



# CREATIVITY MATTERS

The business case for creative bravery

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“If you leave  
creativity behind,  
you are leaving  
some measure  
of effectiveness  
behind too.”

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Wendy Clarke

Coca-Cola North America's President of Sparkling Brands  
and Strategic Marketing



WELCOME TO THE 47

CANNES LIONS

AWARDS CEREMONY



Since

1954

Cannes Lions has encouraged and enabled creativity in branded communications because we believe it can be a powerful force for business, for change and for good.

During that time, we've also found that creativity is fluid and mercurial by nature, so we've resisted trying to define it. "It's like love," said Bill Bernbach. "The more you analyse it, the faster it disappears." However, if originality is at the heart of creativity, then it's understandable that a creative approach has often been viewed as a risky one. To try something new takes courage and determination, which is why we talk about the need for "creative bravery". Great ideas often have to be fought for, but there are compelling reasons for doing so. Put simply, creativity has now become measurably effective, which makes pursuing it as a business strategy look less like a leap of faith and more like a sound commercial decision.



# Measuring creativity & effectiveness

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Though tricky to categorise, creativity can be calculated in a variety of ways – the Torrance Tests, Williams' Taxonomy and the Guilford Measures to name a few. Perhaps the most straightforward means of determining the relative creativity of marketing, however, is via awards. There are numerous competitions dedicated to identifying and celebrating creativity in branded communications, with the Lion being the most established (awarded since 1954) and coveted (attracting over 40,000 entries annually from around the globe).

Quantifying marketing effectiveness meanwhile, has largely been fuelled by the measurability of channels which has dramatically increased in the last 20 years, accompanied by the growth of newer industry awards dedicated purely to results.

But it's only been comparatively recently that anyone considered comparing creatively-awarded campaigns with those celebrated for business success to see if there was a correlation – that is, whether creativity drives effectiveness.



# Establishing the link

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In a landmark 2010 whitepaper, [The Link Between Creativity and Effectiveness](#), the Institute of Practitioners in Advertising (IPA) merged data from 10 years of its Effectiveness Awards (which rigorously assess marketing ROI) with scores over the same period from The Gunn Report (an annual publication ranking the most creatively-awarded advertising). Their comprehensive analysis, as the title of the report suggests, conclusively showed the relationship between 'greater' creativity and better results.

Select findings included:



**Overall, creatively-awarded campaigns are 11 times more efficient than non-awarded ones at driving market share growth.**



**With equal investment, creatively-awarded campaigns are also more successful across business metrics like sales volume gain, market penetration, customer acquisition and loyalty.**



**The greater the level of creativity (that is, the more major creative awards a campaign wins) the greater the level of effectiveness.<sup>1</sup>**

<sup>1</sup> The Link Between Creativity and Effectiveness. New findings from the Gunn Report and the IPA Databank', p5



# Creativity and commercial success

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These findings formed the basis for the 2011 book, *The Case for Creativity*. In it, author James Hurman delved even deeper, assembling data over nearly 30 years and conducting his own original research into the link between creativity and commercial success. Crucially, he analysed business results from Cannes Lions' Creative Marketers of the Year – client companies we recognise for distinguishing themselves by the quality of their campaigns and innovative marketing of their products or services.

Hurman further found that the share price of 80% of winners was at its highest during the period leading up to their claiming of the award. In other words, when they were doing their most creative work, their value was at an all-time high. He concluded, "In every case, the companies that have been most tenacious in their pursuit of great creativity have been among the ones outperforming the stock market and enjoying historic periods of financial prosperity."<sup>2</sup>

Unsurprisingly, he found the senior marketers of those companies are among the most vocal advocates for the effectiveness of creativity.

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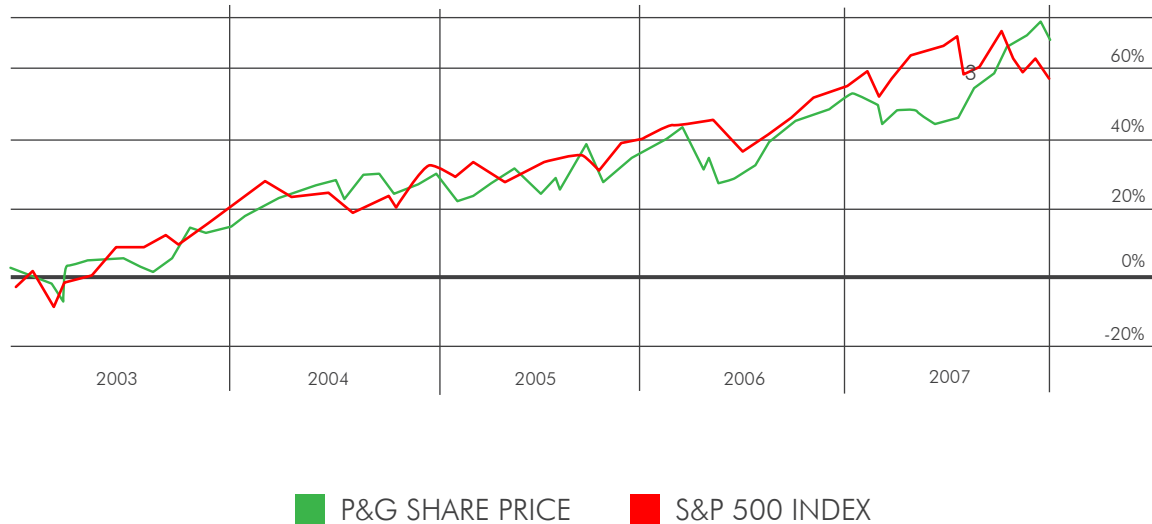
<sup>2</sup> 'The Case for Creativity - Three decades' evidence of the link between imaginative marketing and commercial success', p125.





