

Anatomy Of A Great B2B Ad: Tech Edition

Table of Contents

04 FOREWORD

06 ACKNOWLEDGEMENTS

07 EXECUTIVE SUMMARY

08 INTRODUCTION

11 RESULTS & DISCUSSION

25 CONCLUSION

27 APPENDIX

33 WORKS CITED

Foreword

The advertising industry obsesses over creativity.

But creativity is a suspiciously ambiguous word which, fascinatingly, didn't even enter the Oxford English Dictionary for precise definition until the 1980s, as David Ogilvy used to point out.¹

In our first paper, *Cashing In On Creativity*, we started with the observation that “powerful creative can be 10 to 20 times more sales effective than mediocre creative.”² However, while we made the financial case for powerful creative, we stopped short of giving prescriptive advice on how to develop powerful creative.

Then we read the book *Why Does The Pedlar Sing? What Creativity Really Means in Advertising* by Paul Feldwick, who details how “creativity has grown into a popular but ambiguous concept among managers, academics, and the world at large, as well as in the ad business,” and increasingly to the detriment of effective creative. Feldwick goes on to urge advertisers to think more critically about how creativity works to achieve “popularity and fame for the brands we advertise.”³

Anatomy Of A Great B2B Ad is our reflection on how uncritically the word creativity was deployed throughout our first paper, and it serves as a more practical, data-led companion piece to our original work. The reflections included here were also influenced by Professor Jenni Romaniuk, another of our favorite marketing thinkers. In a conversation with us, Professor Romaniuk once mentioned “creative is optional, but branding is not.” That simple, but profound statement, deeply influenced our methodology to measure the effectiveness of “powerful creative.”

Our paper attempts to help advertisers make wiser choices when developing “powerful creative.” We consider a variety of different questions, including, but not limited to:

- What types of creative elements are likely to resonate most positively with viewers?
- What types of brand elements are likely to result in high brand recognition?
- When—and how—should branding be used to maximize recognition without sacrificing emotion?

¹Feldwick 2021, p.183

²Wood, 2009

³Feldwick 2021, p.196; p.212

Our results confirm many useful findings from broader marketing science, such as creative elements like character, story, and music help in achieving a positive emotional response in viewers, and branding elements that prioritize early and consistent branding help in being remembered. We also found that in ads that get the best reaction and highest recognition, creative and branding elements are inseparable.

When we first started on this work, we set out to give B2B marketers actionable advice on how to develop “powerful creative” capable of generating 10-20x sales. And as our conclusion, we offer the advice: The less tangible the product, the more tangible the branding must be.



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And to our own colleagues at LinkedIn who have given their support, comments, and otherwise championed this research—thank you!

Executive Summary

- **Most B2B tech ads are likely not effective today.**
Our analysis of almost 600 ads revealed 71% likely had no effect on market share growth 6 months or more past an ad's initial showing.
- **B2B tech ads rely too much on creative elements that, at best, have little positive effect on viewer emotions and, at worst, have a negative effect on viewer emotions.**
For example, most B2B tech ads use business settings (71% of ads) and voiceovers (78% of ads), neither of which is likely to produce strong positive emotions. This is important because creative elements that evoke negative or no emotions reduce the likelihood that a viewer will pay attention to an ad, which reduces the likelihood that a viewer will remember the brand or buy the brand.
- **B2B tech ads wait too long to display branding elements, which hurts brand recognition.**
The most used branding element is the end card, which displays the brand name at the end of the ad and is used in 100% of ads. Logos (91%) and taglines (71%) are most commonly used at the end of ads as well. Conversely, opening cards and watermarks—examples of early branding—are only used in approximately 20% of ads despite leading to brand recognition scores that are 30-40 percentage points higher.
- **Based on our analysis, intangible products (like software) need especially tangible branding.**
In B2B tech ads, generally when creative is good, branding is bad, and when creative is bad, branding is good. The best B2C ads offer a blueprint for how to integrate creative and branding to produce ads that generate higher brand recognition that should then generate higher sales.
- **In particular, we believe B2B tech companies can learn much from the insurance category,** which excels at developing tangible brand assets (e.g., the GEICO Gecko or LiMu Emu), that creatively feature the brand so that the branding is inseparable from the creative.

Introduction

Previously, we explored the importance of creativity in our paper, *Cashing In On Creativity: How Better Ads Deliver Bigger Profits*¹. As the title suggests, when creative advertising is done well, it can be a major driver of brand growth. Academic research suggests “powerful creative can be 10 to 20 times more sales effective than mediocre creative.”² Unfortunately, most B2B ads today are mediocre and fail to deliver on this 10-20 times sales multiplier.

Our *Cashing In On Creativity* paper quantified just how mediocre creative is in B2B advertising today. We looked at 1,700 B2B ads across 6 categories, finding 77% of B2B ads score just 1 star using System1’s rating system. Based on analysis from System1, a 1-star ad is expected to generate no market share growth, even when paired with significant budget.

It is worth noting that market share growth from advertising is a function of quality of creative and quantity of budget. The ESOV Rule quantifies the effect that budget has on market share growth, stating that a 10-percentage point increase in ESOV (Excess Share Of Voice) will produce an average 0.5-percentage point gain in market share. Unfortunately, as we saw in our analysis, since 77% of creative is mediocre in B2B, even a significant budget is unlikely to move your market share in the right direction.

If B2B marketers want to make better use of marketing budgets and generate more market share growth, they must learn to make more effective ads. Fundamentally, this requires first understanding the creative and brand elements that make for quality creative. This is especially true for B2B, where creative advertising is largely overlooked for organizational reasons (e.g., most B2B firms are engineering or sales-led, not marketing-led).

Thus, this paper attempts to extend our knowledge of how to make higher quality creative that helps B2B marketers better meet growth objectives, by taking an in-depth look at B2B advertising for tech products and services.

