

WARC

WARC at

Health of Creative

Date
4th April 2024

Time
4:30pm - 6:00pm





Does the crisis in creative effectiveness persist?

Amy Rodgers

Head of Content, WARC Creative

WARC is a global authority on marketing effectiveness

We fight for the facts in marketing using evidence-based insights





Content

WARC

1

What does effectiveness mean?

2

Can we show creativity works?

3

What about that crisis?

4

How can we make creativity work harder?



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**What does creative
effectiveness mean?**

It's not just meeting your objectives



Advertising that has delivered **commercial returns**, making it an investment not a cost.

We think of it as a hierarchy of effects



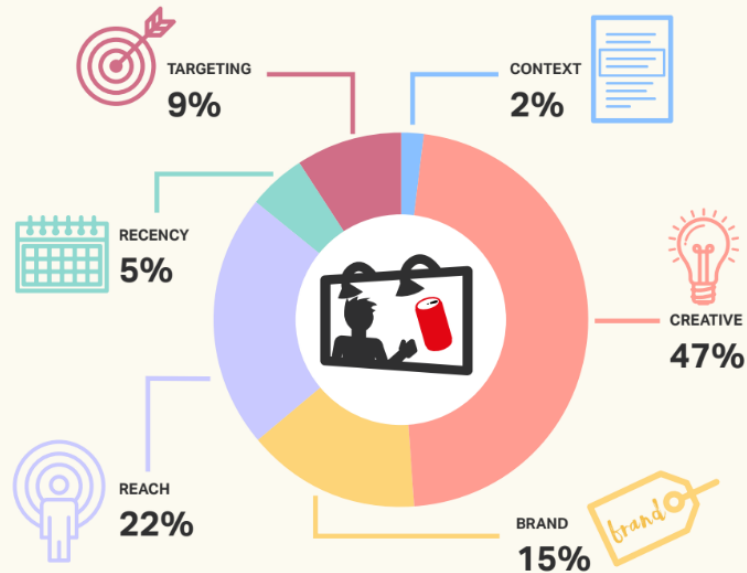


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**Can we show
creativity works?**

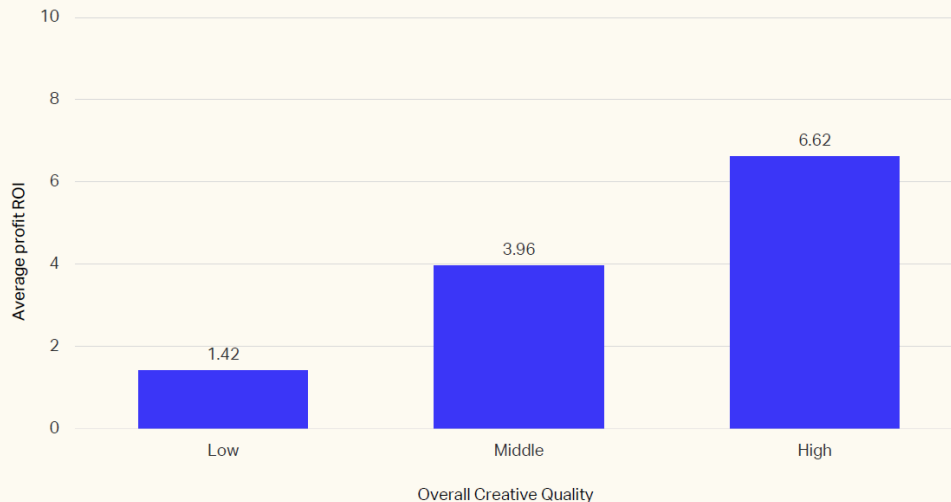
Creativity has an outside impact on sales

