



REPORT / STRATEGISTS DIGEST

This article appeared in Contagious Magazine issue 65

Contagious is for marketers seeking a competitive edge through creativity and innovation.

contact@contagious.com | contagious.com

Strategist's Digest

Contagious regularly scours academic journals for insights into advertising, media and people. Here **James Swift** brings you four key insights that we've found over the past quarter

Too busy to keep up with advertising research? No problem. We've done the hard reading to find the most interesting and relevant studies from the world of advertising and beyond, and turned them into easy-to-read summaries.

In this quarter's edition of Strategist's Digest,

you'll find research that codifies how and when advertising creativity influences customer responses, a large empirical study on whether CPG brands are wasting their money on online display ads, a provocative test of the abilities of advertising creatives, and advice on what to do when your AI influencer goes off the rails.

Advertising creativity is better at changing attitudes than grabbing attention or being memorable /

Most practitioners agree that creativity usually improves advertising, but there is no settled account of exactly how and when it does so. Or at least there wasn't until some marketing scholars published one a few months ago.

The team of academics analysed 93 datasets pulled from 67 academic papers to create the fullest account yet of how and when advertising creativity influences customer responses.

The researchers concluded creativity is best understood (and most effective) as a combination of originality and appropriateness. Defined in this way, creativity has a definite and significant impact on how people respond to an ad. It influences how people feel about both the ad and the brand (but more so the former), and it dictates how much they will later remember the ad or brand.

The study also showed that, while creativity does grab people's attention and is more memorable, the dominant benefit it bestows is changing people's attitudes towards a brand or ad.

For any marketer looking for tips on when to splurge on creativity and when to keep their powder dry, the researchers found that creativity provokes a stronger response when it's used to advertise high-involvement products. The same dynamic applies to media: creative advertising made more impact on channels where people paid more attention. The researchers couldn't test this theory directly, but they think it means creativity is less effective in digital and mobile media, where people tend to be more distracted.

Previously, marketing academics used three theories to explain how advertising creativity

works on customers: affect transfer (evokes positive feelings about an ad or brand), processing (gets people interested in an ad or brand) and signalling (sends a signal about the brand's effort and commitment).

The researchers found that all these theories can work together, but that 'originality primarily stimulates affect transfer, whereas appropriateness is more important for signalling'. And signalling is the one most associated with provoking a response from customers. Taking into account all three explanations, the research showed that

how much people liked the ad did not appear to significantly affect how they felt about the brand.

One final nugget unearthed by the research that may come as a bit of a kick in the teeth was that customers are apparently better judges of advertising creativity (and how people will respond to it) than either experts or awards shows.

A Meta-Analysis of When and How Advertising Creativity Works. By Sara Rosengren, Martin Eisend and Scott Koslow. Published in the Journal of Marketing.

For the average CPG (consumer packaged goods) brand, online display advertising does not improve sales /

CPG companies in the US spend more on online advertising than any other sector except retail and financial services, and display advertising is their favoured format. And yet there are a lot of sceptics who wonder whether this is money well spent, especially after Procter & Gamble cut \$200m from its online ad budget in 2017 and suffered no ill effects.

Intrigued by this dynamic, a group of academics analysed the ad spend of Dutch CPG companies between January 2016 and March 2018, resulting in a sample of 154 national brands across more than 60 categories.

They then measured the effect that online display advertising had on sales for those brands.

The researchers found that, for the average CPG brand, online display ads on their own do not increase sales in either the short or long term. And using digital display ads in conjunction with other forms of advertising (like TV or print) dampens sales as often as it boosts them.

But it wasn't all bad news. Online display ads can increase sales for brands in high-involvement categories. Meanwhile, high-involvement products that are hedonic in nature (ie, they appeal to people's sense of luxury or fun) are more likely to get a sales bump when they combine online display ads with other media. Conversely, for high-involvement products that are utilitarian in nature, online display advertising produces a significant sales effect only when used as a standalone (ie, not supported by TV or print).

One consistent finding across most of the variables was that display ads work better when brands deploy them consistently and not in bursts of activity. In fact, a sufficiently low level of volatility of online display advertising will produce significant sales effects for all categories of products, except for low-involvement utilitarian goods.

This was the first time that online display ads had been subjected to a large-scale empirical analysis and it yielded plenty of useful knowledge. And if anyone ever feels like picking up the researchers' mantle, we'd like more research on how the quality of the creative affects these outcomes.

Online Display Advertising for CPG Brands: (When) Does It Work? By BJ van Ewijk, A Stubbe, E Gijsbrechts, et al. Published in the International Journal of Research in Marketing.

If your brand is endorsed by an AI influencer who becomes embroiled in scandal, you should replace them with a human /

Two associate professors of marketing have tested how customers respond to endorsements from AI influencers, and what brands should do if their artificial skill goes rogue.

Using surveys about fictional examples, the researchers learned AI endorsers can boost attitudes and purchase intentions towards a brand, just like celebrities. And a transgression by an AI influencer can have a negative effect on the brand, just as if it came from the mouth of a real spokesperson.

But while people tend to judge celebrities as individuals, they are more likely to judge AI influencers as interchangeable. When one AI influencer says something offensive, all are tarnished. As a result, brands that switch from an AI to a celebrity after a transgression 'are seen as acting more responsibly than those that simply replace one AI influencer with another', according to the authors, resulting in improved brand attitudes and purchase intentions.

If this study seems fanciful to you, remember the marketing world has already glimpsed its first virtual-influencer scandal, thanks to a kiss between model Bella Hadid and CGI it-girl Lil Miquela, which was denounced as queerbaiting. Misbehaving AI influencers might not be such a remote prospect after all.

Close Encounters of the AI Kind: Use of AI Influencers As Brand Endorsers By Veronica Thomas and Kendra Fowler. Published in the *Journal of Advertising*.

Advertising creatives are no better than regular people at creative tasks /

There are two main theories of expertise. There's the expert-performance framework, which says experts perform better than novices in their field of expertise because they are more experienced and have spent more time in deliberate practise. And then there's the process-performance paradox, which asserts experts don't make better decisions or predictions than novices at all; people just think they do because they talk a good game. A team of researchers set out to test which of these theories applied to advertising creatives.

The researchers created three groups: ad agency creatives, ad agency non-creatives (planners, account handlers, etc), and regular people. They then gave these groups a divergent thinking task (name as many uses for a brick as you can), a convergent thinking task (find the missing word) and an advertising task (come up with straplines for this product) and asked a panel of judges to appraise their output.

The creatives did not perform better than the non-creatives on any test and only outperformed the regular people on two specific

aspects of the divergent thinking test (elaboration and originality). The creatives didn't even outperform the rest at writing straplines.

According to the authors of the study, the surprising results suggest that 'agency leaders should not automatically assume that creatives are the only or the best source of creative ideas within an agency. Perhaps the advertising industry tends to attract unconventional people in general, regardless of specific department, and thus creative ideas may be found throughout.'

Perhaps, but we'd also advise agency leaders not to get too carried away. The creative tasks set were not high performance tasks and the time limit set by the experiment may have hobbled the creatives. In short, there's a lot more to being a successful creative at an ad agency than what was tested here. 📄

Are Advertising Agency Creatives More Creative Than Anyone Else? An Exploratory Test of Competing Predictions. By Federico de Gregorio and Kasey Windels. Published in the *Journal of Advertising*.