## Procter & Gamble

Creative Marketer of the year 2008

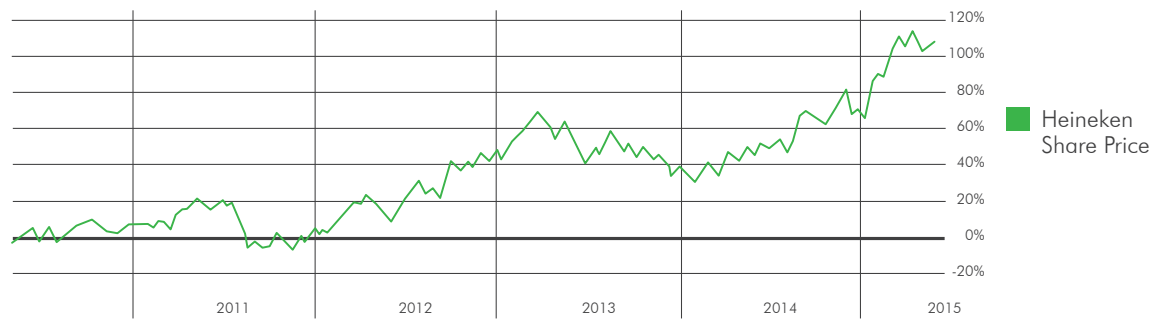


Reflecting on the period in which he transformed Procter & Gamble's conservative FMCG marketing into globally lauded campaigns, former P&G CMO Jim Stengel concluded, "We doubled our size. We went from about \$43 billion to about \$83 billion in basically seven years. Our margins went up ten points. We went from nine billion dollar brands to 25. And our earning per share went up four-fold... There was no question about the results." Matt Biespiel, McDonald's Senior Director of Global Brand Development has also said, "We've seen ROI 54% higher with creative that wins Cannes Lions than creative that doesn't."