Percent sales contribution by advertising element



Creativity has an outsize impact on profit

Increasing Creative Quality boosts average profit ROI



Note: Based on 450 individual ads from 51 campaigns
Source: Kantar, WARC

Creativity has an outside impact on profit

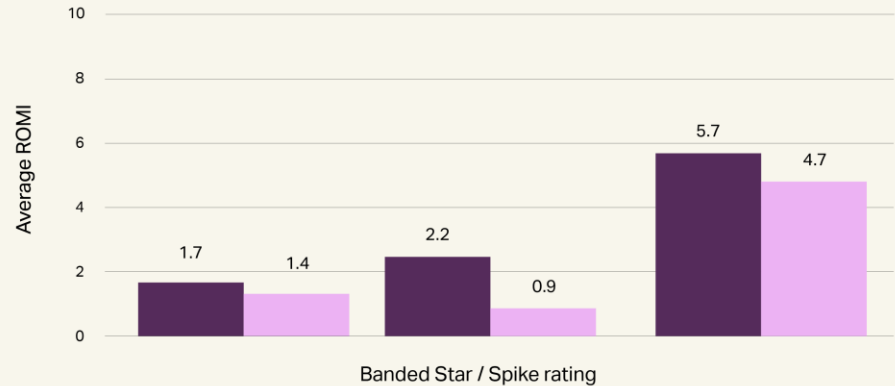
Top 10 Drivers of Advertising Profitability 2023		
Rank	Factor	Profitability Multiplier
1	Brand Size	20
2	Creative quality	12
3	Budget setting across geographies	5
4	Budget setting across portfolios	3
5	Multimedia	2.5
6	Brand vs Performance	2
7	Budget setting across variants	1.7
8	Cost/product seasonality	1.6
9	Laydown/Phasing	1.15
10	Target Audience	1.1



Creativity has
an outsize
impact on
profit

Average profit ROI (ROMI)
against Star and Spike ratings

2010-2023



Note: Star n=162 ads, Spike n=125 ads
Source: WARC and System1

Star
Spike

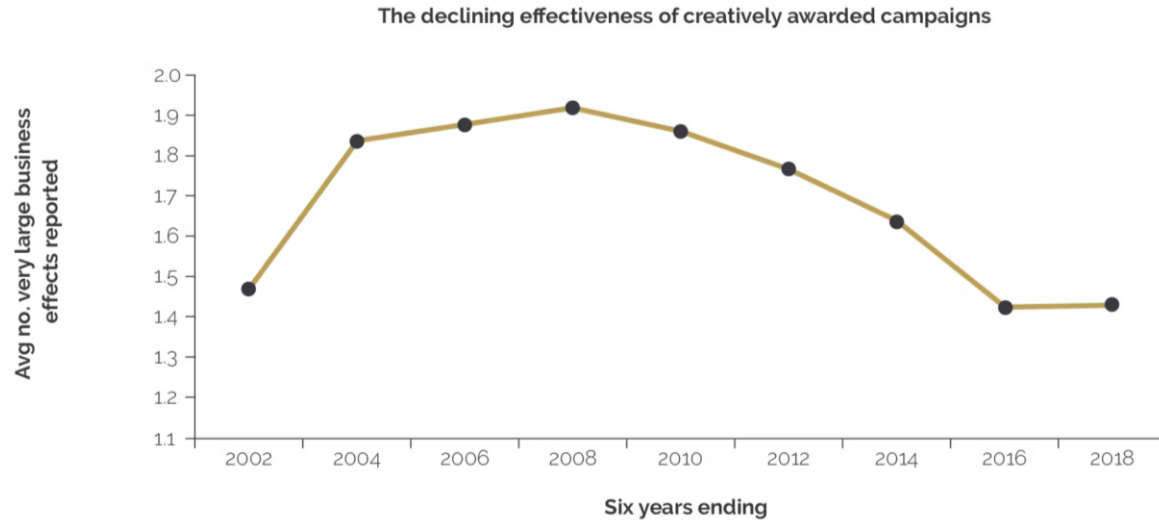


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Where's the crisis?

In 2019, the IPA found this...

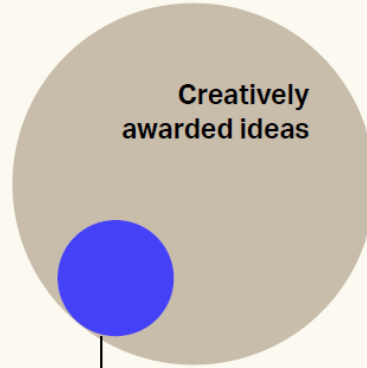
Creativity delivers its lowest effectiveness in 24-years



Source: IPA Databank, 1998-2018 creatively awarded cases

And in 2023,
we found this...

How often is creativity also effective?

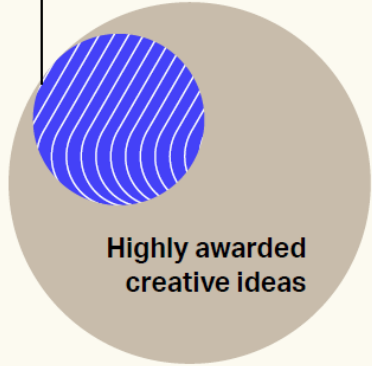


%

of all creatively awarded ideas are
also awarded for effectiveness

%

of highly awarded creative ideas are
also awarded for effectiveness



If the idea is highly
awarded for creativity, it is
more likely to be effective.



