

Advertising Pays 4: Export value and global impact.



Produced by:



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Introduction



*James Murphy,
Founder and CEO of adam&eveDDB and
Chairman of the Advertising Association*

The idea that advertising contributes significantly to the UK's balance of trade may seem an odd one. How do you export an ad? But in fact, our advertising sector – not only creative and media agencies, but associated all-channel production houses, digital design companies, consultancy and market research providers, and a host of other businesses large and small, metropolitan and regional – has a reputation for excellence that attracts clients from all over the world.

It attracts talent, too. London has a uniquely international advertising community, serving advertisers and media owners who centralise their regional or global operations here, and bring their skills and spending power.

The UK's reputation for quality in all forms of advertising service is valuable not only in hard cash, with exports valued at over £4.1 billion, but in terms of 'soft power', too. Our agencies' award-winning creativity is admired and echoed around the world, while our government-sponsored advertising for behavioural change, and our self-regulatory system, are both models that have inspired adoption in other countries.

Fiercely competitive, entrepreneurial and innovative by nature, UK advertising punches well above its domestic weight on the world stage. To sustain that edge, we need to stay open to the world: open, that is, to the stream of talented people we need to thrive as a global hub, and open to trade our professional services freely across borders.

We have a special competitive strength as a country in a growing, influential and valuable business sector; let's keep it that way.

James Murphy

Foreword



*The Rt Hon Sajid Javid MP,
Secretary of State for Business, Innovation and
Skills and President of the Board of Trade*

American showman PT Barnum may have been a controversial figure, but he certainly knew a thing or two about marketing. So it's hard to argue with his famous mantra that "Without promotion something terrible happens... nothing."

It turns innovative ideas into blockbusting businesses. It funds everything from traditional newspapers to high-end television to online social networks. And it's a massive business in and of itself, a mainstay of Britain's 21st-century economy.

As this report sets out, the UK is the most important centre for advertising in Europe, and vies with the USA for global industry leadership. Britain's creatives are admired around the world and have produced some of the most recognised and innovative advertisements of recent years.

Global brands come to Great Britain to secure the best marketing campaigns, and British brands gain a global market through the strength of our advertising talent. The UK advertising industry is also highly entrepreneurial, with a very high level of start-up companies. According to this report, it all adds up to exports worth £4.1 billion per year – a significant contribution to our economic growth.

125 years after Barnum's death, promotion is just as important as ever. But today's advertisers have more channels, more choices, and more opportunities than ever before. And without them, Britain's business landscape would be a much less prosperous – and interesting – place.

Sajid Javid MP

Five key facts



Annual UK exports of advertising services are worth **£4.1 billion**



The UK's balance of payments surplus for advertising is the biggest in Europe – **£1.6 billion**



Advertising export growth outstrips the wider economy and the creative industries

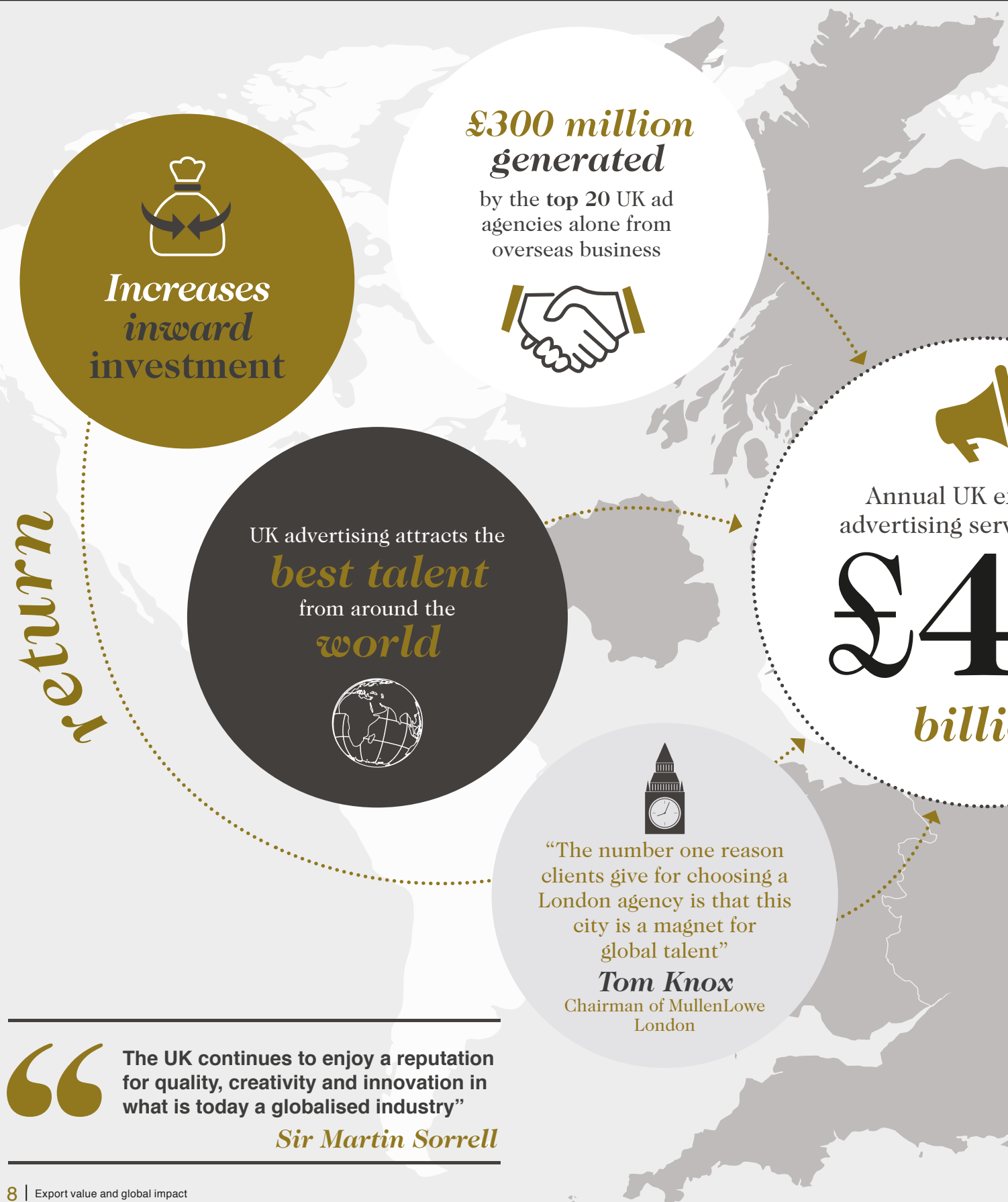


35% of the top **20** UK ad agencies' total revenue is generated by overseas business – almost **£300 million**



Since 2005 the UK has won **more Cannes Lions** than any other European country

Export value and global impact



of UK advertising



Executive summary

UK advertising has a long-established reputation for excellence – a reputation now reflected in substantial foreign earnings. This report seeks to pin down the causes and effects of this reputation, evaluating exactly what it is that UK advertising exports to other countries – not just in terms of its services, but also through its creativity and talent, and its impact on economies and societies around the globe. Such international standing creates a virtuous cycle, with the UK continuing to attract foreign earnings and global talent, both crucial ingredients for the enduring success of UK advertising.

The report is divided into five sections:

1. Exporting advertising services

Government statistics have estimated that annual UK exports of advertising services total £4.1 billion. Such a figure demonstrates the very significant contribution of advertising to overall UK exports. Advertising yields more export value than insurance or construction services, and more than twice as much as either accounting and auditing or recruitment.

Much of this can be attributed to leading creative and media agencies. More than a third (35%) of the revenue of the former comes from work undertaken for overseas markets.

Most of these exports go to Europe, although the Americas and Asia are also enthusiastic buyers of UK advertising. The UK balance of payments for advertising-related services – the difference between exports and imports – is second only to the USA, and five times the French figure. In terms of international trade

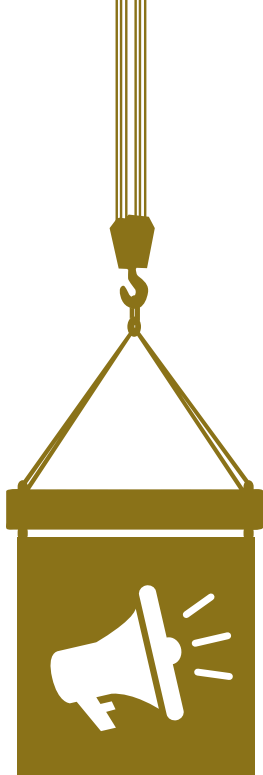
in advertising services, the UK is far ahead of its neighbours – Germany and Italy import much more than they export.

As well as selling its own services to foreign buyers, advertising has a sizeable indirect impact on the exports of other industries through its role in bolstering the global brands of UK companies.

2. Creative leadership

UK advertising is renowned throughout the world for its creativity – as demonstrated by the UK's consistently impressive performance at the Cannes Lions awards, the recognised international standard for creativity. Such prestigious awards for advertising creativity correlate strongly with improved business performance.

In the last decade, UK companies have won more Cannes Lions awards than any other country apart from the USA. If we look solely at the Grand Prix winners (the outstanding entry for each award category) since the event started in 1954, then the UK is once again second only to



Advertising yields more export value than insurance or construction services, and more than twice as much as either accounting and auditing or recruitment

the USA. And if we measure these awards per dollar gross domestic product (GDP), the UK is way ahead of any other country among the top 20 economies in the world.

In addition, other UK creative exports are nurtured by advertising. For example, successive internationally acclaimed TV series were initially aired on advertising-funded commercial channels in the UK.

3. Global talent hub

The vibrancy and international outlook of the UK advertising market is sustained by the constant injection of foreign talent eager to take advantage of the first-class experience and training on offer. Equally, many people schooled in the advertising business in the UK have gone on to assume highly influential positions in companies throughout the world.

UK advertising has always been acclaimed for its creativity and strategic thinking. It can now point to a rapidly developing expertise in digital advertising, which constitutes

a greater part of overall advertising spend in this country than anywhere else in the world. The ad tech industry, handling the technology that supports digital advertising, is growing rapidly alongside it. UK-trained digital talent is thus likely to play a major role in meeting burgeoning global demand.

Training qualifications offered by our highly respected advertising and market research trade organisations represent another influential export.