¹ *Cashing In On Creativity: How Better Ads Deliver Bigger Profits*, 2021

² Wood, 2009



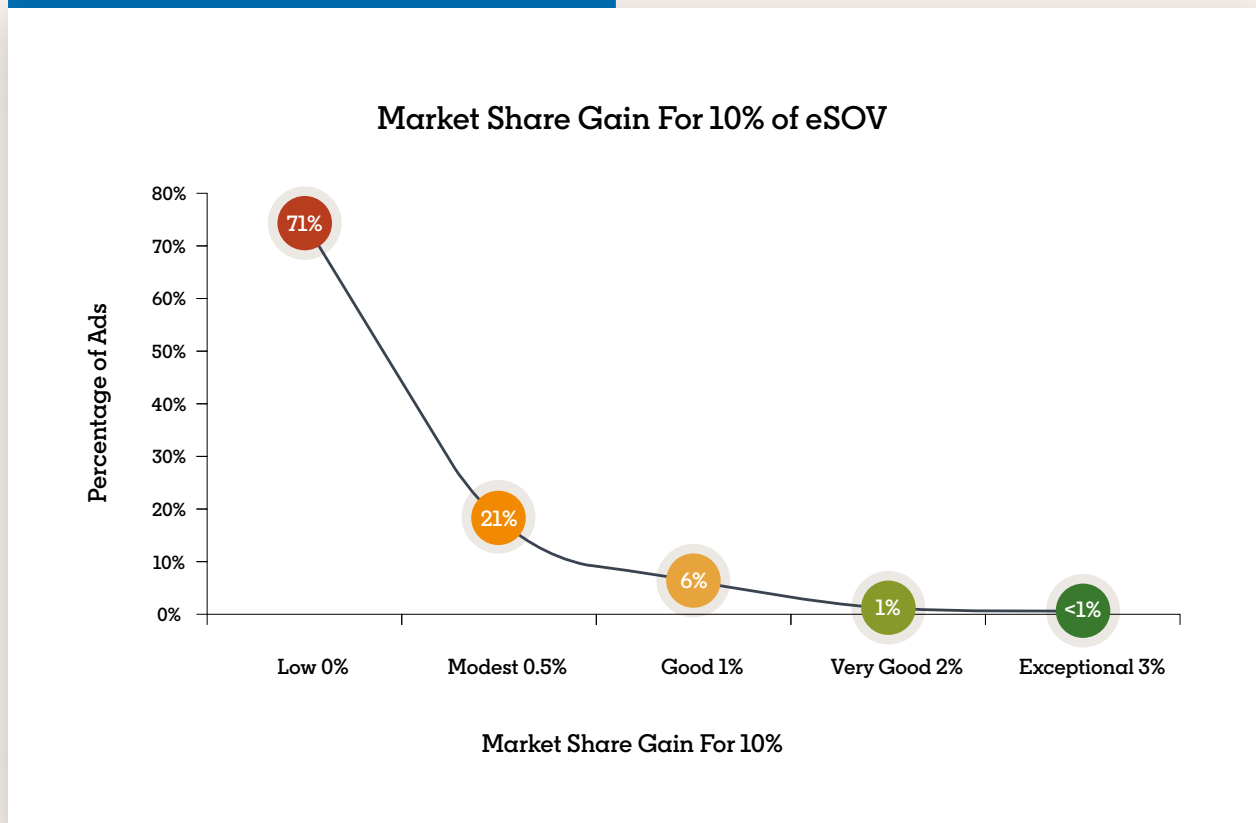
The B²B Institute

Results & Discussion

Most B2B Tech Ads Don't Contribute To Long-Term Growth

Analyzing almost 600 B2B tech ads from 2013 through 2021, we find similar results to the broader B2B category: 71% of B2B tech ads score 1 star, 21% score 2 stars, 6% score 3 stars, 1% score 4 stars, and less than 0.5% score 5 stars. Put into context, B2B tech ads are 60 times more likely to score 1 star than to score 4-5 stars. Why does this matter? Because, according to System1, a 1-star ad is expected to generate 0% market share growth while a 4-5-star ad is expected to generate 2-3% market share growth for every 10% excess share of voice.

Figure 1. 71% Of B2B Tech Ads Score Low



Source: B2B Institute Analysis

An interesting question is: what specifically about the creative in B2B advertising makes it so ineffective?

B2B Tech Ads Use The Wrong Recipe

The marketing and advertising world has long puzzled over how to systematically make profitable creative, and there seems to be a consensus that “no single creative device can do much alone to explain sales effectiveness. There is no simple ‘cookbook’ for making sales effective advertising.”⁵

However, in an effort to better understand whether select creative techniques are more likely to contribute to sales effectiveness, we tested our sample of nearly 600 B2B tech ads for the presence of various creative and brand elements incorporated into these ads’ creative. Drawing inspiration from the existing literature, observations from experts in the field, and from our own observations, we derived and coded 11 creative elements and 7 brand elements as listed out below in Table 1 (for the full methodology, see Appendix A).

Table 1. List Of Creative And Brand Elements

Creative Elements	Brand Elements
Animated Character	End Card
Celebrity Character	Opening Card
Stock Character	Jingle
Business Setting	Logo
Everyday Setting	Repeating Character
Enjoyable Music	Tagline
Fast Cut Scenes	Watermark
Story Arc	
Talking to Camera	
Text Heavy	
Voiceover	

We, similarly, are not able to provide a “simple cookbook” that will guarantee production of quality creative, nor are we suggesting that any single element is the definitive cause of increased ad effectiveness. However, we do know that for ads to be successful, they must be likeable and memorable, and for ads to be both, they must get viewers’ attention while also ensuring that the ad is linked with the correct brand. We believe that we can identify select elements that are more likely to accomplish this.