For an infographic
of the Health of
Creativity
research



Is 20% a **bad** number?



Your chances of winning an effectiveness award are vanishingly small. Something like 0.0001% of advertising wins one.

James Hurman

Eff Bomb #4


0.0001%

X 200,000 =


20%

(*not to scale)



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How can we make creativity work harder?

What do we need
creativity to do?

1

Attention

People don't care about your brand when they are not in market. Creativity makes them take notice.

Fame

Being well known helps when consumers are in market and can support pricing.

3

Memory

Connecting brands with attributes and buying situations in people's memories.

2

Who is doing it well?

McDonald's: The WARC Rankings 2024

WARC | Creative

CREATIVE
100

Rankings 2024

#3 most awarded
brand for creativity
in the world



McDonald's

WARC | Creative

MEDIA
100

Rankings 2024

#3 most awarded
brand for media
in the world



McDonald's

WARC | Creative

EFFECTIVE
100

Rankings 2024

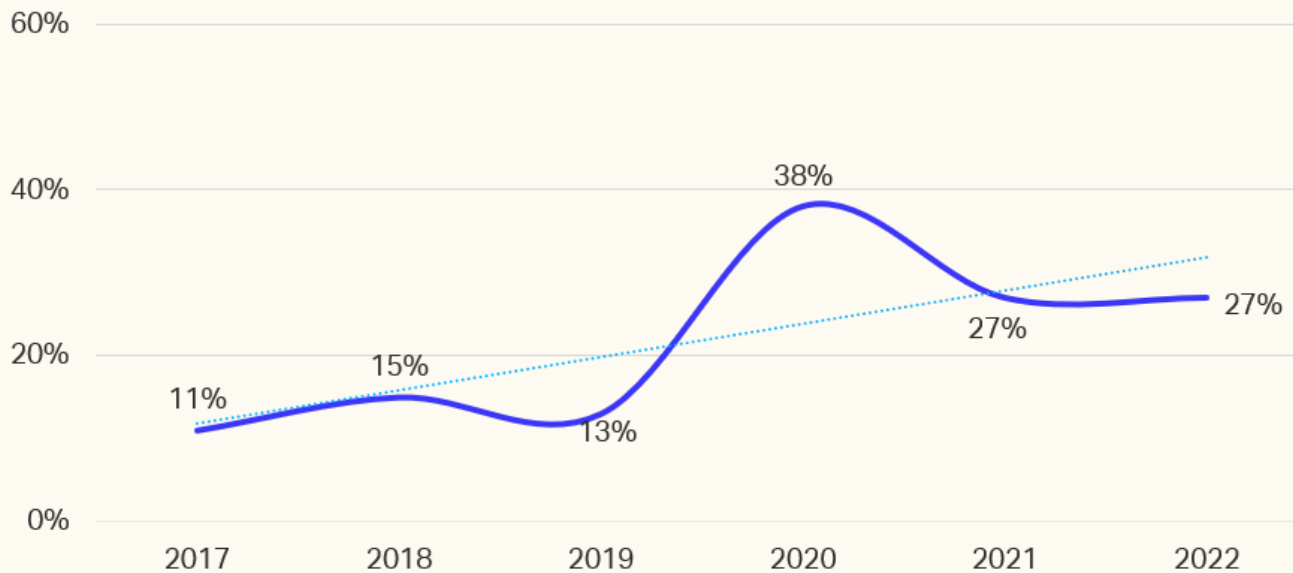
#1 most awarded
brand for effectiveness
in the world