4. Inspiring social change worldwide

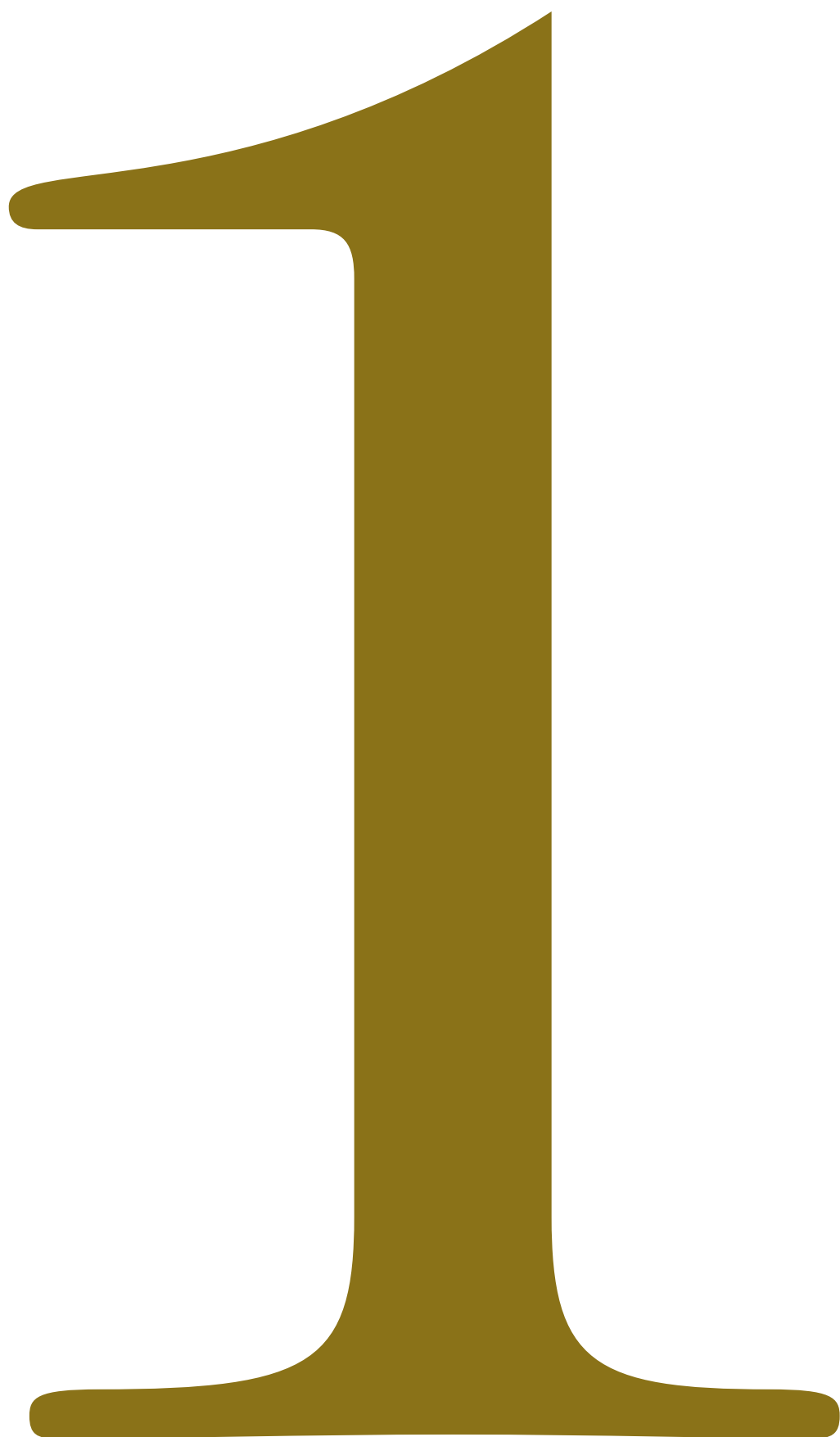
UK-created public awareness campaigns have attracted widespread international attention, with their messages disseminated throughout the world. For example, the long-running THINK! campaign, which sought successfully to improve road safety, has since been adopted by several other countries.

5. Fostering international standards in self-regulation

The Advertising Standards Authority (ASA) is the largest and best-funded

self-regulatory system in the world. It serves as a role model, with other countries often choosing to replicate aspects of its structure, or seek guidance and advice as they develop their own systems.

EXPORTING ADVERTISING SERVICES



1

EXPORTING ADVERTISING SERVICES

An array of official statistics clearly demonstrates the global strength of UK advertising.

A 2014 Office of National Statistics (ONS) survey on international trade in UK services attributed an annual export figure of some £4.1 billion to advertising.

This figure, which represents the export of advertising services by all UK companies regardless of sector (including, for example, TV and film production companies making ads for foreign buyers), underlines the prominent contribution of the industry

to the UK's export trade as a whole. Advertising services yield more export value than insurance or construction services, and more than twice as much as either accounting and auditing or recruitment (Figure 1).¹

The precise definitions of industries vary in different official surveys, resulting in some discrepancies in the published statistics. But behind the headline figures, the importance of advertising to UK exports, not to

Figure 1: Total export value of advertising services and other comparable industries (£ million)



¹ Office for National Statistics (2014), "International trade in services", <http://goo.gl/l8h0o8>. The 2014 figure for "Advertising, market research and public opinion polling services" was stated as £4.97 billion. In previous years, "Advertising" and "Market research and public opinion polling services" had been two discrete categories. As they have now been combined, we reached the 2014 figure for advertising by taking the proportion of advertising exports in the 2012 combined total, and applying the same proportion to the 2014 combined total.

The annual export growth figure for advertising and marketing in 2012–13 was 12.7%, considerably higher than for the creative industries as a whole (3.5%), or indeed for UK services overall (4.5%)

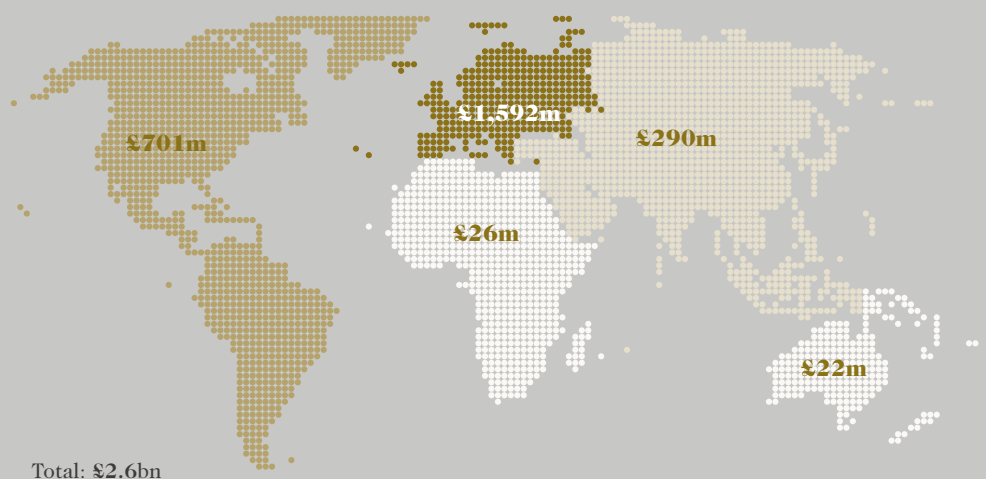
mention its role in promoting the international reputation of British business, is crystal clear.

The Department for Culture, Media and Sport (DCMS) estimates total exports for what it terms the “advertising and marketing” industry at more than £2.6 billion in 2013. What’s more, international demand for the services provided by UK companies appears to be growing. The above figure represents a jump of almost a quarter (23.6%) since 2009, despite the slowdown in the global economy during much of this period.² The annual export growth figure for 2012–13 was 12.7%, considerably higher than for the creative industries as a whole (3.5%), or indeed for UK services overall (4.5%). Much of this increase is likely to emanate from the

rapid expansion of digital advertising services provided by UK companies (see Section 3).

Europe was the destination for most of these exports, paying more than £1.5 billion for UK advertising and marketing services. But further exports of services amounting to more than £1 billion were received far and wide, with the Americas and Asia being particularly keen purchasers of UK advertising and marketing (Figure 2).

Figure 2: Geographical breakdown of advertising and marketing export figures



² Department for Culture, Media and Sport analysis of ONS “Annual Survey of International Trade in Services” published in “Creative Industries: Focus on Exports” (2015), <https://goo.gl/vvprRb>

Producing ads for overseas agencies

Advertising production companies deal with the nuts and bolts, putting creative ideas into concrete form by making the ads themselves. According to Steve Davies, Chief Executive of the Advertising Producers Association (APA), the UK is right at the forefront of this segment of the industry. “We can’t seem to stop winning international awards for production,” he says. “The companies themselves tend to be very small, but their standing in the world is huge.”³

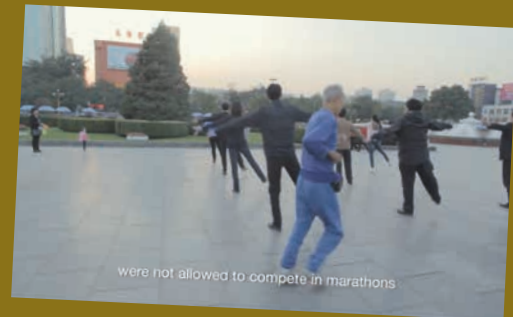
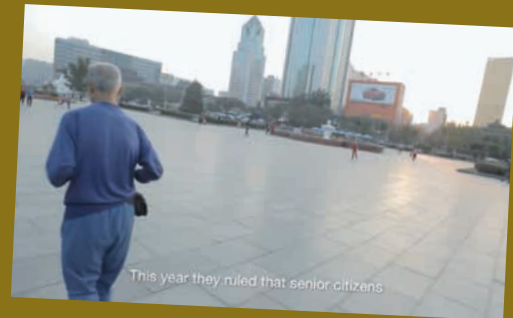
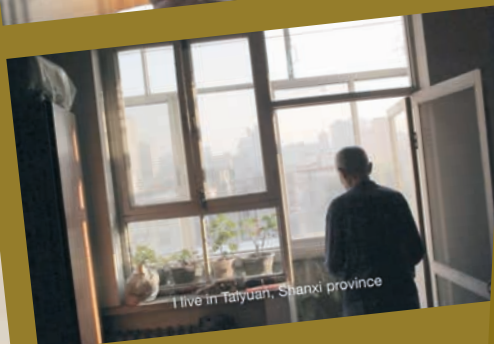
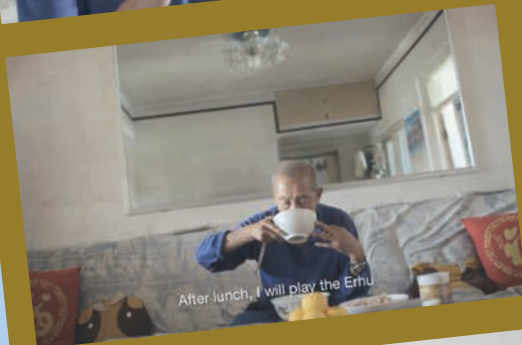
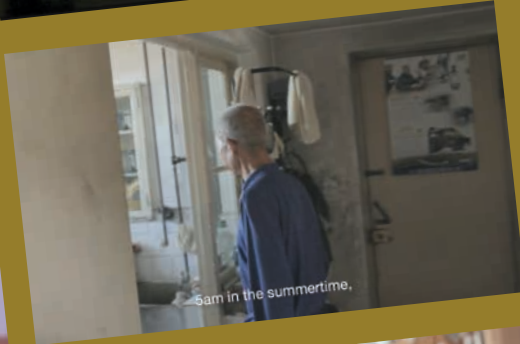
One such company is Knucklehead, founded in London in 2005. It has a small roster of 15 film directors, but has nevertheless worked for many of the world’s major brands. One of its acclaimed productions was the film “Mr Sun” for Nike China through the global advertising agency Wieden+Kennedy. The film was one of five documentaries telling the stories of runners who have undergone life-changing experiences through the sport. The runners included “Mr Sun”, a 74-year-old who has been competing in marathons for the past 20 years. In 2013, he was denied entry for being

too old, but, refusing to be cowed, he ran anyway under a different name.