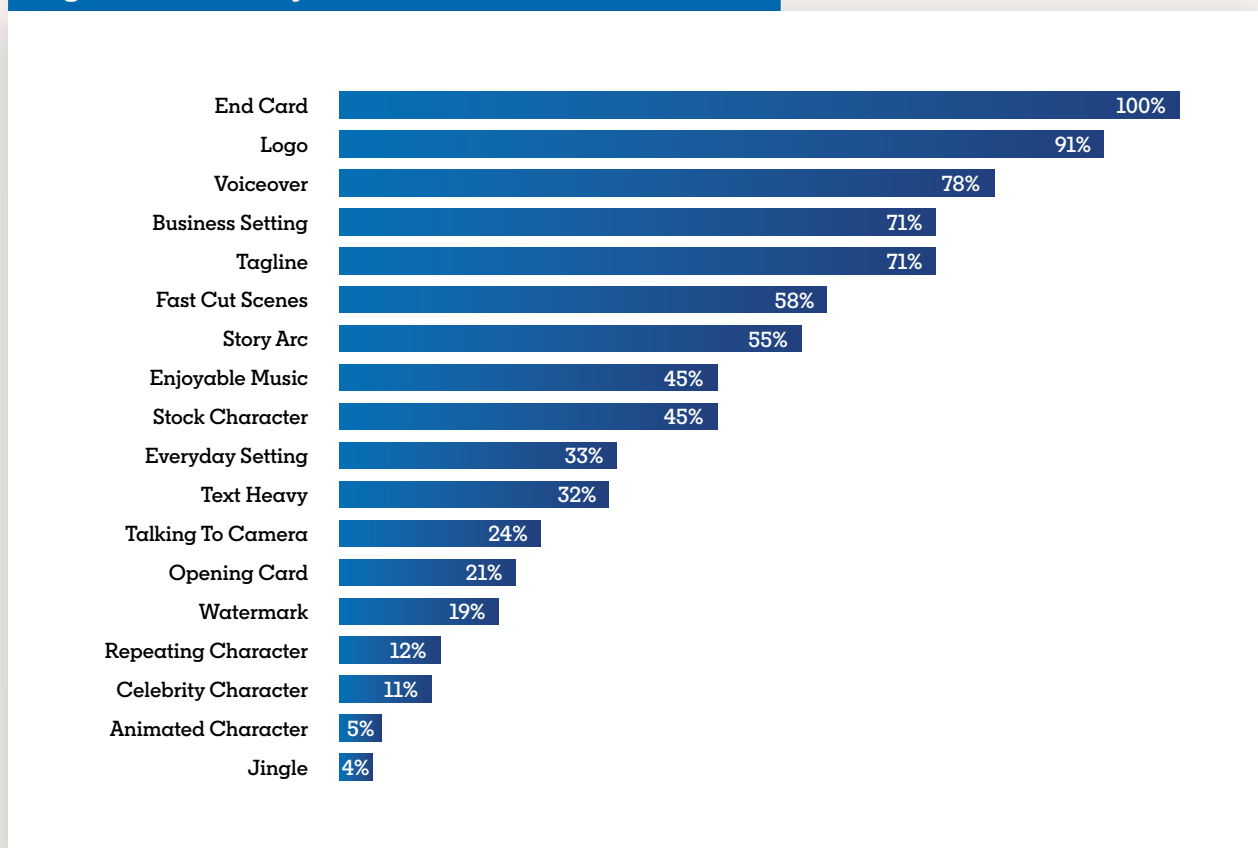
⁵Hartnett, Kennedy, et al., 2016

In our analysis, we start by showing the creative composition of B2B tech ads and later assess which elements are associated with positive emotions and early and accurate brand recognition.

As you can see in the figure below, the 5 most commonly used elements in B2B tech ads are:

- End cards (100%)
- Brand logos (91%)
- Voiceovers (78%)
- Taglines (71%)
- Business settings (71%)

Figure 2. How Many B2B Tech Ads Use Each Element



Source: B2B Institute Analysis

It is critical to note that while these may be the most common creative and branding elements, our analysis suggests that on an individual basis, these elements are not the most effective for generating strong positive emotions or facilitating high brand recognition.

A Note On The Methodology

This next section tests the effects of creative and brand elements on positive emotion using a statistical method called a t-test.

For each element, ads are grouped into 2 buckets, one where the element is present in the ad and one where it is not present. The average emotional score is then calculated for each group. The t-test allows us to determine whether the average emotional score for ads with an element is statistically significantly different compared to ads without the element. The greater the significance, the greater the confidence we have that the difference in scores is not just a chance occurrence. Generally, low significance is denoted with one asterisk (e.g., voiceover*), medium significance with 2 asterisks (e.g., enjoyable music**), and high significance with 3 asterisks (e.g., story arc***).

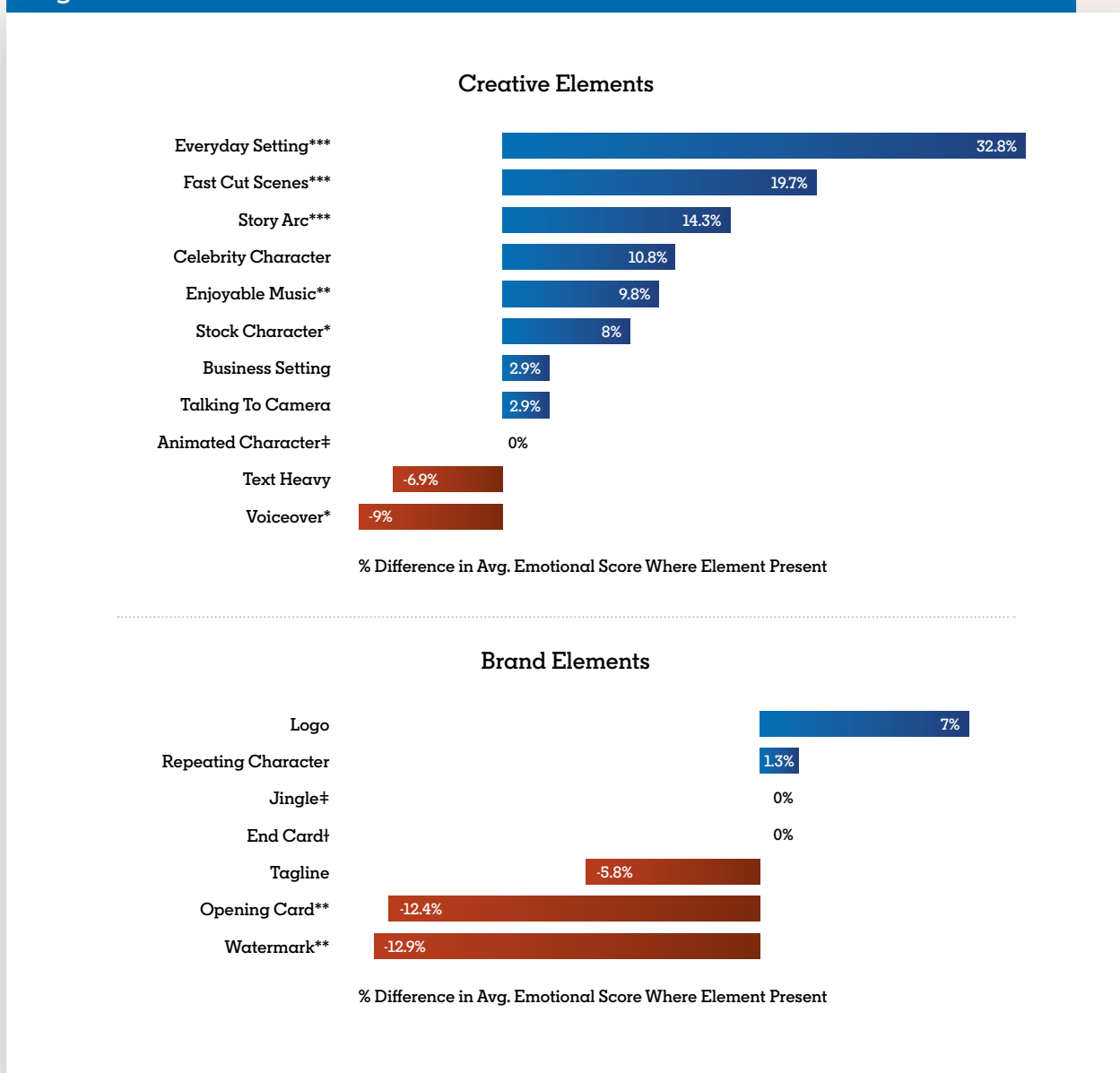
If the average emotional score is greater for ads where a given element is present compared to ads where the element is not present, then the element is said to have a positive association with evoking happier emotions when watching an ad. Conversely, if the average emotional score is lower for ads where the element is present, the element is said to have a negative association with evoking happier emotions. In other words, the use of an element with negative associations may potentially leave viewers feeling unhappier than if the element had not been used in the ad.