McDonald's

Conversion rate over time

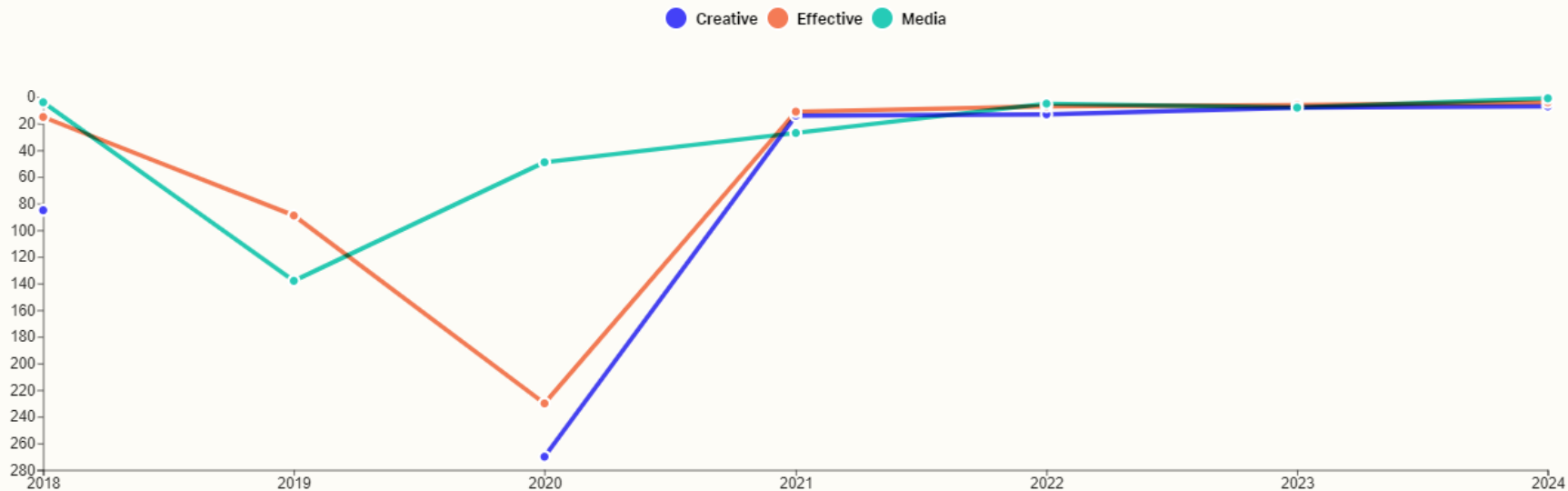
McDonald's, 2019 - 2022



Dove: The WARC Rankings 2024

Dove Rankings

Brand rankings across three rankings pillars for Dove



Via Skype

Delray Beach, FL

8:47 AM ET



SOCIAL DANGER

WHISTLEBLOWER: INSTAGRAM "SUBSTANTIALLY MORE DANGEROUS"

Scott Galloway | Host, **CNN+**

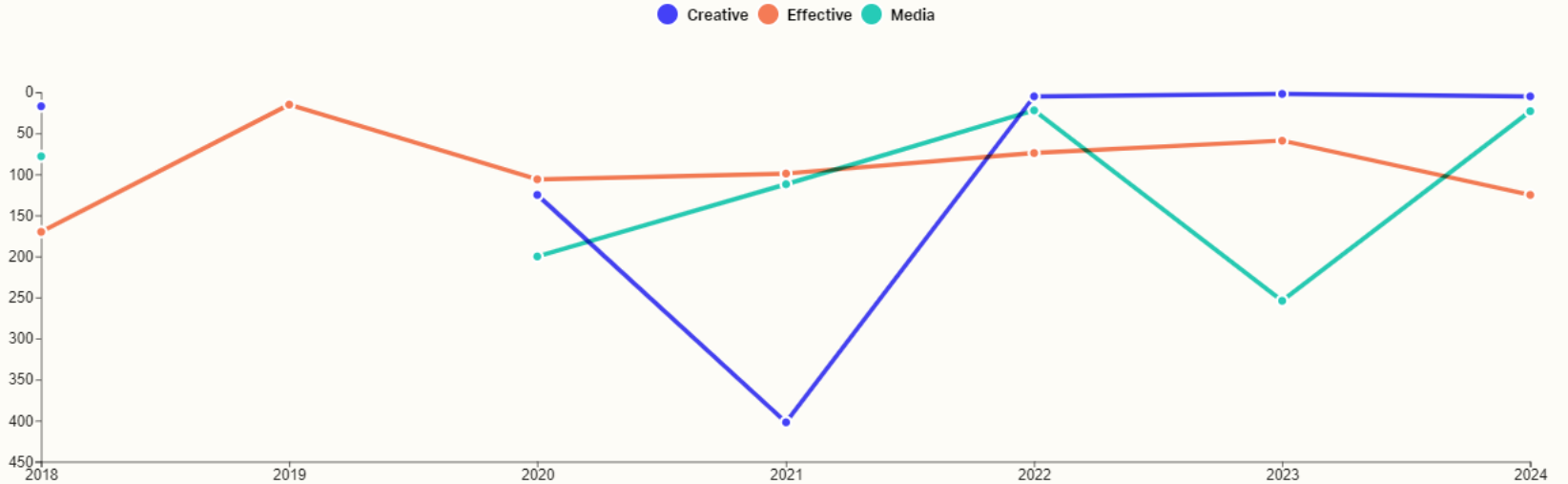


NEW DAY

Heineken: The WARC Rankings 2024

Heineken Rankings

Brand rankings across three rankings pillars for Heineken





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Thank you