Tim Katz, Managing Partner at Knucklehead, argues that similar determination has enabled his company to succeed in foreign markets. “It’s not necessarily easy at first to do a job for a company in China or Japan,” he says. “But you do it once, you make some mistakes, you do it again, then you do it again, and suddenly you start to understand exactly what it is they want, and how to deliver it.”⁴

³ Interview with the Advertising Association, 10 November 2015

⁴ Interview with the Advertising Association, 18 November 2015



Almost £300 million is generated by the top 20 UK ad agencies alone from overseas business






Needless to say, exporting services is absolutely vital for many companies in the sector. According to a 2015 survey of top UK advertising agencies by the Advertising Association, total overseas revenue amounted to around 35% of their total revenue – almost £300 million in exports.⁵

In terms of balance of payments – the difference in total value between exports and imports – the UK fares extremely well in comparison with many of its peers in the developed world. The United Nations Service Trade Statistics Database states that the UK balance of payments for “advertising, market research and opinion polling” in 2012 stood second only to the USA, at more than \$2.4 billion (£1.6 billion) (Figure 3).

This figure is five times as large as that for France. In Germany and Italy, imports actually exceed exports by a substantial margin. Given that the DCMS figures showing that the bulk of

UK advertising exports go to Europe, we can deduce that a considerable proportion of the advertising services used in France, Germany and Italy (countries which, together with the UK, have the largest GDP in Western Europe) emanate from the UK (Figure 3).⁶

Figure 3: Balance of payments (BOP) for major countries from UN statistics (USD)

				NET BOP
	USA	7,397,000,000	3,245,000,000	4,152,000,000
	UK	5,642,926,027	3,211,976,387	2,430,949,640
	RUSSIA	3,960,070,000	1,735,524,000	2,224,546,000
	CHINA	4,750,901,986	2,773,411,936	1,977,490,050
	FRANCE	5,597,361,000	5,102,119,800	495,241,200
	INDIA	632,837,080	1,174,276,828	-541,439,748
	GERMANY	5,790,846,600	6,633,943,200	-843,096,600
	ITALY	1,500,962,634	2,815,810,704	-1,314,848,070

⁵ Survey by the Advertising Association of the top 20 advertising agencies in the UK. Seventeen of the agencies responded.

⁶ United Nations Service Trade Statistics Database, <http://unstats.un.org/unsd/servicetrade/>

Promoting a brand globally



In May 2014, Rémy Cointreau called for a review of the global advertising for its iconic cognac brand, Rémy Martin.⁷ A competitive pitch followed, with British agencies locking horns with their French counterparts.

Six months later, the London-based agency DLKW Lowe (now known as MullenLowe London) was handed lead agency status for the Rémy Martin global account. This success serves as a clear example of the international reach and stature of UK advertising. “We overcame several foreign competitors to lead the advertising for the brand of a private French company, most of which will take place in China and the United

States,” says Tom Knox, Chairman of MullenLowe London.⁸

The new campaign was launched first in the USA with the tagline “One Life / Live Them” which “encourages consumers to explore and celebrate all their talents.”⁹ Rémy Martin has partnered with the American actor Jeremy Renner for the celebrity-led campaign.

⁷ DLKW Lowe website, 5 November 2014, “DLKW Lowe Wins Lead Status On Global Rémy Martin Account”, <http://www.dlkwlowe.com/news/dlkw-lowe-wins-lead-status-global-remy-martin-account/>

⁸ Interview with the Advertising Association, 28 July 2015

⁹ DLKW Lowe website, “Rémy Martin: One Life / Live Them”, <http://www.dlkwlowe.com/our-work/one-lifelive-them/>

Coordinating a global campaign from the UK

Unilever is the world's largest ice cream manufacturer. Much of this ice cream business falls within the "Heartbrand" brand umbrella, with its distinctive heart-shaped logo appearing in more than 40 countries on products such as Magnum, Cornetto and Carte d'Or.

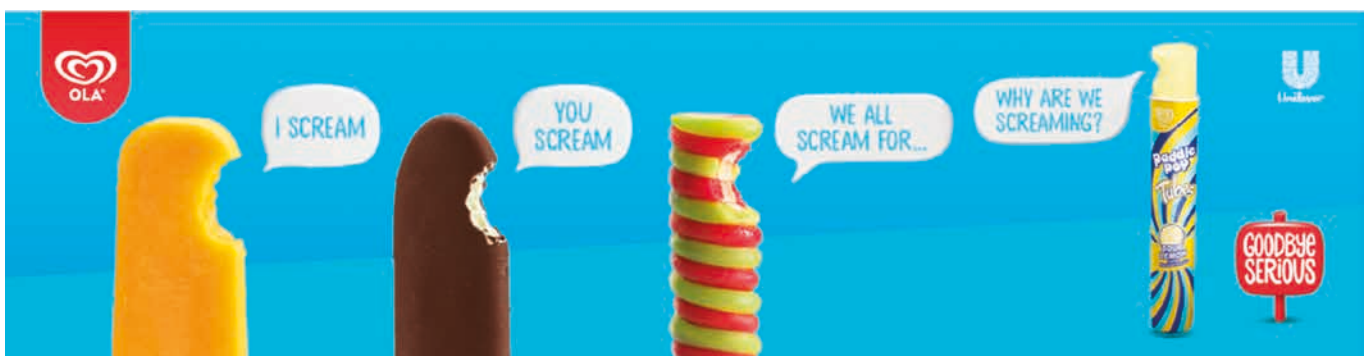
The advertising for Heartbrand is created by adam&eveDDB, a company formed in 2012 from the merger of the existing DDB London office with the fast-growing independent UK agency adam&eve. The current campaign focuses on ice cream as an impulse purchase that gives the buyer instant enjoyment.

"This campaign, which has run so far in 17 countries, is designed to pop up everywhere, on the streets, at bus stops, on the underground," says Rob Nichol, Managing Partner at the agency.¹⁰

The precise message delivered depends on the distinctive feel of the city and local environment where the ad is placed. The language, too, is carefully tailored for each country so that this message is not

lost in translation. This whole process is overseen by a multilingual team in London, although the local DDB agency will work with their Unilever counterpart to devise the particular wording.

"We supply the template, but the ultimate authority rests with the local businesses," Rob says. "It's global and local interacting effectively. There may be global creative oversight, but local people love the ads because they speak to them in their own vernacular, with their own cultural references."



¹⁰ Interview with the Advertising Association, 9 December 2015

ESKIMO®

AM VERTEILERKREIS IST WIEDER A PLANQUADRAT

I GEH EH Z'FUAS!

ciao ALLTAG!

#CIAOALLTAG

ALGIDA®

LIUK, SONO TUO PADRE!

I CLASSICI DI SEMPRE!

LIUK

KIBON®

O QUE VOCÊ TÁ ESCONDENDO AI?

VAI TER QUE TIRAR UMA CASQUINHA PRA DESCOBRIR

TÁ NA HORA DE KIBON

#TCHAU SERIEDADE

The top ten UK brands alone have a combined brand value of almost US\$150 billion.

When it comes to international trade in advertising services, the UK stands head and shoulders above its main European competitors.

Of course, advertising does not just boost UK exports through the provision of its own services to international clients. By using its collective skills and experience to strengthen and hone the global brands of UK companies, its impact on the exports of other industries is great, albeit impossible to quantify exactly. By way of example, five UK

brands – Vodafone, HSBC, Shell, BT and BP – were listed in BrandZ’s 2015 survey, the “Top 100 Most Valuable Global Brands”. According to the report’s methodology, the top ten UK brands alone had a combined brand value of almost US\$150 billion.¹¹

Digital advertising, a particular strength of the UK market, plays an important role in this process, promoting global online brands and the presence of major international companies based in this country.

“Work which was previously done in Frankfurt and Paris and Moscow or wherever else is now being done here.”

Richard Glasson, CEO,
Hogarth Worldwide

¹¹ BrandZ (2015), *Top 100 Most Valuable Global Brands 2015*, http://www.millwardbrown.com/BrandZ/2015/Global/2015_BrandZ_Top100_Report.pdf

Adapting global brands for local markets

Much of the export total for UK advertising does not come from traditional agencies. Hogarth Worldwide describes itself as “a marketing implementation agency”, producing advertising and other marketing communications across all media and in all languages. Despite being founded in 2008 in London, it now boasts international clients such as Ford, Mattel and Emirates, with another 20 offices throughout the world. However, most of its employees – around 800 – remain based in London.

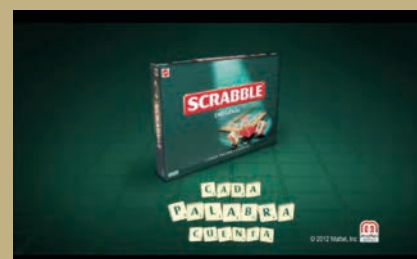
Central to Hogarth’s offering is the adaptation of global brand campaigns to make them relevant to local markets, in a process known as transcreation. Multicultural and multilingual Hogarth teams work with a 3,000-strong network of local experts, such as bilingual copywriters, copy editors and sector-specific translators, to tailor the advertising message to a particular market for maximum effect.¹²

“If you walk around our London office, 90% of the work that people are doing

is being directly delivered into other markets,” says Richard Glasson, CEO of Hogarth Worldwide, now majority-owned by WPP. “Work which was previously done in Frankfurt and Paris and Moscow or wherever else is now being done here.”¹³

The international character of London clearly lends itself to the type of work offered by Hogarth. “London is uniquely positioned for us because of the presence of so much multilingual talent,” says Richard.

HOGARTH



¹² Hogarth Worldwide website, “Transcreation & Language Services”, <http://www.hogarthww.com/transcreation/transcreation-language-services/>

¹³ Interview with the Advertising Association, 13 October 2015

Boosting the performance of UK plc



The international clout of many companies in this country owes much to the diverse capabilities of UK advertising.

Karmarama's work with Costa Coffee, a company founded in 1971 by two Italian immigrants to the UK and now fully owned by Whitbread, offers one example of how this process works.

A decade ago, Costa was very much a UK operation. Since then, the formidable branding exercise arising from its rapid international expansion has been overseen by Karmarama, an independently-owned creative agency based in London.

There are now more than 1,000 Costa coffee shops trading in nearly 30 countries outside the UK.¹⁴ In devising a brand strategy that would work internationally, Karmarama didn't focus on the coffee itself, but on the universal experience of the pleasure derived from relaxing with friends and family while drinking it. "Emotions tend to carry far better across different geographies and cultures than a product's attributes,"

explains Sid McGrath, Chief Strategy Officer at Karmarama.

Karmarama has also sought to emphasise Costa Coffee's London origins. "The brand's heritage signifies aspiration for the younger international target audience," says Sid. "In the Philippines, for example, London is seen as the epicentre of culture, fashion and cool. The marketing campaign therefore leverages music, literature and London iconography in its marketing and store design."¹⁵

Costa's international sales are growing rapidly, now forming more than 20% of total revenue.¹⁶ Careful branding has played an important role in this expansion. "Telling the inspirational story of Costa and its authentic Anglo-Italian roots in an emotionally engaging way has been critical in establishing our brand outside of the UK," says Carol Welch, Brand and Innovation Director at Costa.

¹⁴ International Business Times, 28 April 2015, "Whitbread profits up as Costa Coffee sales soar", <http://www.ibtimes.co.uk/whitbread-profits-costa-coffee-sales-soar-1498668>

¹⁵ Interview with the Advertising Association, 11 August 2015

¹⁶ Whitbread Plc, Annual Report and Accounts 2014/15, https://www.whitbread.co.uk/content/dam/whitbread/download_centre/reports_and_results/2015/Interactive-Annual-Report-2015.pdf



CREATIVE LEADERSHIP



CREATIVE LEADERSHIP

The renowned creativity of UK advertising has a major direct and indirect impact on the rest of the world.

