendations which can be used as a framework to guide your concepts to ensure your ad is set up for success.

So what are those creative choices which can separate top performing creatives from the

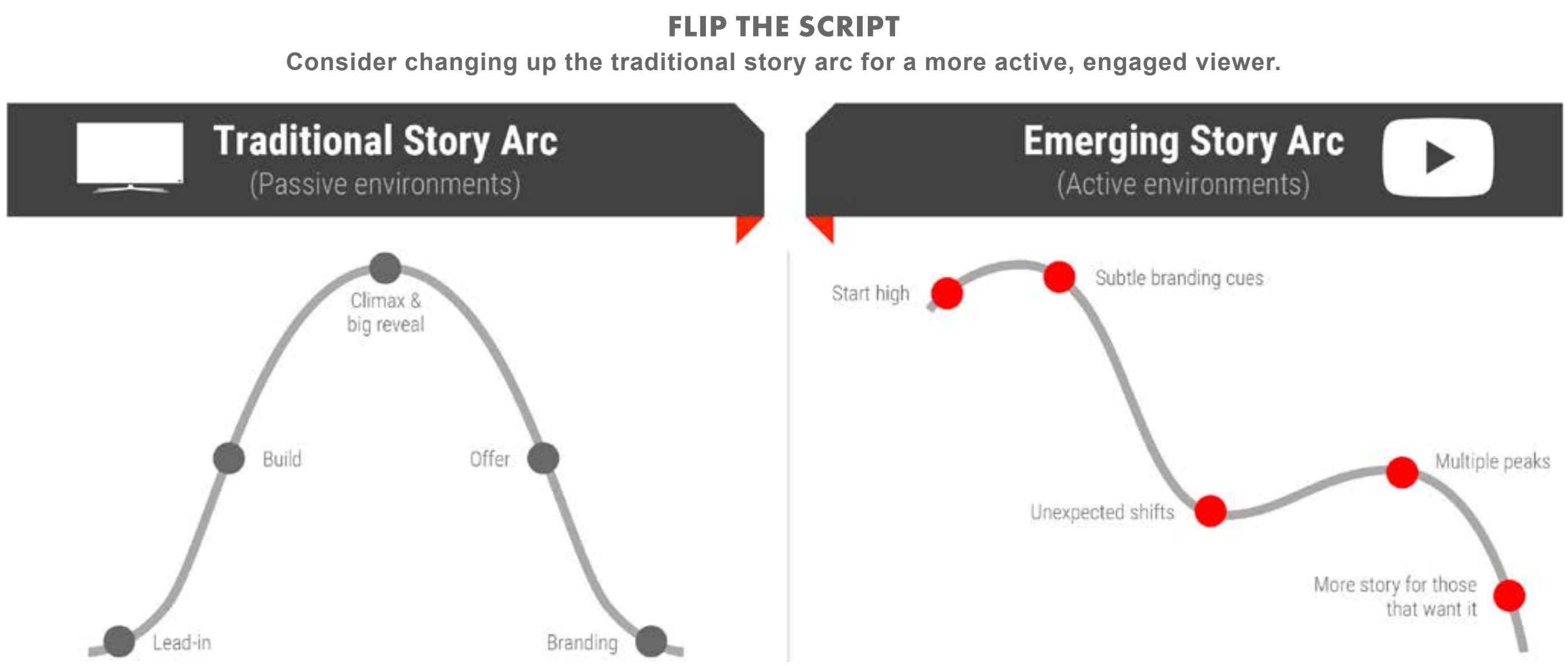
rest of the pack? Below I have summarised two recent Think with Google publications that outline simple tips and guidelines to make powerful and unskippable video creative.

## ATTRACT

- **Frontload your story arc**  
Regardless of the format, all users have a choice to watch your ad or move on. You have only seconds to grab and hold their attention. Open with impact and plunge the viewer into the action.

Build for sound on. 95% of YouTube ads are watched with sound on, and our correlation studies show that sound is associated with fostering attention and positive brand response. Users who see and hear ads experience 2.9x higher brand consideration than those who only see or only hear ads.

On top of it, viewers are more inclined to watch ads that make them laugh, and humour can also be associated with higher brand awareness and viewership.



Sources: Google, 2018, ABCD: Building Effective Creative for YouTube

## TIPS FOR EFFECTIVE VIDEO CREATIVE

### BRAND

- **Brand placement matters**  
When optimizing for ad recall, integrate your brand in the first five seconds. For awareness and consideration, place your brand later and focus on building a connection with the viewer.
- **Try to show your brand or product in natural usage**  
This has a higher association with ad recall and viewership versus logos in supers.

### CONNECT

- **Watchtime matters**  
There's a consistent relationship between how long an ad is viewable and an increase in brand awareness and consideration.
- **Analyze and test**  
This is critically important. Use analytics to see where viewers are dropping off, and consider whether there's something you can change in your edit. Test multiple versions of your creative with brand lift studies to see what works best for your audience and brand.

### DIRECT

- **Consider creative elements**  
Creative elements can impact brand metrics in different ways. Clear calls to action, Clear CTAs drive brand lift. Make it easy for your viewers to take action with YouTube's interactive platform features: Info Cards, End Screens, and CTA overlays.

While there are no guarantees – and no magic recipe for content that wins 100% of the time – all these YouTube guidelines can be broken down into a set of recommendations called ABCD.


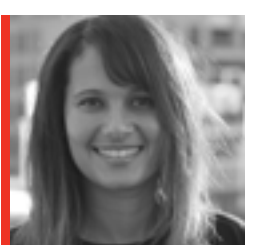

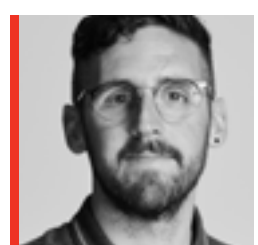










Visit Think with Google for more information on the [ABCDs of Effective Creative](#) and [Australian Marketers Guide to Creating Unskippable Creative](#).





# THANK YOU TO OUR CONTRIBUTORS

The IAB would like to thank the following for taking the time contribute to this whitepaper.

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		<b>MELISSA AIRS</b> SENIOR ACCOUNT MANAGER KANTAR MILLWARD BROWN			

The background features a large black triangle on the right side, which overlaps with several red geometric shapes on the left. These shapes include a large red triangle pointing towards the top-left, a smaller red triangle pointing towards the bottom-left, and a red parallelogram-like shape in the upper-left. The overall composition is abstract and modern.

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