Below we plot all creative and brand elements by their percentage difference in average emotional scores where the element is present compared to the average score where the element is not present. Statistical significance is indicated by the asterisks next to the element name.

Make A Story To Make Viewers Happy

Ads that provoke more intense emotions, especially positive ones, are more likely to receive attention, be remembered by a potential customer, and consequently contribute to brand sales. System1 has similarly linked highly positive, highly emotional advertising with higher market share growth. Using a metric by System1 that measures viewers' emotional response to an ad, and in particular the positive emotions they experience, we explore how select creative and brand elements are associated with positive emotions experienced by viewers of B2B tech advertising.

Figure 3. Positive Emotions: Which Elements Are The Most Effective In B2B Tech Ads



Significance Levels: 0.05* 0.01** 0.001***

† This element could not be analyzed due to its inclusion in every ad

‡ This element could not be analyzed due to low sample size

Source: B2B Institute Analysis

Positive Emotions: Significant Positive Effect

The creative elements that both provide the largest lift to emotions and have the most significant statistical effect are enjoyable music, story arcs, fast cut scenes, and everyday settings. Based on our analysis, utilizing any character appears to have a positive effect on emotion, although only ads with stock actors have a slightly significant effect.⁴

Positive Emotions: Non-Significant Positive Effect

Although not significant, celebrities give ads a healthy lift in emotion as well. Other creative elements associated with positive but non-significant effects on emotion include speaking to the camera and business settings. For brand elements, repeating characters and brand logos likewise are associated positively but non-significantly with emotion.

Positive Emotions: Non-Significant Negative Effect

Where taglines and text on screen are utilized in an ad, viewers' emotions are less positive on average than in ads where these elements are not utilized. However, they do not achieve significance, suggesting that these two elements are just as likely to be associated with ads that receive better scores for the positive emotions they evoke.

Positive Emotions: Significant Negative Effect

Voiceovers—the most common creative element—appear to be detrimental to inducing positive emotions in viewers and should be used far more sparingly in advertising. Opening cards, where the brand name or logo is displayed in the first few seconds of the ad, and watermarks, where the brand name or logo is displayed for some duration during the middle of the ad, are also associated with advertisements that score lower for evoking positive emotion.⁵

⁴Animated characters were excluded from this analysis due to their low sample size.

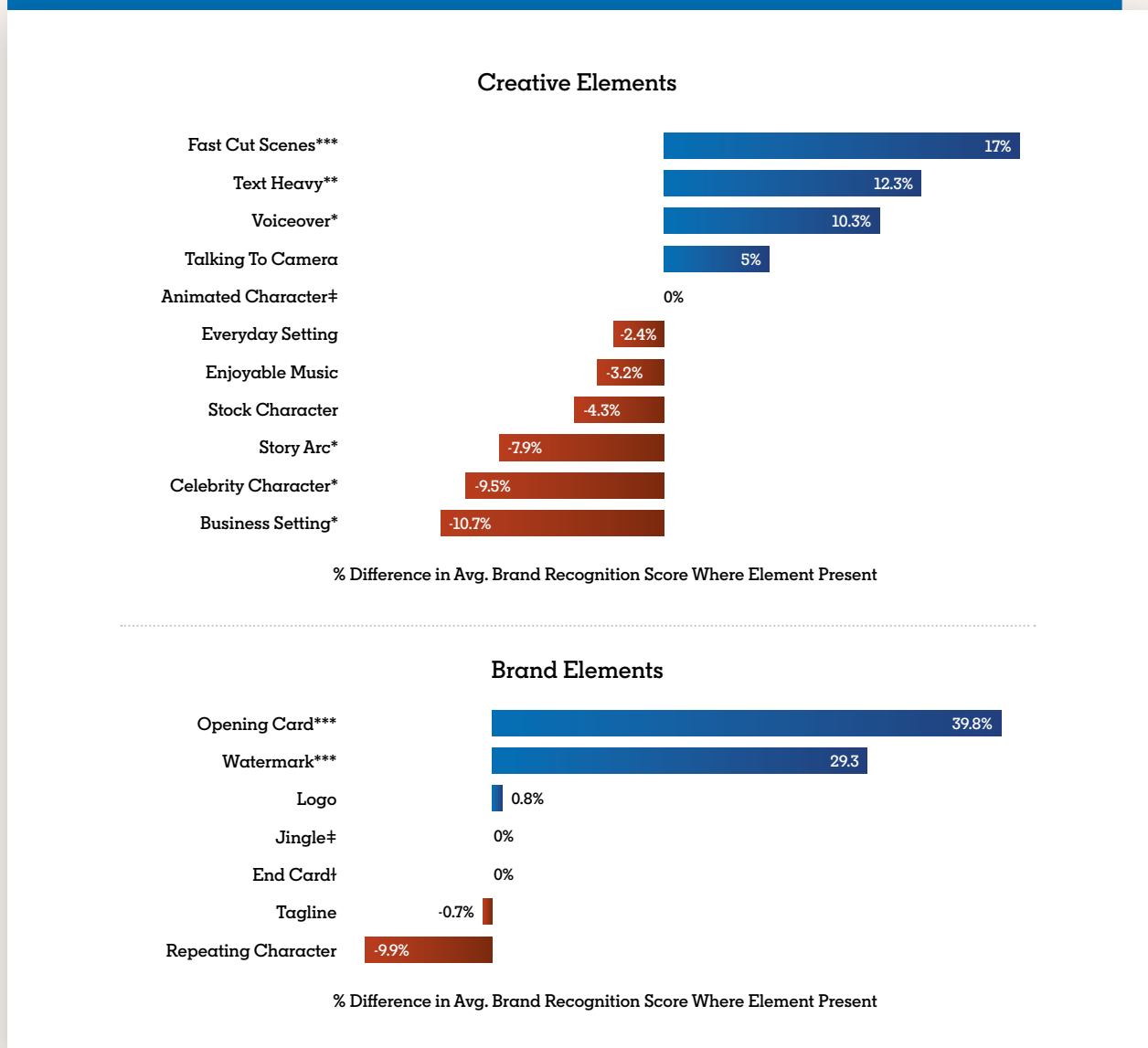
⁵Jingles were excluded from this analysis due to their low sample size, while end cards were excluded because they appear in every ad.