The UK's reputation for creativity can be clearly demonstrated by its performance in the Cannes Lions awards. These awards, the recognised international standard for creativity in advertising, have been shown to correlate with successful business performance for the international companies who run the campaigns.

This creative success continues to convince foreign companies to engage the services of UK agencies. It also influences the output of peers throughout the global industry. Put simply, advertising companies throughout the world sit up and take

notice of what their UK counterparts are producing in a bid to strengthen their own performance and that of their clients. In this way, UK advertising plays a pivotal role in presenting the UK as a leading trading nation with a thoroughly modern, cutting-edge work culture.

UK advertising also supports the export of creativity more broadly. Many internationally admired TV series first surfaced on commercial channels in the UK, funded by advertising. Similarly, advertising fuels the gaming industry, now worth £1.4 billion to the UK annually.¹⁷

¹⁷ BFI (2015), "Economic Contribution of the UK's Film, High-End TV, Video Game and Animation Programming Sectors", <http://goo.gl/a444Mk>

The Cannes Lions Festival

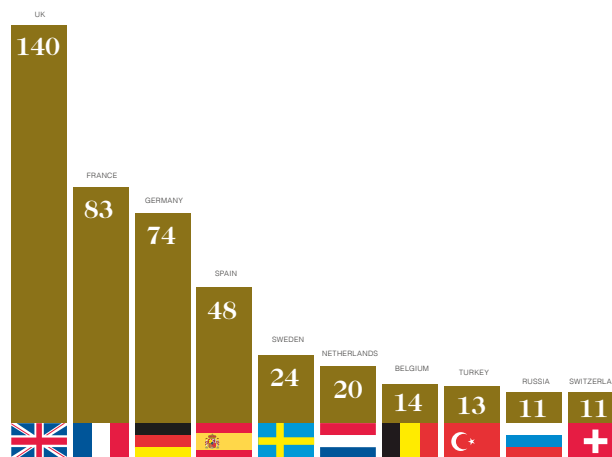
The Cannes Lions Festival is in itself a story of UK export success. Lions Festivals, the organisation that stages the awards, is based in the UK, but 93% of its revenue comes from overseas.



The Cannes Lions awards

In 2015, more than 40,000 entries were received from companies throughout the world competing for prizes in categories such as Cyber Lions (for creativity in online, digital, and technological communication) and Film Lions (for creativity in traditional TV and cinema advertising).¹⁸ The UK's performance was impressive, winning 140 Cannes Lions awards. This achievement was second only to the USA, and comfortably ahead of any other European country (Figure 4).¹⁹

Figure 4: Top 10 European countries by Lions won in 2015

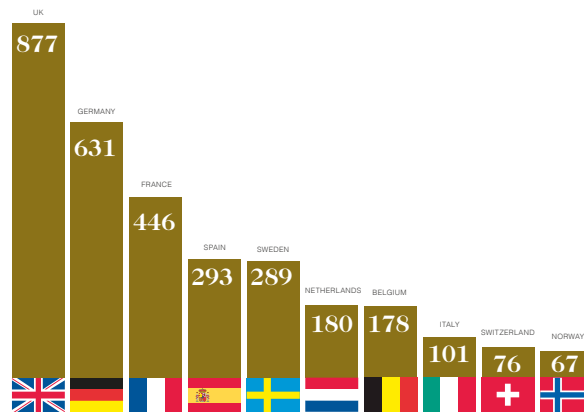


¹⁸ Cannes Lions website, 9 June 2015, "Record entries into Cannes Lions – over 40,000 submitted across the festival", https://www.canneslions.com/press/press_releases/1092/record_entries_into_cannes_lions_over_40000_submitted_across_the_festival/

¹⁹ All figures for pages 29-33 supplied by Cannes Lions. The Cannes Lions awards are divided into gold, silver and bronze. The figures stated are for all these awards.

2015 was no one-off. Exactly the same pattern emerges if we go back over the last decade. The UK has won 877 Cannes Lions awards since 2005, second again to the USA, and by some distance the best performer in Europe (Figure 5). What's more, the UK's performance over this period has shown an upward trend. While the number of Cannes Lions awarded annually increased by 65% between 2010 and 2015, the number of awards won by the UK increased by 94% over the same period.

Figure 5: Top 10 European countries by Lions won in the period 2005–15



WHILE THE NUMBER OF CANNES LIONS AWARDED ANNUALLY INCREASED BY 65% BETWEEN 2010 AND 2015, THE NUMBER OF AWARDS WON BY THE UK INCREASED BY 94% OVER THE SAME PERIOD



Retail Stores



"Beds"

IKEA / Bedroom Furnishings
MJZ London
Mother, London
Vizeum, London
United Kingdom

#CannesL



The UK might find itself behind the USA in the absolute number of awards won. But if we look at the number of Cannes Lions awards won according to the size of the respective economies, the UK's performance puts the USA in the shade (Figure 6).



Figure 6:
Lions won per trillion dollars for the top five economies in the period 2005-15



Countries with the highest GDPs

Lions won per trillion dollars for the top 11 economies in the period 2005-15

IN TERMS OF CREATIVITY IN
ADVERTISING, THE UK IS PUNCHING
WELL ABOVE ITS WEIGHT



Figure 7: Top ten European countries by Grands Prix won since 1954

**“CREATIVITY ATTRACTS
CREATIVITY, TALENT
ATTRACTS TALENT.
IN THIS WAY, THE
UK ADVERTISING
INDUSTRY CONSTANTLY
REGENERATES ITSELF.”**

Fiona Dawson, Global President, Mars Food

A Grand Prix award is presented to the outstanding entry for each of the 21 Cannes Lions categories. The odds against winning are huge – the victors are clearly deemed to be exceptional. If we look at the Grand Prix title holders since the Cannes Lions awards were inaugurated in 1954, we see a familiar ranking, with the UK again second behind the USA, and way ahead of its rivals in Europe. Indeed, the UK has won more Grands Prix than the next three European countries in the table combined (France, Sweden and Germany) (Figure 7). If we were to measure Grand Prix awards per dollar GDP, the UK would be topping the table of the top 20 economies by a substantial margin.

In terms of creativity in advertising, the UK is punching well above its weight.

Creativity and business success

Recent research has clearly demonstrated the link between creativity and commercial success. A 2010 report by the IPA (Institute of Practitioners in Advertising) examined 213 case studies of advertising campaigns from major companies. It discovered that the campaigns that receive creative awards are 11 times more efficient at creating market share growth.²⁰

In his 2011 book, *The Case for Creativity*, James Hurman analysed the business performance of past winners of the Cannes Lions Creative Marketers of the Year award. This particular prize is awarded to corporates that had distinguished themselves by the quality of their campaigns and the innovative marketing of their products or services. Crucially, Hurman found that the share price of eight out of ten winners was at its highest during the period immediately before the award was given to them. "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," he wrote.²¹

Representatives from these companies have been similarly positive about the effect of creativity on the bottom line. "Cannes rewards creativity that makes an impression... for McDonald's, we've seen ROI 54% higher with creative that wins Lions than creative that doesn't," says Matt Biespiel, Senior Director of Global Brand Development at the multinational fast food chain.²²

ROI: MCD
▲ 54.0



²⁰ IPA (2010), *The link between creativity and effectiveness: new findings from The Gunn Report and the IPA Databank*, http://blog.grey.de/wp-content/uploads/2011/10/Creativity_and_Effectiveness_Report.pdf

²¹ James Hurman (2011), *The Case for Creativity – Three decades' evidence of the link between imaginative marketing and commercial success*

²² Cannes Lions (2014), *Cannes for Clients*, https://www.canneslions.com/resources/downloads/CL14_Cannes_For_Clients.pdf

Explaining the international appeal of UK advertising

UK advertising has long been at the forefront of new developments on the global scene. This international status is helped by the combination of the UK's language and geographical position.

Nevertheless, retaining a leading position requires constant reinvention and progress. "The UK continues to enjoy a reputation for quality, creativity and innovation in what is today a globalised industry," says Sir Martin Sorrell, the founder and CEO of WPP. "This is a significant achievement given the intense competition both from mature and fast-growth markets around the world, all of which are constantly raising their game and producing outstanding work."²³

Interviewees from major corporates for this report support Sir Martin's viewpoint, repeatedly pointing to the inventive energy of UK advertising. Others argue that the London advertising market, has an in-built mechanism that facilitates perpetual renewal. "London is a hive of creativity," says Fiona Dawson, Global President of Mars Food. "I don't mean just advertising agencies, but also production houses. There is a sense of freshness with outstanding new people always coming through. This culture is deeply embedded: creativity attracts creativity, talent attracts talent. In this way, the UK advertising industry constantly regenerates itself."²⁴

London's exceptional diversity augments this creative melting pot. Its multicultural and multilingual character assists in the practicalities of servicing international clients. "If you employ people from all over the world, you have a better chance of understanding consumers all over the world," says Cathryn Sleight, Executive Vice President at Unilever.²⁵

Indeed, according to Leonid Sudakov, Chief Marketing Officer of Global Petcare at Mars, the UK advertising industry has always been alert to the commercial advantages of multiculturalism. "The UK agencies have been very astute in opening their doors to multicultural talent, just as the UK as a nation has always welcomed talent from around the world," he says. "This is partly due to necessity. The USA is a huge, self-sufficient market, whereas the UK has always had to identify opportunities outside the country to earn the necessary revenue, and needs the right people to service this business."²⁶

The strength of UK advertising clearly owes much to the constant flow of foreign talent into the country (see Section 3, Global Talent Hub).