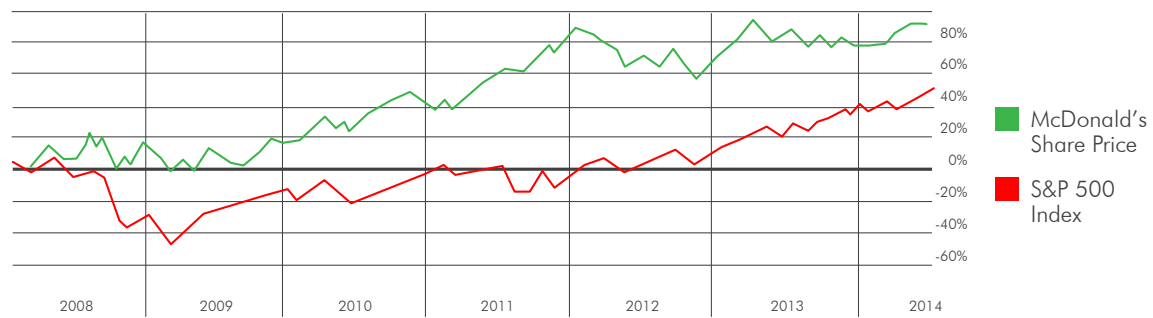
## Heineken

Creative Marketer of the year 2015



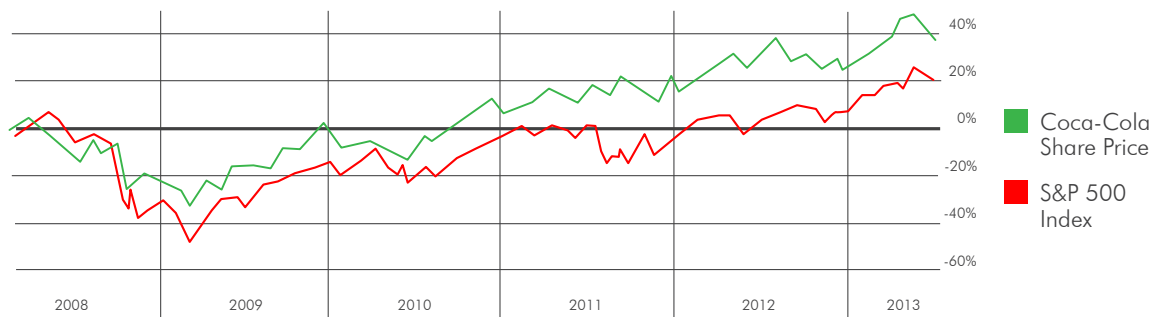
## McDonald's

Creative Marketer of the year 2014



## The Coca-Cola Company

Creative Marketer of the year 2013





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Matt Biespiel

McDonald’s Senior Director of Global Brand Development



# Applied creative effectiveness

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In the same year that *The Case for Creativity* was published, Cannes Lions put a further stake in the ground by introducing the Creative Effectiveness Lion – an award celebrating the relationship between ideas and results that has now delivered five years of proof that there is one.

Studies published since then also support the conviction. In 2013, Australia's Association for Data-driven Marketing and Advertising (ADMA) ran a survey alongside its annual industry awards program to gather more in-depth results data about entries. Its findings, published in a whitepaper also entitled **The Link Between Creativity and Effectiveness**, mirrored those of the IPA and added context. Time, it's argued, is a factor – creativity is a long-game: it won't drive short-term response, but when evaluated over more than six months the impact arises, and, given even longer, "top-box" effects (that is, profound business changes) start to

emerge. Creativity was also seen as having a particularly beneficial influence on price sensitivity, and therefore profitability. And, thanks to the sharing of creativity enabled by social media, it has been shown to boost the type of brand saliency and "fame" that in turn leads to harder metrics.<sup>4</sup>

In the same year, University of Cologne academics Werner Reinartz, Professor of Marketing, and research associate Peter Saffert, released results from investigations into five years-worth of German TV campaigns to the **Harvard Business Review**. In the article, they pinpointed what types and combinations of creativity have the greatest influence over sales, and demonstrated marketing dollars could actually be saved without a detrimental impact to effectiveness by judicious spending on creativity. "Our research clearly shows that the conservative approaches adopted in many product categories are leaving money on the table," they concluded. "Increased investment will usually pay for itself: more effective creative ads will allow other parts of the ad budget to be significantly reduced."<sup>5</sup>

<sup>4</sup> 'The Link Between Creativity and Effectiveness – Analysis of ADMA Awards submissions and exclusive expert commentary by industry leaders', p4 - 5

<sup>5</sup> 'Creativity in Advertising: When It Works and When It Doesn't', Harvard Business Review, June 2013



## Campaigning for Creativity

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In the short period of time since the IPA first published its findings, the link has become firmly established and research has moved on to more granular aspects of investigation. The debate should be over and, as a result, creativity a default strategy. And yet, it isn't.

"When was it that the word 'effectiveness' got disconnected from the word 'creativity'?" wonders Wendy Clarke, Coca-Cola North America's President of Sparkling Brands and Strategic Marketing and last year's Creative Effectiveness Lions Jury President. "Too often, brands and agencies pursue this outcome called effectiveness singularly without enough regard for how they achieve it through creativity. If you leave creativity behind, you are leaving some measure of effectiveness behind too."<sup>6</sup>

Clarke is right – creativity is still considered incidental to effectiveness and not universally

prioritised. In proprietary research conducted by Cannes Lions<sup>7</sup>, one in three people with creative job roles stated that "working with people who are caustic to creativity" is their number one challenge day to day, more so than both time paucity and the quest for genuinely new ideas. By contrast, only 16% of marketers stated that "the originality and bravery of ideas" was the primary means by which their company evaluated success. And The IPA still estimates that a little as one in every 7,000 campaigns is creative enough to win a creative award<sup>8</sup>.

Like James Hurman, Cannes Lions' mission is to make the case for creativity, and clearly we still have a job to do. But with 20% of delegates at the Festival now hailing from brands, and clients composing over a quarter of companies attending or entering the Festival for the first time in 2015, there's heartening evidence that many are actively joining the campaign.

<sup>6</sup> 'Coca-Cola's Wendy Clark on the "artificial divide" between creativity and effectiveness', Marketing, 15/6/2015

<sup>7</sup> Cannes Lions survey August 2014 of 239 people employed in creative communications globally

<sup>8</sup> 'The Link Between Creativity and Effectiveness. New findings from the Gunn Report and the IPA Databank', p7