Brand Recognition Sooner Than Later

However, we find almost the reverse results for brand recognition as we did in our examination of elements' effect on positive emotion.

Brand recognition, as measured by System1, is a time-weighted metric that considers how many viewers of an ad correctly identify the brand and how quickly they are able to do so. Following the same methodology outlined in the previous section, the plots below show creative and brand elements by their statistical significance and percentage difference in average brand recognition scores when an element is present compared to when it is not.

Figure 4. Brand Recognition: Which Elements Are The Most Effective In B2B Tech Ads



Significance Levels: 0.05* 0.01** 0.001***

† This element could not be analyzed due to its inclusion in every ad

‡ This element could not be analyzed due to low sample size

Source: B2B Institute Analysis

Brand Recognition: Significant Positive Effect

Voiceovers and text on screen both have significant, positive associations with viewers' ability to recognize the brand, standing in sharp contrast to the emotions they elicit. Fast cut scenes similarly are significantly associated with brand recognition and is the only instance in our results where a creative element achieved a positive, significant effect on viewers' emotions and increasing brand recognition.

As concerns actual brand elements whose purpose is to make the brand more recognizable, watermarks and opening cards have the greatest effect, with brand recognition scores that are 30-40 percentage points higher on average than ads without them—and 80% of B2B tech ads don't have them. This comes as little surprise given that brand recognition is a measure of how quickly and accurately viewers can name the brand, and these two elements make the brand prevalent early on.

Brand Recognition: Non-Significant Positive Effect

Talking to the camera and brand logos are both associated with greater brand recognition in ads where they are present, although to a non-significant extent. Logos, used in over 90% of B2B tech ads, only have less than a 1-percentage point increase in brand recognition over ads that don't incorporate them. This is largely due to ads displaying a brand's logo at the very end of an ad.

Brand Recognition: Non-Significant Negative Effect

Likewise, taglines, which are also more often shown at the end, have a similarly slim margin on their average brand recognition score. In this case, however, including a tagline as a branding device is negatively associated with brand recognition. Characters also tend to be associated with a lower ability to recognize the brand early and accurately. This includes repeating characters, which are meant to be an asset for brand recognition; however, these results underscore that these kinds of distinctive brand characters only work for brand recognition when they are designed and executed well. Enjoyable music and everyday settings also achieve lower but non-significant brand recognition scores when present in ads.

Brand Recognition: Significant Negative Effect

Where a story, business setting, or celebrity is used in the ad, brand recognition is significantly lower compared to ads where they are not used. Other character types did not aid viewers in recognizing a brand, but it is only celebrity characters that have a significant, negative effect on quick and accurate recognition, likely due to the "vampire effect" in which celebrities distract from the brand.⁶

⁶Erfgen et al., 2015

Creative And Branding At Odds

These findings are largely consistent with expectations. We like characters because, as humans, we have an affinity for faces that makes it so that “detecting and identifying faces requires little cognitive effort”⁷. Stories, good music, and scenes that take place in everyday settings also feed our episodic memory, and as evidenced, can have a powerful effect on positive emotions.

By contrast, voiceovers, text on screen, and talking to the camera rely more on semantic memory to make sense of information that can often exist outside of an accompanying context, making it more difficult to process and cue any emotion.⁸ Moreover, elements like the voiceover can fall prey to the “attention blink,” in which the brain is so busy processing information that it may miss subsequent information.⁹

However, the effectiveness of fast cut scenes was a surprise. Shorter scenes that spend less time lingering on a central character have been shown to have a negative impact on ad effectiveness,¹⁰ and yet we find that it is one of the most powerful creative elements associated with positive emotions in our sample. One possible explanation for this is that the dynamic quality of these shorter scenes could help keep viewers’ attention for a product category that is only relevant to a niche audience and where almost three-quarters of ads are not emotionally engaging.

Findings from The Ehrenberg-Bass Institute, rooted in a phenomenon known as the picture superiority effect that posits that images are processed more easily than words,¹¹ led us to hypothesize correctly that logos, opening cards, and watermarks would boost brand recognition to a greater extent than the word-based tagline. Repeating characters, a distinctive brand asset in which companies design a character expressly to represent their brand, were curiously ineffective at generating higher brand recognition despite evidence showing that characters are the most “ownable” brand asset.¹² It is likely that the few repeating characters we analyzed did not perform well because the characters used by tech companies on a repeating basis are not designed or executed well within the creative, which weakens the ability of viewers to connect the character to the brand.

⁷ Ward et al., 2020

⁸ Wood, 2019

⁹ Optimizing Ads: Is Less Always More?, n.d.

¹⁰ N. Hartnett, personal communication, August 30, 2021

¹¹ Hartnett, Romaniuk, et al., 2016

¹² Ward et al., 2020

Additionally, we find that creative and brand elements are often associated either positively with emotion but negatively with brand recognition, or positively with brand recognition but negatively with emotion. Execution is important, and our diametrically opposed findings point to a lack of integration between creativity and branding that seems to prevent concurrent emotional engagement and brand recognition. The integration between creative and branding is crucial because “[if] emotional response is not linked to the brand, the ad might be remembered but not the brand because it is not instrumental in activating the emotional response.”¹³

To further explore this point, we looked at the top 10 ads in the B2B tech vertical and compared them to the top 10 B2C ads that System1 scored the highest for potential long-term market share growth.

Intangible Products Need Tangible Branding

Early Branding Matters

The top 10 B2B tech ads took an average of 18.4 seconds to correctly recognize the brand running the ad. By contrast, the top 10 B2C ads took an average of 6.7 seconds to correctly recognize the brand. In other words, B2B tech creative waits 3 times as long as B2C to say or show the brand, which is a mistake.