²³ Interview with the Advertising Association, 28 September 2015

²⁴ Interview with the Advertising Association, 9 October 2015

²⁵ Interview with the Advertising Association, 22 October 2015

²⁶ Interview with the Advertising Association, 30 October 2015

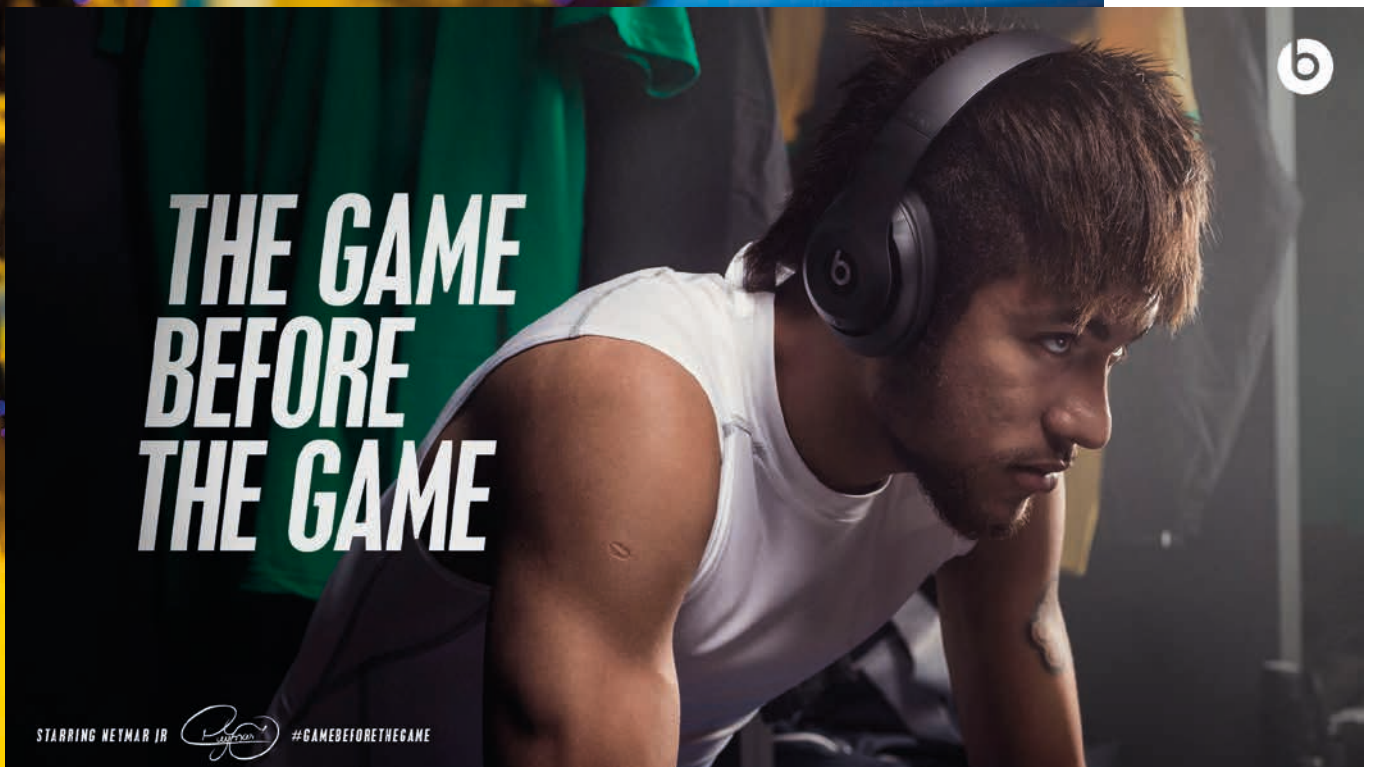
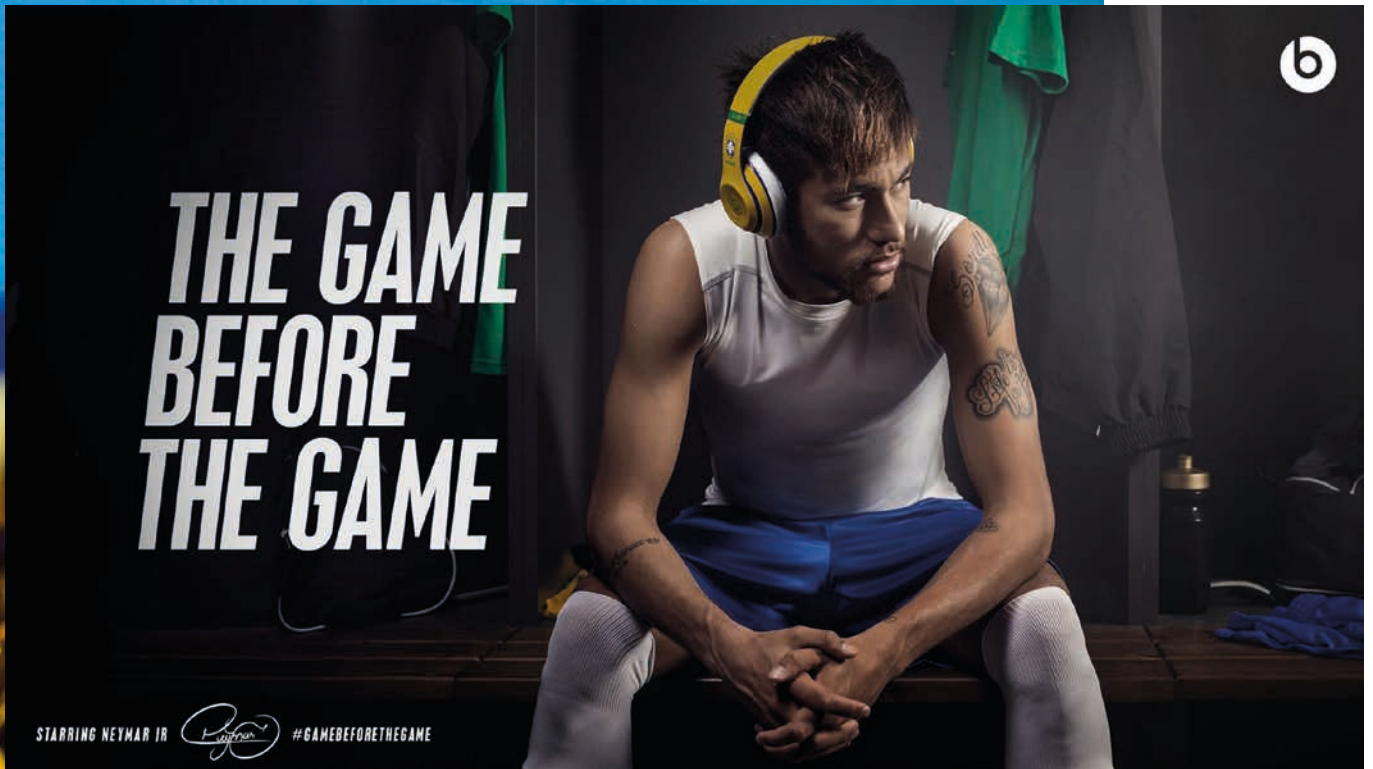
Winning gold at Cannes

The advertising agency R/GA London won a gold award at the 2015 Cannes Lions festival for its film *The game before the game* on behalf of the global headphone brand Beats by Dr Dre.

The five-minute film, released days before the 2014 FIFA World Cup, shows top footballers listening to music on their Beats headphones as they engage in their pre-match rituals and focus their mind on the challenge ahead. The campaign's goal to position the brand at the heart of the World Cup, despite the handicap of not being an official sponsor of the tournament, proved highly successful. The film went viral on its release, with almost 30 million views on YouTube, and the brand recorded a 130% growth in online headphone sales.²⁷

R/GA London not only handled the planning and creative direction, but also led the dissemination of the campaign through digital platforms and social media.

²⁷ Marketing New Thinking Awards website (2015), <http://www.marketingnewthinkingawards.com/finalists/game-before-the-game/>



Exporting ad-funded TV



Down the years, a stream of TV series, initially screened on UK commercial channels funded by advertising, have gone on to attract massive audiences and critical acclaim throughout the world. “All these highly successful exports – Poirot, Marple, Come Dine With Me, I could go on and on – you could pick any similarly huge show from ITV and Channel 4 and say that it’s UK advertising that allowed them to be such a big net earner for the industry through exports,” says Kevin Lygo, Head of ITV studios.²⁸

Such programmes give pleasure to vast numbers of people outside the UK. Downton Abbey, for example, has been sold to over 220 territories and viewed by an estimated global audience of 120 million people since it was first shown on ITV in 2010.²⁹ These exports

cement the UK’s international reputation for creative entertainment, as well as boosting the country’s finances. The annual revenue of Global Entertainment, ITV’s distribution business that sells finished programmes and formats worldwide, was £144 million in 2014.³⁰

DOWNTON ABBEY: THE COMPLETE COLLECTION is on DVD, courtesy of Universal Pictures (UK)

²⁸ Interview with the Advertising Association, 10 November 2015

²⁹ ITV Press Centre, 10 November 2013, “ITV commissions a fifth series of Downton Abbey”, http://www.itv.com/presscentre/press-releases/itv-commissions-fifth-series-downton-abbey#_Uu5drD1_uSp

³⁰ ITV plc Annual Report and Accounts for the year ended 31 December 2014, <http://www.itvplc.com/itvplc/sites/itvplc/files/ITV%20Annual%20Report%202014.pdf>

GLOBAL TALENT HUB



GLOBAL TALENT HUB

As well as providing services and ideas, the UK functions as an axis around which international advertising talent revolves. People leave these shores for influential positions abroad, and UK advertising would simply not be what it is without the constant influx of fresh talent and ideas from other countries.

“In London, you get the world,” says Tom Knox, Chairman of MullenLowe London. “The number one reason clients give for choosing a London agency is that this city is a magnet for global talent. In our creative department we have Brazilians, we’ve got Singaporeans, we have Colombians, we’ve got South Africans, you name it.”³¹

The talent flow works both ways. Home-grown British advertising executives can be seen putting their ideas into practice throughout the world, helping to foster the progress of local agencies many miles from home.

“There is no doubt that the most significant influence on Australian advertising is the fusion of UK and home-grown talent,” says Tony Hale, CEO of the Communications Council, which represents agencies in the marketing communications industry in Australia. “Some of the great agencies of the 80s and 90s, such as The Campaign Palace, Saatchi & Saatchi, were testament to that fact.

It continues today. All top Australian agencies look to bolster their performance with talent who have had first-hand experience in one of the UK powerhouses.”³²

Through this export of talent, specialist areas of knowledge garnered in the UK are disseminated far and wide. Strategic planning – interpreting consumer research to develop nuggets of insight that creative departments can then use to generate specific advertising messages – is one discipline for which UK agencies have been widely respected for several decades. Exponents from this country are still highly sought after.

³¹ Interview with the Advertising Association, 28 July 2015

³² Interview with the Advertising Association, 15 December 2015



“THE UK HAS THE GREATEST PASSION FOR ADVERTISING OF ANY COUNTRY WHERE I’VE WORKED. IT WAS THE BEST TRAINING GROUND TO LEARN HOW TO MOTIVATE CONSUMERS.”

James Thompson, Chief Marketing and Innovation Officer, Diageo North America

JAMES THOMPSON

Chief Marketing and Innovation Officer, Diageo North America

James Thompson has been Chief Marketing and Innovation Officer for Diageo North America since August 2015.

Diageo is a global leader in beverage alcohol, with an outstanding collection of brands sold in more than 180 countries across spirits, beer and wine categories. These brands include Johnnie Walker, Crown Royal, J&B, Buchanan’s and Windsor whiskies, Smirnoff, Cîroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Tanqueray and Guinness.

Prior to Diageo, James was European Marketing Manager for Innovation at Unilever, before joining Guinness Brewing Great Britain in 1994 as Marketing Controller, New Product Development and Strategic Planning.

During his leadership of Diageo’s Global Reserve business, which began in 2013, James built a strengthened commercial foundation and invested in luxury brand building and innovative marketing platforms at scale. Ensuring that this focus was central to all business activity, he placed Global Reserve at the forefront of luxury marketing, driving accelerated growth and extending Diageo’s leadership position across the segment. Prior to this, he spent six years as Chief Marketing Officer, Asia Pacific, where he was also a member of the Asia Pacific Executive Team and helped deliver growth to the business by transforming Diageo’s participation in the luxury segment and building a powerful innovation pipeline.



JON STEEL

Group Planning Director, WPP

Jon Steel began his career in advertising at London's Boase Massimi Pollitt in 1984, working with clients including Sony, Foster's Lager and the National Dairy Council and becoming the agency's youngest ever board director at 26.

Jon then joined USA agency Goodby, Silverstein & Partners (GS&P) as the agency's first Director of Strategic Planning in 1989, later becoming a Partner and Vice-Chairman. His clients included Nike, the NBA, Major League Baseball, Porsche, Isuzu, and the California Milk Processor Board. In the ten years Jon was working for GS&P, the agency grew from \$40 million in 1989 to \$776 million in 2000.

