

**is the**  
**big idea**  
**giving way**  
**to marketing**  
**science?**

In advertising, evidence shows that creativity and human judgement are steadily giving way to statistics.

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The signs are all around us. Take for example the journey of media mix optimization from 40 years ago to today, with attribution modelling now undertaken exclusively by media analysts. Another example is today's analysis of near real-time behavioural data, enabling marketers to continuously revise their tactics. Access to statistically-based modelling of this kind is enabling brand managers on the client side to take a more scientific approach than the agency's own planners.

## Communications: Instinct vs Reasoning

It seems no matter which aspect of communications you examine, it is difficult not to conclude that instinct is giving way to 'quantitatively-based reasoning'. By that I mean the quantitative techniques used by marketing science to identify the drivers of consumer behaviour. This data gives clients and their ad agencies empirically-based insights that enable goal oriented creative construction, and removes the reliance on gut feel.

John Rossiter and Larry Percy, in their seminal text Advertising Communications and Promotion Management, argue that the only unique function an ad agency has to offer is creativity. So surely the agency's creative department is the last safe haven against this outside numeric intrusion.

## Quantitative Research muscling in on Creative

I'm afraid the evidence is that when it comes to brand building, and those frame-breaking leaps of imagination that lead to the 'big idea', quantitatively-based reasoning is muscling in on, or at least increasingly setting the boundaries for, creativity.

Perhaps an early ancestor to this 'intrusion' into creative territory was Macquarie Bank. Ten years ago, Macquarie Bank developed its highly successful strap line 'Forward Thinking' by telling the agency that the new strap line must be based on the positioning: 'innovation.' As a choice driver, 'innovation' had been statistically proven to be a driver of product adoption for high net-worth individuals who were seeking product solutions not available elsewhere. This was an early recorded instance of statistical modelling of drivers of market share being used to direct the agency's creative brand output.



## Market Share drivers, driving Creative

Increasingly, clients will demand that product-level brand propositions be based on statistical modelling of drivers of market share, rather than popular alternatives such as 'two quick focus groups'.

Speeding up this substitution are examples of clients who have substantially increased their market share in a relatively short period of time based on such statistical modelling. Take Jetstar as an example. It has been reported that Jetstar gained 4.1% market share of the Australian domestic air travel leisure market in 2009. Jetstar ascribed its improved share to initiatives associated with quantitative modelling of drivers of market share.

The correlation between what the statistical model predicted and the actual choice of airline was 0.92. Little wonder David May, the General Manager of Marketing at Jetstar, was confident in narrowing the creative direction towards the category's strongest drivers of market share acquisition.

## Courage under fire

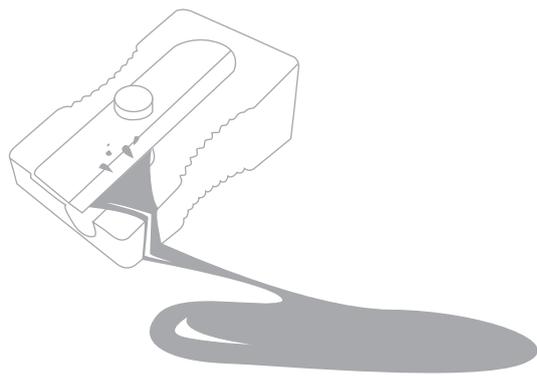
When a statistical model provides such face and predictive validity, management is likely to have greater courage under fire and be more decisive in its planning and implementation.

Incidentally, Rossiter and Percy conclude that in most cases agency relationships are terminated because of a perceived failure to produce winning creative ideas. If a competitor's agency is making use of quantitative techniques, so too must you.

## Building Brands efficiently: cohabitation of Quantitative Analysis and Creative

From an agency perspective, the cohabiting of quantitative analysis and creativity has its own benefits, such as enabling the creative team to focus its energy into developing a proposition that is 'proven' to be linked to increasing market share, and therefore brand building.

It is not that creativity and instinct will be lost to advertising. The ubiquity of marketing science's statistical modelling will inevitably narrow the focus of agencies to just a handful of choice drivers. And at that time, once again, the winners will be the brands with the best creativity. To that extent, the big idea will never be replaced by marketing science.



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