In spite of our findings that branding early does little for building positive emotion, it still remains immensely important because saying or showing the brand within the first third of an ad makes the ad more likely to deliver high brand recognition.¹⁴ As shown by our analysis, using brand elements that feature the brand earlier in the ad (e.g., opening cards and watermarks) is associated with brand recognition that is 30-40 percentage points higher than in ads where branding is only featured at the end. And of course, an ad cannot work if it is not linked to the advertiser.

While not among the top B2C ads we reviewed, insurance companies illustrate exceptionally well how to make branding more tangible for an intangible product and how to weave branding seamlessly into the creative.

Consider the Liberty Mutual ad below. Within the first three seconds, viewers are introduced to the brand name alongside the Lady Liberty brand logo, all of which is set against the brand’s yellow and navy-blue color scheme. In addition, we are introduced to the brand’s two distinctive brand characters, the Liberty Mutual “LiMu” Emu and Doug. The ad further reinforces the branding with an opening “LiMu Emu and Doug” jingle and ties it all together by incorporating a car as a physical embodiment of their car insurance product.

¹³Barden, n.d.

¹⁴Romaniuk, 2009



Regular Branding Matters

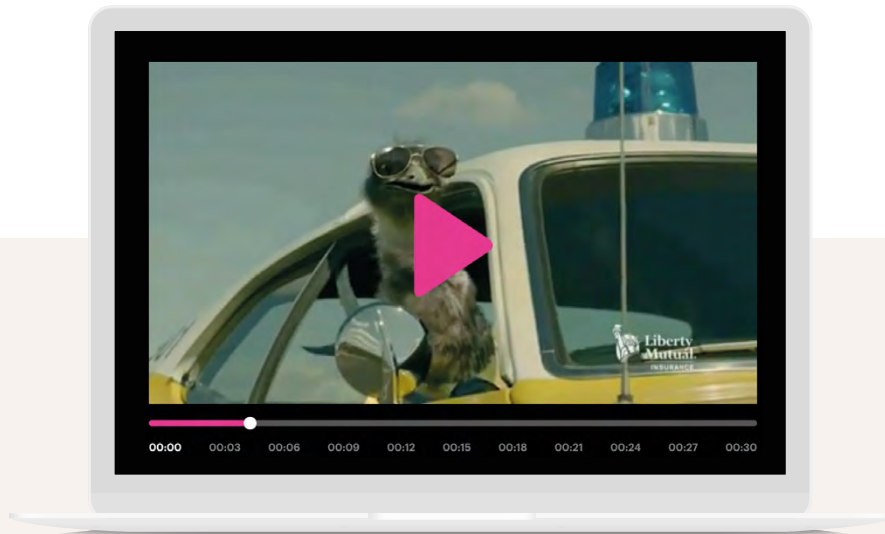
It is not just that early branding matters, it is also that regular branding matters.

Because the top B2B tech ads feature the brand less frequently, they also suffer from a slower rate of brand recognition. The top 10 B2B tech ads feature a median of 2.5 brand assets. By comparison, the top 10 B2C ads, which are predominantly for packaged food products, feature a median of 5 brand assets.

These top B2B tech ads also feature the brand every 15.5 seconds on average, while the top B2C ads feature the brand every 5.9 seconds on average—another mistake in execution, as research indicates that minimizing gaps in branding to be no more than 10 seconds apart is more likely to deliver high brand recognition.¹⁵ Not only do the top B2B tech ads feature the brand later and with less regularity, they do so while running longer ads. On average, the best B2C creative displays a brand asset 2.5 times more often than the best B2B tech creative. It is, therefore, not surprising that even the top B2B tech ads suffer from lower brand recognition than the top B2C ads.

Insurance can once again serve as an example for how to frequently brand within an ad for an intangible product. Referencing the same Liberty Mutual ad as above, at no point during this 30-second ad are there fewer than 2 brand assets on screen. This is facilitated by the company's diverse set of brand assets, which when employed in an ad, ensures that there are no gaps in branding while maximizing the potential for brand recognition.

¹⁵Romaniuk, 2009

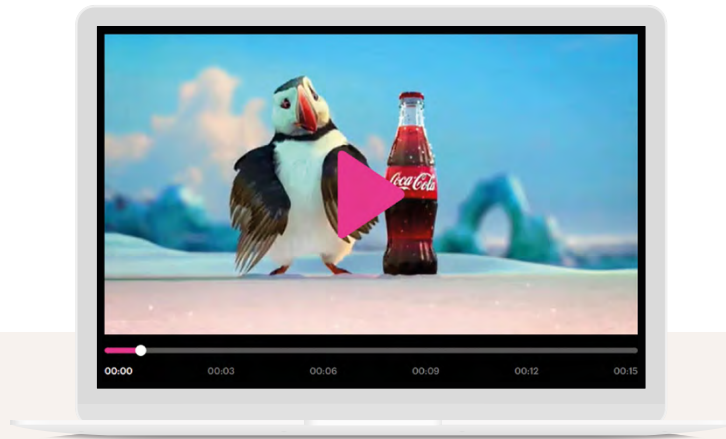


Creative Branding Matters

Most importantly, the top B2C ads design their branding so seamlessly into the story that the creative and branding are inseparable.

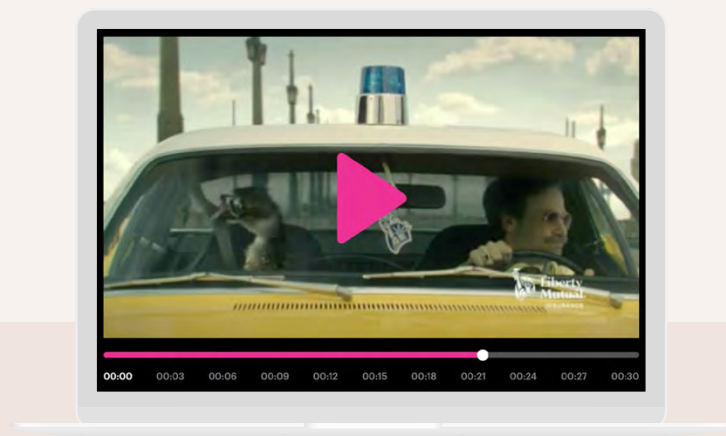
Consider the Coca-Cola ad below, in which the brand's distinctive polar bear helps a puffin open a Coke bottle, itself a distinctive package shape with a distinctive Coke-red cap and label that feature the brand's logo. This ad, which is among the highest rated for its likelihood to generate market share growth in System1's database of ads, is exceptional in the way that its creative is designed around its branding. The ad features early branding by subtly designing the brand's distinctive assets into the narrative from the start, and it features regular branding by using either the bottle or polar bear in every scene. Since branding is so prominent throughout, it is also easy to ensure that the brand is present at a peak moment of positive emotion in the ad—something that 100% of the top B2C ads do compared to 60% of the top B2B tech ads, and which makes remembering the brand more likely as viewers connect the brand to a pleasant experience.¹⁶

¹⁶Lang et al., 1995; "The Importance of Timing in Emotional Messages," 2020



Admittedly, the products in these top B2C ads have the advantage of being tangible and, therefore, more easily integrated into visual advertising through the display of the packaged good. In addition, the brands in these top-scoring ads are already famous and possess recognizable brand assets, such as distinctive packaging (e.g., the Coke bottle, the Hershey's kiss) and distinctive characters (e.g., the Pillsbury Doughboy, the talking M&Ms).