In 2002, Jon was asked by Sir Martin Sorrell to join WPP (the world's biggest advertising holding group) as Group Planning Director. Since then, Jon has worked across a range of WPP brands and regions; he also directs the WPP Fellowship, an elite global graduate recruitment and training program. Jon also became the Chief Strategy Officer and Vice Chairman of George Patterson Y&R Sydney in 2009.

“I HAVE WORKED ACROSS NUMEROUS MARKETS, AND PLACED GRADUATES IN MANY MORE. IN MY OPINION, THE UK INDUSTRY IS HEAD AND SHOULDERS ABOVE OTHERS AS A TRAINING CULTURE – NOT LEAST BECAUSE UK AGENCIES AND CLIENTS ARE PREPARED TO GIVE REAL RESPONSIBILITY TO YOUNG PEOPLE. IF IMMIGRATION RULES ALLOWED ME TO PLACE ALL MY GRADUATES IN LONDON TO START THEIR CAREERS, I WOULD DO IT WITHOUT A SECOND THOUGHT.”

Jon Steel, Group Planning Director,
WPP

“Planning originated in this country, and the reputation for quality and new thinking has been maintained ever since,” says Sarah Newman, Director of The Account Planning Group (APG), a not for profit membership organisation. “For the 25 years I have been in the industry, there has been a steady flow of planners going abroad – to the USA, Asia, Australia and Western Europe, particularly Amsterdam.”³³

Whereas the UK’s prowess in areas such as planning and research is already very well established, a comparatively new but rapidly growing expertise is digital advertising. With digital advertising spend increasing dramatically in the UK over the last decade, talent has inevitably been drawn to this area (for more details, see Fertile ground for digital talent, page 50).



KATE SIRKIN

EVP Global Director of Audience and Measurement Solutions, SMG

Kate Sirkin joined Leo Burnett’s London office in 1987 and worked there for over a decade, coming in as a media researcher and leaving as Media Research Director.

Moving to Chicago in 1997, Kate was the first person to bring the elusive ‘TV optimisers’ to the USA market. She also developed parameters to determine the value and effectiveness of advertising in big-ticket events such as the Super Bowl, Oscars and Olympics.

Kate is a founding member of the Marketing Accountability Standards Board (MASB) and serves on the Advertising Research Foundation’s Board of Directors.

As EVP and Global Research Director, Kate oversees a massive worldwide budget managing emerging media trends, data and support for SMG clients; initiates proprietary studies; and acts as the company’s voice on critical media issues.

“In the early 90s, the UK media research scene was very competitive, media independents were aggressively courting the business of full service agencies and research was a key differentiator. To compete and win business we had to raise our game and invest in unique research and systems to provide insight and advantage for our clients.”

³³ Interview with the Advertising Association, 8 December 2015



ANDREW ROBERTSON

President and Chief Executive Officer, BBDO Worldwide

Andrew Robertson has been President and Chief Executive Officer of BBDO Worldwide since June 2004.

BBDO Worldwide adds value to its clients' brands and businesses through its focus on "The Work, The Work, The Work". It has been named Network of the Year at Cannes five times, and in 2014 it was the world's most awarded agency network according to The Gunn Report and the Most Creative Network across all communications platforms in the Directory Big Won Rankings. Since 2005, BBDO has been honoured as Global Agency of the Year in Ad Age, Adweek (two times) and Campaign (four times). In 2011, BBDO Worldwide was also recognised as the Most Effective Network in the world by the Global Effies.

Andrew first came to BBDO in the UK in 1995, joining Abbott Mead Vickers BBDO, where he subsequently served as Chief Executive. In 2001, he moved to BBDO North America to serve as President and CEO.

He began his advertising career at Ogilvy & Mather, London as a Media Planner. He switched to Account Management and was appointed to the Board of Ogilvy & Mather in 1986. In 1989, he joined J. Walter Thompson (JWT) and in November 1990, was appointed Chief Executive of WCRS.

Andrew has a degree in Economics from City of London University. He currently serves on the Boards of Autism Speaks, the Center on Media and Child Health, the International Rescue Committee and Wake Forest University Business School. He is a past Chairman of The Advertising Council.

***"IN LONDON, YOU
GET THE WORLD,"
SAYS TOM KNOX,
CHAIRMAN OF
MULLENLOWE
LONDON.***

Expat British advertising executives aren't the only ones to have learned the business here before transporting their talents to overseas markets. Some of the foreign nationals flocking to the UK pick up invaluable experience and knowledge here before assuming leadership roles back in their home countries or elsewhere. In this way too, the well-trodden training ground of UK advertising spurs the development of other markets throughout the world.

One individual example is Stefano Zunino, now CEO and Head of Digital Worldwide at JWT Latin America and based in Brazil. Born and educated in Italy, he moved to London in the 1980s to work for Leo Burnett, where he served as business director for Procter & Gamble (P&G), Kellogg's, Philip Morris, and Kraft Foods. He clearly sees the UK as the ideal springboard for his later career. "If you can do an ad in London, you can do one anywhere in the world," he says.³⁴



STEFANO ZUNINO

CEO JWT Latin America and Head of Digital Worldwide

Stefano Zunino is CEO JWT Latin America and Head of Digital Worldwide.

He began his career in 1987 at Leo Burnett, serving clients such as P&G, Kellogg's, Philip Morris, and Kraft Foods. In his 11 years at Burnett he worked at the agency's Milan, London and Chicago offices.

In 1998 he moved to Buenos Aires to become General Manager of VegaOlmosPonce. His role expanded with time to include regional responsibility for the Unilever account in Latin America. Four years later he moved to São Paulo and became CEO of Lowe in Brazil.

Stefano joined the JWT team in 2005 when he was appointed CEO of the Brazilian operation. He has since overseen a complete overhaul of the agency's services, bringing it firmly into the 21st century. The JWT Group in Brazil delivers a full-service offering, ranging from SEM, SEO, BI, Analytics, Mobile Solutions, Gaming, online display, branded content and of course, so-called 'traditional' creative.

Stefano is also responsible for JWT's global digital strategy – overseeing development of the current product as well as stewarding network acquisitions in the digital field.

When not occupied by work, Stefano is primarily kept busy by his family – he has four kids, ranging from 12 to 22, born in Italy, Brazil and Argentina. Needless to say, World Cup matches are an interesting affair in the Zunino household.

³⁴ Interview with the Advertising Association, 21 December 2015

Diverse London team servicing global clients

Canadian Sarah Hartwell and Swede Victor Arthursson, Business and Account Directors at the London agency adam&eveDDB, manage retail marketing for Exxon Mobil across Europe, the Middle East and Africa.

They work in a broader team of just over 20 account handlers, a third of whom are non-UK nationals, representing several nationalities from Europe and the Americas. This team at adam&eveDDB exemplifies the heavy representation of international talent within UK advertising.

Sarah has been working in UK advertising since 2008, following previous roles in the industry in North America. The opportunities for career progression, and to operate in the European hub of many global brands, were major motivations when deciding

to relocate here. "Working in creative and strategy in London really sets you up," she says.³⁵

Victor chose to come to the UK for similar reasons. He moved from his native Sweden to take up advertising roles in Copenhagen and Rome, before deciding in 2010 that London offered many more openings for working on global campaigns for global brands. "The larger pool of professionals here drives more creative output," he says. "London offers the full package in terms of both career opportunities and lifestyle."

³⁵ Interview with the Advertising Association, 12 January 2016



**“THE LARGER POOL OF
PROFESSIONALS HERE
DRIVES MORE CREATIVE
OUTPUT.”**

Victor Arthursson, Business and Account Director,
adam&eveDDB

**“WORKING IN CREATIVE
AND STRATEGY IN
LONDON REALLY SETS
YOU UP.”**

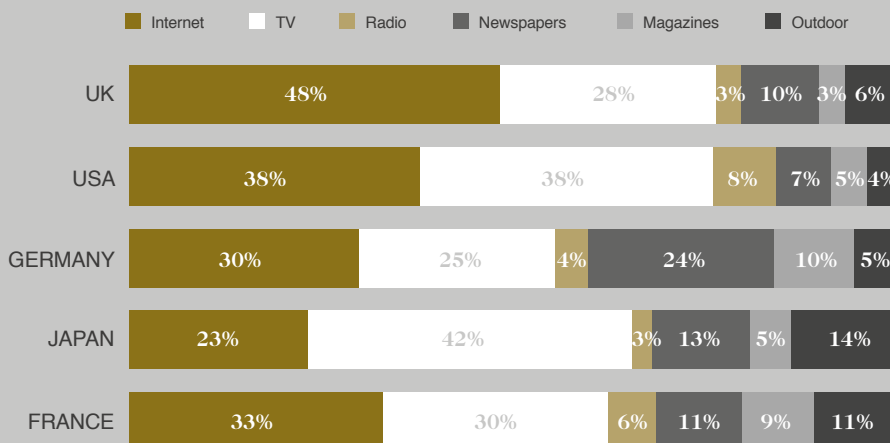
Sarah Hartwell, Business and Account Director,
adam&eveDDB



Fertile ground for digital talent

Spending on digital advertising in the UK has increased dramatically over recent years, from £825 million in 2004 to £7.2 billion in 2014. Its share of total advertising spend has risen from 5% to 40% during the same period. Data from the AA/Warc Expenditure Report predicts that digital will account for 45% of overall advertising spend in the UK in 2016.³⁶ Figure 8 shows just how far the UK now outstrips its competitors in this regard. “If you look at the proportion of spend allocated to digital, it’s no wonder that so many companies worldwide are looking at London as a ripe market to launch a digital proposition,” says Richard Corbett, Founder and CEO of Eyetease, a digital advertising start-up.³⁷

Figure 8: Digital ad spend³⁸



Source: Warc International Ad Forecast, December 2015

³⁶ The Advertising Association/Warc (2015) Expenditure Report, <http://expenditurereport.warc.com/>

³⁷ Interview with the Advertising Association, 11 December 2015

³⁸ Does not include ad spend for cinema or direct mail advertising

“All of our digital work is now done by UK agencies,” says Kathryn Swarbrick, Marketing Vice President Europe at PepsiCo. “As the UK agencies have invested more money in developing their digital capabilities, so the talent has followed. Where the money goes, the talent goes.”

This expansion of digital advertising correlates with a corresponding growth in online consumer spending in the UK. The share of online purchases as a percentage of overall retail sales (15.2%) is higher in the UK than in any other country in Europe, or indeed the USA.³⁹

As well as far more digital advertising being bought in the UK, it is also increasingly being bought in a different way to other countries. Almost half of online display ads in the UK 2014 were bought through ‘programmatic’ technologies, using automated systems with real-time bidding on auction-based exchanges. Spending on such adverts amounted to just under £1 billion, meaning that the proportion of overall spending on display ads bought through programmatic had jumped to 45% from 28% the previous year.⁴⁰

These statistics make it clear that the ad tech industry, which handles the technology that supports digital advertising activities, is developing rapidly in the UK, providing a growing number of people with highly specialised skills they can use anywhere in the world.