Displaying a product that exists only on a computer screen is less likely to be heartwarming, which is why the more intangible a product is, the more tangible its branding needs to be to engage the viewer on an emotional level.



Brand elements like the LiMu Emu and Doug work well because they put a recognizable, recallable face to what would otherwise be a digital interface. Additionally, their presence is central to the story being told and provides other opportunities to reinforce branding in creative ways. Just look at the screenshot above, in which we see the yellow and blue color scheme used once again in the car and the clouds, as well as the brand's Lady Liberty logo hanging from the rearview mirror as an air freshener and in the watermark next to the brand name in the corner.

Essentially, your branding should be creative, and your creative should be branding. They should be inseparable.

Conclusion

Despite the financial returns that good creative can reap, a gap persists in creative B2B advertising that is enjoyable to watch, cues the viewer into the brand, and most importantly, contributes to long-term market share growth.

In *Cashing In On Creativity*, we identified that most B2B ads would be ineffective at generating sustained growth for a brand. This analysis focusing solely on B2B tech ads similarly finds that 71% of these ads won't contribute to a brand's market share growth 6 months or more past an ad's initial showing.

Through our analysis of nearly 600 ads, we see that tech creative relies too heavily on creative elements like the voiceover and professional business setting. These elements, respectively present in 78% and 71% of the ads we reviewed, are associated with ads that score lower for positive emotional response among viewers. When ads fail to connect with viewers in a way that makes them feel good, they are less likely to hold attention and lead to a sale. Incorporating more creative elements with a stronger association to positive emotion, such as stories, characters, good music, and everyday settings, would help B2B tech firms find greater success with their advertising.

Earlier branding would also facilitate these B2B tech firms' growth. While all of these ads brand at the end by displaying a combination of the brand name, brand logo, or tagline, these elements have little effect on fast and accurate brand recognition. By contrast, brand recognition is 30-40% higher for ads that use an opening card or watermark throughout the ad compared to those that don't. If viewers don't know who the ad is for, they won't be able to buy the product now or in the future.

Finally, our results point to a lack of integration in creative and brand elements in B2B tech advertising. In a review of the top 10 B2C ads and the top 10 B2B tech ads, the former consistently perform better on early branding and regular branding, and their creative and branding are inseparable. This inseparability matters—when the branding is creative and the creative is branding, every moment of the ad is an opportunity to play to viewers' emotions while ensuring that the brand is integral to the emotional response. And for intangible products like those in tech, branding needs to be especially tangible to give viewers the chance to connect and engage with the product on an emotional level.

While a singular roadmap for making good creative remains elusive, we hope that this first analysis into advertising for the B2B tech vertical provides insight into which elements are more likely to engender positive emotions in viewers and make your brand more recognizable, and how to execute on both so that creative and branding become intertwined rather than existing at the expense of the other.

The B²B Institute

Appendix

Appendix A

Methodology

Dataset

Our industry partner, System1, provided us with 708 ads originally aired between November 2013 and April 2021 in the US market and pertaining to technological products and services aimed at providing B2B support. After identifying and filtering out ads with a B2C target audience, the sample consisted of 587 ads with data predicting their long-term market share growth potential, a metric that is calculated by System1 and known as their star rating. This metric is a measure of the emotions viewers' experience while watching a given ad and is weighted more heavily toward positive emotions, in particular happiness and surprise. As well as being a measure of predicted market share growth potential 6 months or more after an ad's initial showing, star rating is also a measure of viewers' positive emotional engagement with an ad. The sample size was further reduced to 400 ads for analyses examining brand recognition, a metric that captures the proportion of viewers who correctly identify the brand and the proportion who do so within the first 6 seconds, for which System1 began collecting data in early 2018. Data on the emotions that viewers experience and viewers' ability to recognize the brand are obtained in a forced exposure setting.

The companies attached to the ads in this sample are both public and private, with the former having market capitalizations ranging from 650 million USD to more than 1 trillion USD¹⁷, and encompass several products and services including, but not limited to, cloud computing, online communications, document software, HR and finance tools, website building, and skills training. Ad durations range from 5 seconds to 120 seconds, with 71% of 587 ads lasting for 30 seconds and 98% of ads lasting between 15 and 60 seconds in length.

Coding

To examine the creative and brand elements present in these ads, we identified 18 elements of interest that align closely with System1's definitions of left and right-brain attributes. Ads were parceled out to 4 coders who, following a codebook of definitions for each element, manually coded each ad on a binary scale to capture whether an element had been used in an ad or not (for the full list of elements and their definitions, see Appendix B). The resulting datasets for each coder were checked for consistency against one another by comparing the proportion of ads where an element was coded to be present. If proportions were not similar across each of the coder's datasets, ads were reviewed and recoded as necessary.

¹⁷Market capitalizations from Yahoo Finance from mid-end July 2021

A Note On Characters

Originally, the only variables we coded with concerns to character types were Characters Acting, Celebrity Characters, Animated Characters, and Repeating Characters. Characters Acting is a broad measure of whether an ad contains humanoid figures central to a story arc. Celebrity Characters and Animated Characters are two types of characters and are considered to be creative elements, while Repeating Characters is a brand element meant to capture a brand's intention to use a character as a distinctive brand asset. An additional creative element, Stock Characters, was added after coding had been completed by subtracting Repeating Characters from Characters Acting. This was meant to delineate between brands using a distinctive character asset versus ads using a character meant to tell the ad's story but with no ongoing affiliation to the brand. There can be overlap between the varying character measures. For example, while not a B2B tech ad, the Liberty Mutual Emu is an Animated Character and a Repeating Character.

Analysis

The analysis was conducted in three parts: 1) a descriptive statistical analysis to examine ads' potential effectiveness in contributing to market share growth using System1's star rating, and to determine the proportion of ads that incorporate each creative and brand element; 2) an independent t-test or independent Welch's t-test where variance was unequal to assess the individual effects of creative and brand elements on positive emotion and brand recognition (for t-test results, see Appendix C); and 3) a descriptive statistical analysis examining the top 10 B2C and top 10 B2B tech ads, supplemented with anecdotal evidence of how branding is integrated into creative advertising for both categories.

Limitations

Along with inevitable human error, it is likely that subjectivity crept into the coding process when determining whether a creative or brand element was present in an ad. This is especially likely for those elements that play off our own preferences and biases, such as in asking whether music is good, what counts as fast enough for fast cut scenes, and even if there is a story happening in the ad or not.

Additionally, the dependent variable for emotion, System1's star rating that effectively measures the positive emotions that an ad generates, has a prominent right skew. While still within acceptable bounds, this skew may have affected the results of the t-test. Animated characters and jingles lacked the requisite sample size to be included in the t-test analyses for emotion and brand recognition.

And while the t-tests provide valuable information about which creative and brand elements are associated with greater positive emotion and greater brand recognition, mean scores of ads where an element is present versus not present only show relative differences. Using or not using an element in an ad will not guarantee an outsized performance, but it can improve an ad's effectiveness.

Appendix B

Element Name	Element Type	Element Description
Animated Character	Creative	If characters are featured in the ad, are they animated or non-human (e.g., an alien, a robot)? This is contingent on Characters Acting and/or Repeating Character being present.
Business Setting	Creative	Does the ad show examples of business settings (e.g. a shop), corporate settings (e.g. a professional office space) or specialist settings (e.g. a doctor's office, a school)?
Celebrity Character	Creative	If characters are featured in the ad, are they a well-known person? This is contingent on Characters Acting and/or Repeating Character being present.
Characters Acting	Creative	Does the ad feature individuals, either human or non-human, playing a part in a story? A story is defined as having a narrative with a beginning and an ending that has a resolution (see Story Arc). Ads featuring individuals without a story should not be coded as having characters.
Enjoyable Music	Creative	Does the ad have a soundtrack that is famous, well-known, or has a beat that makes you want to move? This is NOT the same as a brand jingle or brand sound.
Everyday Setting	Creative	Does the ad show examples of every day environments or activities? (e.g., a home, a park, a restaurant)
Fast Cut Scenes	Creative	Does the ad include many scenes that last for short periods of time, or does the ad compress a story by cutting away from scenes quickly?
Stock Character*	Creative	Does the ad feature individuals that are not repeating characters associated with the brand? Note: This element was derived after coding had been completed by subtracting Repeating Characters from Characters Acting.
Story Arc	Creative	Does the ad construct a narrative with a beginning and an ending that has a resolution?
Talking To Camera	Creative	Is there a person speaking directly to a camera?
Text Heavy	Creative	Does the ad include superimposed words and/or other text on the screen, such as product information? Is the viewer required to read the screen to understand the story? Note: Displaying products that are text-based (e.g., a software interface) should not be coded as having text on screen.
Voiceover	Creative	Is there a disembodied voice that is telling a story or speaking about the product/company?
End Card	Brand	In the closing few seconds of the ad, is a brand logo, product/service, or company name shown?
Jingle	Brand	Is there a jingle, music or sound effect that is known to be distinctively associated with the brand?
Logo	Brand	Is a brand logo shown in the ad?
Opening Card	Brand	In the opening few seconds of the ad, is a brand logo, product/service, or company name shown?
Repeating Character	Brand	Is there a person or character that is known to be distinctively associated with the brand? Story Arc does not have to be present. Note: Celebrities that appear in several ads for the same product or company are considered to be repeating brand characters.
Tagline	Brand	Is there a written or verbal tagline included in the ad?
Watermark	Brand	Is there a static logo or brand trademark permanently fixed to the screen for an extended duration?

Appendix C

Results Of Independent T-Test for Positive Emotion

Element Name	Element Type	Mean Score: Element Not Present	Mean Score: Element Present	Difference in Means	P-Value
Creative	Business Setting	1.645	1.693	2.9%	0.473
Creative	Celebrity Character	1.660	1.84	10.8%	0.075
Creative	Enjoyable Music	1.608	1.766	9.8%	0.010**
Creative	Everyday Setting	1.516	2.014	32.8%	1.48E-12***
Creative	Fast Cut Scenes	1.507	1.804	19.7%	4.14E-07***
Creative	Stock Character	1.619	1.749	8.0%	0.038**
Creative	Story Arc	1.556	1.778	14.3%	1.88E-04***
Creative	Talking To Camera	1.667	1.715	2.9%	0.537
Creative	Text Heavy	1.717	1.598	-6.9%	0.068
Creative	Voiceover	1.805	1.643	-9.0%	0.046*
Brand	Logo	1.578	1.689	7.0%	0.292
Brand	Opening Card	1.724	1.510	-12.4%	0.002**
Brand	Repeating Character	1.676	1.697	1.3%	0.825
Brand	Tagline	1.750	1.649	-5.8%	0.133
Brand	Watermark	1.721	1.498	-12.9%	0.004**

Significance Levels: 0.05* 0.01** 0.001***

Results Of Independent T-Test For Brand Recognition

Element Name	Element Type	Mean Score: Element Not Present	Mean Score: Element Present	Difference in Means	P-Value
Creative	Business Setting	46.82	41.82	-10.7%	0.011*
Creative	Celebrity Character	43.62	39.46	-9.5%	0.027*
Creative	Enjoyable Music	43.87	42.45	-3.2%	0.365
Creative	Everyday Setting	43.53	42.48	-2.4%	0.505
Creative	Fast Cut Scenes	39.06	45.70	17.0%	3.42E-05***
Creative	Stock Character	44.11	42.21	-4.3%	0.227
Creative	Story Arc	45.16	41.59	-7.9%	0.026**
Creative	Talking To Camera	42.64	44.78	5.0%	0.243
Creative	Text Heavy	41.29	46.38	12.3%	0.002**
Creative	Voiceover	39.91	44.02	10.3%	0.035*
Brand	Logo	42.84	43.20	0.8%	0.885
Brand	Opening Card	39.72	55.53	39.8%	2.20E-16***
Brand	Repeating Character	43.54	39.23	-9.9%	0.121
Brand	Tagline	43.36	43.08	-0.7%	0.872
Brand	Watermark	41.03	53.05	29.3%	2.36E-09***

Significance Levels: 0.05* 0.01** 0.001***

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