According to a 2015 report by Tech City UK, almost 1.5 million people are now employed in the ‘digital industry’ in this country, with that number set to increase by 5.4% by 2020, a higher growth rate than for total employment. The advertising and marketing sub-sector boasts the second largest number of companies within this digital space.⁴¹ This growth is fuelled by substantial investment, with companies in the UK technology sector raising some £2.5 billion of venture capital funding in 2015, an increase of 70% from the previous year.⁴²

Although the USA may have been first to embrace the rise of digital advertising, statistics like these suggest that this country has quickly caught up. “All of our digital work is now done by UK agencies,” says Kathryn Swarbrick, Marketing Vice President Europe at PepsiCo. “As the UK agencies have invested more money in developing their digital capabilities, so the talent has followed. Where the money goes, the talent goes.”⁴³

Indeed, it is this dense concentration of digital talent that persuaded

Google to establish Campus London in 2012. This seven-storey building offers a focal point for the many tech start-ups in the city, providing office and meeting space, educational and networking events, and mentoring programmes with Google engineers. “London’s start-up scene is as diverse as the city itself,” says Sarah Drinkwater, Google’s Head of Campus. “More than a third of our 50,000-plus members are female and 160 nationalities are represented. These start-up founders bring innovation to the country, as well as jobs and capital. Campus wants to be a growth engine for them.”⁴⁴

With activity such as this, it seems likely that UK-trained digital talent will continue to play a major role in meeting fast-growing global demand.



³⁹ The Centre for Retail Research, “Online Retailing: Britain, Europe, US and Canada 2015”, <http://www.retailresearch.org/onlineretailing.php>

⁴⁰ Internet Advertising Bureau UK, 29 June 2015, “UK programmatic adspend nears £1bn”, <http://www.iabuk.net/about/press/archive/uk-programmatic-adspend-nears-1bn>

⁴¹ Tech City UK 2015, ‘Tech Nation: Powering the Digital Economy’, <http://www.techcityuk.com/wp-content/uploads/2015/02/Tech%20Nation%202015.pdf>

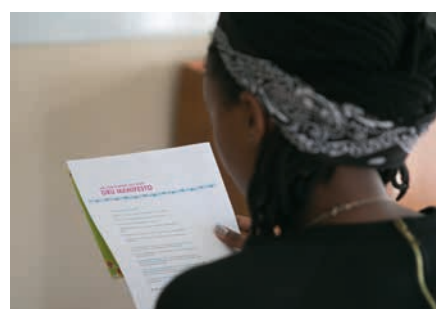
⁴² London & Partners, 6 January 2016, “UK tech firms smash venture capital funding record”, <http://www.londonandpartners.com/media-centre/press-releases/2016/20160106-vc-barometer-q4>

⁴³ Interview with the Advertising Association, 6 November 2015

⁴⁴ Interview with the Advertising Association, 26 January 2016

Setting standards for talent

UK advertising's hard-earned reputation for high standards and professionalism means that its training qualifications are highly sought after throughout the world. As well as exporting individuals who then influence the development of foreign markets, the UK trains people in those markets directly, awarding them qualifications that denote international quality.





The Institute of Practitioners in Advertising (IPA), which has been offering training courses in the UK for more than 40 years, says that its qualifications have now been adopted by agencies in more than 60 countries.⁴⁵

The Market Research Society (MRS) is another trade organisation to capitalise on the UK's leadership position in the industry and offer a plethora of courses to practitioners throughout the world. "Around a third of UK market and social research revenue is generated from exports to overseas clients," says Jane Frost CBE, the CEO of MRS. "This creates a great basis for our world-leading global training and development programme. MRS trains and accredits a greater number of market

and social researchers than anyone else."⁴⁶ More than 2,000 market and social research specialists participate in its professional development programme every year.⁴⁷

One example of a bespoke course developed by the MRS emanated from a global scheme. Girl Hub Rwanda is part of a network of similar hubs that includes London, Ethiopia and Nigeria. The network is a strategic collaboration between the UK's Department for International Development (DFID) and the Nike Foundation that aims to bring the "girl effect to scale and stop poverty before it starts". The scheme is based on the belief that women and girls, equipped with the right education and qualifications, are best placed to lift themselves out of poverty.

To support the initiative, the MRS accredited a qualitative research qualification. In 2014, six young women became the first MRS-certified qualitative researchers in Rwanda. The women now intend to work with the government, non-governmental organisations (NGOs) and other bodies to analyse general social trends in the country, and those specifically related to girls and women.⁴⁸

⁴⁵ IPA Qualifications Programme, <http://www.ipa.co.uk/document/cpd--international-brochure>

⁴⁶ Interview with the Advertising Association, 12 August 2015

⁴⁷ MRS 2015, "Our Learning and Development Programme 2015", https://www.mrs.org.uk/pdf/MRS_Training_Programme_2015.PDF

⁴⁸ MRS 2014, "Rwanda's female researchers get MRS accreditation", <https://www.mrs.org.uk/article/item/1636>

INSPIRING
SOCIAL
CHANGE
WORLDWIDE

4

4 *INSPIRING SOCIAL CHANGE WORLDWIDE*

Several public awareness campaigns have gained widespread international traction as a result of the originality and power of advertising conceived in the UK. In this way, some instances of genuine and invaluable social change in other countries can be attributed to the power of UK advertising.

Take, for example, the long-running THINK! campaign developed by Abbott Mead Vickers BBDO for the Department of Transport, which has aimed to shock road users into taking more personal responsibility for their actions and adopting safer habits. The campaign was estimated to have saved more than 3,000 lives in the UK alone between 2000 and 2008.⁴⁹

“Julie knew her killer”, one of many adverts in this campaign, was broadcast in the UK between 1998 and 2003. This extremely hard-hitting film, based on the agency’s consumer research finding that the fear of killing a friend or a loved one was much greater than the desire for self-preservation, showed a woman driving a car as her son sat in the back seat without a seatbelt. As she made an emergency stop, the son lurched forward, killing her instantly with the force of the



collision. A narrator then announces: “Like most victims, Julie knew her killer. It was her 17-year-old son.”⁵⁰

Such was the success of the campaign that its films were later adapted for transmission in France, Germany, Australia, New Zealand, Cyprus and Libya.

⁴⁹ Campaign, 5 November 2010, “IPA Effectiveness Awards 2010: Silver Award – THINK!”, <http://www.campaignlive.co.uk/article/1040724/ipa-effectiveness-awards-2010-silver-award---think>

⁵⁰ Campaign, 10 July 1998, “AMV ad aims to shock viewers into belting up”, <http://www.campaignlive.co.uk/article/amv-ad-aims-shock-viewers-belting/21562>



Another similar example was the Act F.A.S.T. campaign, launched by DLKW (now MullenLowe London) in 2009 for the Department of Health, which aimed to educate the public to recognise the symptoms of a stroke so that they could alert emergency services more quickly. The campaign is estimated to have saved 4,000 people in the UK from long-term disabilities, and has since been adopted in a number of other countries, including the USA, Australia and New Zealand.^{51, 52}

The THINK! campaign by Abbott Mead Vickers BBDO was estimated to have saved more than 3,000 lives in the UK alone between 2000 and 2008.

⁵¹ BBC website, 2 February 2015, "Stroke campaign 'saved 4,000 from serious disability'", <http://www.bbc.co.uk/news/health-31088232>

⁵² Stroke Foundation of New Zealand, 16 October 2014, "Waikato chosen to be FAST learners for stroke", <http://www.stroke.org.nz/Waikato-FAST-learners>



Viral campaigns

Popular public campaigns of this type can now spread quickly across the world through sharing on social media. One recent example is the Sport England campaign, “This Girl Can”, developed by the agency FCB Inferno, which calls on more women to exercise. The campaign’s centrepiece is a short film showing a succession of ordinary women of different ages, shapes and sizes playing various sports. It won much international critical acclaim, including a Grand Prix award at the 2015 Cannes Lions festival, and attracted more than 29 million views on the internet.⁵³ Without any spend on international

marketing, the campaign captured press coverage all over the world, including in the USA, South Africa, France, Germany, Brazil, Colombia and Australia.

Sport England’s Chief Executive Jennie Price believes that the campaign’s success stems from the fact that it openly tackles the self-consciousness felt by many women during exercise. “[The campaign] is edgy and it is disruptive,” she says. “It’s celebrating all those women and girls who have decided, ‘Damn it. I don’t care what people think about me. I’m going to get out there and do it.’”⁵⁴



⁵³ Cannes Lions 2015, This Girl Can, Sport England (FCB Inferno Londra) (Case Video), <https://vimeo.com/132801673>

⁵⁴ ABC website, 22 February 2015, “This Girl Can advertising campaign encouraging women and teenage girls to play sport goes viral”, <http://www.abc.net.au/news/2015-02-22/this-girl-can-viral-campaign-encouraging-females-in-sport/6175398>



n right I look hot.

THIS
GIRL
CAN



Brrrrring
it on.

THIS
GIRL
CAN



Sweating
like a pig,
feeling
like a fox.

THIS
GIRL
CAN



Under these
gloves
is a beautiful
manicure.

THIS
GIRL
CAN

Images: Sport England

*Fostering
global
standards in
self-regulation*



5

Fostering global standards in self-regulation

The UK has a well-established and widely respected system of self-regulation in the form of the Advertising Standards Authority (ASA), which is widely considered to be a gold standard in the industry.

“It acts as a source of inspiration when we’re confronted with new issues or are looking for new and better solutions to old ones.”

Bart Du Laing, Secretary of the Jury of Advertising Ethics, Belgium

Established more than 50 years ago, the ASA is the largest and best-resourced advertising self-regulatory system in the world. It has been an innovator in pursuit of high standards, many of which have been adopted in other countries.

“There are plenty of other countries with excellent systems that suit their own circumstances and cultures, from whom we’re constantly learning,” says Guy Parker, the Chief Executive of the ASA. “But we’re extremely proud of the ASA model and we get a lot of pleasure from

exporting those elements that other countries can use.”⁵⁵

This leadership role is clearly appreciated by leading figures in foreign self-regulation systems. “The ASA’s generous sharing of expertise and assets can and does help other European self-regulatory organisations in various ways,” says Bart Du Laing, Secretary of the Jury of Advertising Ethics in Belgium. “It acts as a source of inspiration when we’re confronted with new issues or are looking for new and better solutions to old ones.”⁵⁶

⁵⁵ Interview with the Advertising Association, 13 October 2015

⁵⁶ Interview with the Advertising Association, 17 December 2015

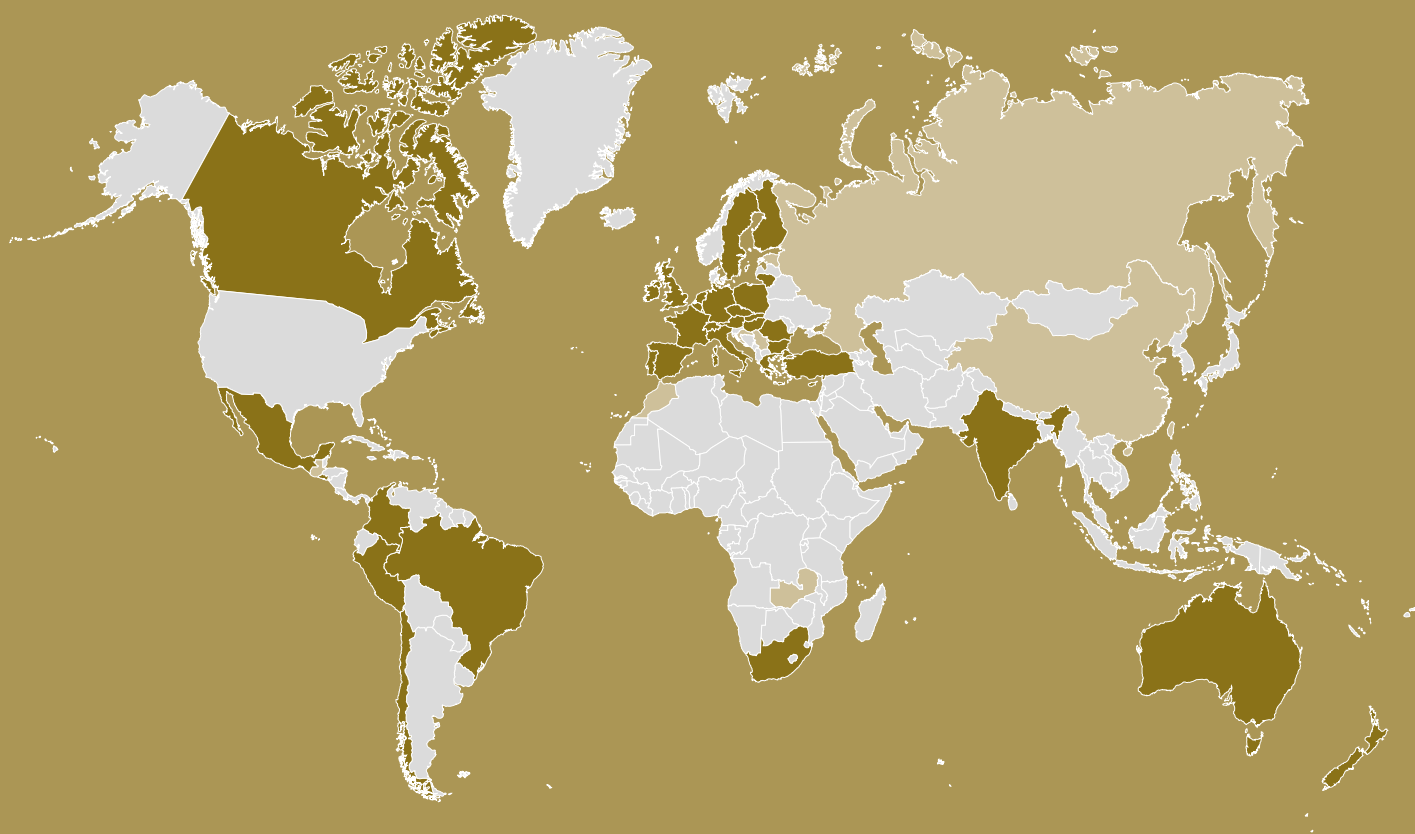


Figure 9: Map showing global self-regulatory organisations⁵⁹

- Countries with a self-regulatory organisation in EASA
- Countries with self-regulatory organisation in progress

The ASA model

The ASA obtains its funding from a 0.1% levy on advertising space. This system is a source of envy in much of Europe because it provides an automatic mechanism for raising funds collected by a separate body, the Advertising Standards Board of Finance (asbof). The mechanism ensures a steady income at arm's length to the ASA, guaranteeing its independence. Several European countries have successfully replicated the levy model (the Netherlands, Sweden and Greece).

The organisation's independence is further enhanced by the make-up of its council. The council is the jury that decides whether advertisements have breached the Advertising Codes, and also operates as the board of the organisation. It is independently appointed and comprises a two-thirds majority of independent members recruited from different backgrounds to bring their diverse experience and skills to bear.

The ASA's substantial resources enable the organisation to deal with the high number of complaints it receives (around 37,000 consumer complaints in 2014), boosting public confidence in its effectiveness as a self-regulator.⁵⁷ As well as dealing with complaints, the ASA is respected for carrying out various other regulatory activities to ensure compliance with its standards. It monitors ads in all media, conducts surveys of public opinion on certain contentious classes of advertising, and offers proactive training and guidance to advertisers so that their ads won't fall foul of its rules.⁵⁸

European-wide impact

The organisation's influence is felt far and wide. In 1992 it was a leading partner in the creation of the European Advertising Standards Alliance (EASA) in Brussels, and many of the ASA's processes of good governance have influenced EASA's Charter, which details best practice in advertising self-regulation. This is the template used by the industry to establish self-regulation in other European Union member states.

⁵⁷ Along with Germany, the UK handles the largest volume of complaints in Europe

⁵⁸ ASA website, "About regulation", <https://www.asa.org.uk/About-ASA/About-regulation.aspx>

⁵⁹ EASA website, <http://www.easa-alliance.org/About-EASA/EASA-Members/Non-European-Members/page.aspx/147>

“We often have colleagues from other advertising self-regulatory systems in other countries around the world coming to visit us, to see how we do things,” says Guy Parker, the ASA Chief Executive who also currently chairs the EASA.

The ASA has also led the way in publicising rulings, and naming and shaming culprits if they do indeed cross the line. Other countries, including Belgium, have followed this example and moved to the open policy of singling out offenders.

The Committees of Advertising Practice (CAP) write and maintain the UK Advertising Codes: rules for advertisers, agencies and media owners to follow. These codes are then administered by the ASA, the CAP's sister organisation. The CAP conducts regular Advertising Code reviews, which involve public consultation and expert advice. It also produces industry guidance notes, widely welcomed as practical toolkits and a concept subsequently copied in other countries, including France, Spain and Portugal.

Another central feature of the self-regulatory system in the UK is pre-clearance. The vast majority of TV and radio ads are pre-cleared before they are broadcast through

two bodies established by the broadcasters themselves – Clearcast for television commercials and Radiocentre for radio ads. Clearcast has used its worldwide reputation to establish a groundbreaking international portal for copy advice that has received wide support from countries across Europe.⁶⁰

It also worked with the EASA to set up the International Ad Compliance Training (IACT) initiative to train advertising professionals in the key principles of advertising regulation.

The ASA has, over the years, constantly adapted and extended its remit to ensure it stays relevant. For example, the ASA was heavily involved in the EASA initiative to establish self-regulation for online behavioural advertising: the practice of collecting information from web browsers to be used for generating targeted ads for individual users. As a result, the UK was among the first countries to put the new code rules in place and provide advice and protection for consumers.

The Internet Advertising Bureau's (IAB UK) “Your Online Choices” website, which provides transparency and choice to consumers, supplied the model for the European version now administered by the EDAA (European Interactive Digital Advertising Alliance) in more than 30 European countries.



⁶⁰ International Copy Advice/Pre-Clearance facility, <http://european.clearcast.co.uk/>



The ASA as a model

Ireland, New Zealand and South Africa have utilised many of the features of the UK self-regulation model; they have also adopted the name of its self-regulatory body, setting up ASAs themselves. Many others just seek advice and guidance. “We often have colleagues from other advertising self-regulatory systems in other countries around the world coming to visit us, to see how we do things,” says Guy Parker, the ASA Chief Executive who also currently chairs the EASA.

One of those countries was France, which overhauled its long-standing model in 2008, adopting some of the features of the ASA system, including setting up an independent jury or complaints council. “They had a model which focused on pre-clearing ads and they needed to build on that, extending their activities into complaints-handling,” Guy explains. “We were very happy to help, and their system is now a model for others

to follow; the monitoring they undertake, in particular, is world-leading.”⁶¹

The ASA and Clearcast have both been frequent recipients of the EASA’s coveted Best Practice Awards, given for outstanding best practice in advertising self-regulation.^{62, 63}

“The British model has been hugely influential in European and international discussions about self-regulation because of its high performance standards and outstanding industry support,” says Oliver Gray, Director General of the EASA. “When establishing new self-regulatory bodies in other countries, we have always recommended looking to the ASA as a best practice example of how to get things done.”⁶⁴

The UK self-regulation model may not make as many waves as eye-catching and highly creative advertising campaigns, but its influence in boosting the image and credibility of global advertising should not be underestimated.

⁶¹ Interview with the Advertising Association, 13 October 2015

⁶² EASA BPA Gold in 2010; Silver in 2012 and 2014

⁶³ EASA BPA Gold in 2013; Silver in 2014

⁶⁴ Interview with the Advertising Association, 7 January 2016

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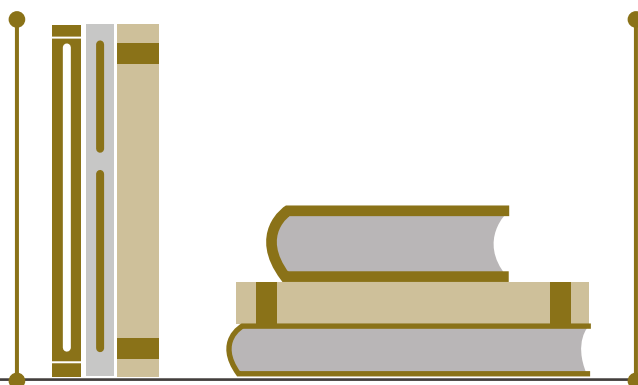
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“THE UK’S REPUTATION FOR QUALITY IN ALL FORMS OF ADVERTISING SERVICE IS VALUABLE NOT ONLY IN HARD CASH, WITH EXPORTS VALUED AT OVER £4.1 BILLION, BUT IN TERMS OF ‘SOFT POWER’, TOO. OUR AGENCIES’ AWARD-WINNING CREATIVITY IS ADMIRERD AND ECHOED AROUND THE WORLD, WHILE OUR GOVERNMENT-SPONSORED ADVERTISING FOR BEHAVIOURAL CHANGE, AND OUR SELF-REGULATORY SYSTEM, ARE BOTH MODELS THAT HAVE INSPIRED ADOPTION IN OTHER COUNTRIES.”

James Murphy, Founder and CEO, adam&eveDDB
and Chairman of the Advertising Association

“THE UK IS THE MOST
IMPORTANT CENTRE FOR
ADVERTISING IN EUROPE,
AND VIES WITH THE USA FOR
GLOBAL INDUSTRY LEADERSHIP.
BRITAIN’S CREATIVES ARE
ADMIRERD AROUND THE WORLD,
AND HAVE PRODUCED SOME OF
THE MOST RECOGNISED AND
INNOVATIVE ADVERTISEMENTS
OF RECENT YEARS.

GLOBAL BRANDS COME TO
GREAT BRITAIN TO SECURE THE
BEST MARKETING CAMPAIGNS
AND BRITISH BRANDS GAIN A
GLOBAL MARKET THROUGH
THE STRENGTH OF OUR
ADVERTISING TALENT.”

The Rt Hon Sajid Javid MP, Secretary of State for Business,
Innovation and Skills and President of the Board of Trade

Report written by business writer David Bolchover: www.davidbolchover.com. Research by Cremos for the Advertising Association.

Published by the Advertising Association, 7th Floor North, Artillery House, 11-19 Artillery Row, London SW1P 1RT

Report layout and design by Mark Terry/Gabriella Mai/Nicola Mooney at NEO/Etcx3: www.etcx3.com



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The Advertising Association and Cremos would like to thank the following for their support in producing this report:

James Best, Chairman, Cremos

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The Advertising Association

Promoting the role, rights and responsibilities of advertising.

The Advertising Association promotes the role, rights and responsibilities of advertising and its impact on individuals, the economy and society. We are the only organisation that brings together agencies, brands and media to combine strengths and seek consensus on the issues that affect them. Through wide-reaching engagement and evidence-based debate we aim to build trust and maximise the value of advertising for all concerned.

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