CREATIVITY: AN INTANGIBLE CAPITAL GENERATING COMPETITIVE QUALITY IN THE SPANISH ADVERTISING INDUSTRY

Estela Núñez-Barriopedro, Universidad de Alcalá
Rafael Ravina Ripoll, Universidad de Cádiz
Luis Bayardo Tobar Pesantez, Universidad Politécnica Salesiana de Ecuador

ABSTRACT

Advertising rankings have a high impact on the advertising industry, where creativity is one of the key variables of an advertising agency’s success. The aim of this paper is to analyze the current position of Spanish advertising agencies in the UNIR (Universidad Internacional de la Rioja) Iberoamerican Advertising Ranking, which evaluates the competitiveness of agencies through the results of their products. In other words, this ranking assesses agencies’ creative capacity in advertising and considers a thorough examination of the awards they have won and the festivals they have won them in. This paper studies tendencies according to positions, background and score in the ranking during the 2012-2016 period of all the agencies, Spanish or foreign working in Spain, in each one of the five years. The study will focus on the 25 most creative agencies of the ranking in Spain. The tendency of positioning of Spanish advertising agencies in the ranking show different behaviors and demonstrate strong competitiveness and a fight for being on the top of the list; which is led by international agencies.

Keywords: Advertising Agencies, Ranking, Creativity, Positioning, Competitiveness.

INTRODUCTION

Advertising rankings began in the 1970’s in the United States and the United Kingdom (Kübler & Proppe, 2012). Currently, they continue to be an Anglo-Saxon phenomenon that lists advertising agencies according to their accomplishments. Being among the top 10 advertising agencies is one of the main goals of most of agencies (Repiso et al., 2013), this is mainly because the most important brands seek to hire advertising agencies that are better rated in advertising rankings (Butkys & Herpel 1992, Helgesen 1994; González-Riaño et al., 2014). This type of selection has become a tradition in the advertising industry (Ogilvy, 1963). It is similar in Latin America where there is a ranking of the most effective advertising companies (Adlatina, 2017).

Advertising rankings have a high impact in the media, on brand reputation and prestige of the agencies since their results have the capacity to contain and simplify the characteristics of a complex system (Núñez & González, 2015). Traditionally, these rankings have evaluated the agencies’ profits, although they have also conducted surveys to experts and reviewed awards received at festivals. Due to the lack of reliable information on agencies’ profits, the advertising industry preferred to change its focus to creativity (Myers, 2004).

The advertising industry rewards the most creative agencies (Núñez & González, 2016, Núñez & Ravina, 2017; Núñez Barriopedro et al., 2018) therefore this variable deserves special attention. Research in creativity has had a long tradition in psychology and marketing. While
most studies from the marketing point of view are oriented towards effectiveness, psychological studies focus more on measuring creativity (Haberland & Dacin, 1992). In the field of psychology, studies can be divided into three lines of research: the first is the identification of the characteristics of creative people, (Barron, 1955, Barron & Harrington, 1981, MacKinnon, 1987). In these studies, creativity is based fundamentally on 3 characteristics: originality, ability to adapt to reality and degree of elaboration.

The second line primarily focuses on factors that can influence or improve the creative process (Bruner, 1962, Newell et al., 1959). The concept of "novelty" is introduced in these studies as a fundamental characteristic of creativity. Finally, the third line identifies the consequences or the results of creativity (Besemer & O’Quin, 1986; Besemer & Treffinger, 1981). In this line, the dimensions of creativity are described as usefulness, opportunity, transformation and condensation (Jackson & Messick, 1965), it even expresses that creativity improves the work environment, (Amabile, 1983; Amabile et al., 1996) or professional development (Amabile et al., 1994, Andrews & Smith, 1996; Mumford & Simonton, 1997), it also increases sales (Moorman and Miner 1997, Song and Montoya-Weiss 2001) and improves products and processes (Deshpande et al., 1993).

Regarding research in the field of marketing, there are two approaches. The first approach is the impact of creativity on the development of products, that is, the factors that can influence the perception of creativity of an advertisement (Sethi et al., 2001, Pieters et al., 2002; Ang et al., 2007; Kilgour & Koslow, 2009) and how consumers perceive that creativity (Haberland & Dacin 1992; Michell, 1984). While the second approach is based on the performance of creativity (Im & Workman 2004; Moorman & Miner, 1997), it focuses on efficiency and explains the differences between evaluating the creativity of advertisements, agencies and their clients (Nyilasy & Reid, 2009, Devinney et al., 2005, Koslow et al., 2003).

Another area of research related to advertising creativity focuses on the positive impact of creativity and effectiveness of the advertisements (Rossiter, 2008) and revenue (Bell, 1992; Bogart et al., 1970; El-Murad & West, 2003; Smith et al., 2007). Similarly, these studies analyze other implications of creativity in terms of gain in market share (Buzzell, 1964), the impact of advertising creativity in the short term and in the long term (Jones, 1995), the increase of brand loyalty (Stone et al., 2000), improves brand awareness (Pieters et al., 2002), greater brand reputation (Gibson et al., 2006), the relationship between brand affinity and sales (Bergkvist & Rossiter, 2008), better persuasion indices (Till & Baack, 2005) improves brand perception (Dahlen et al., 2008). Finally, they explore the positive effects of advertising creativity on brand image and its real improvements (Li et al., 2008). Other studies on the efficiency of advertising creativity try to make advertising creativity operational by defining strategies to win prizes for creativity. (Csikszentmihalyi, 1997, El-Murad & West, 2003, Kover et al., 1995, Saffert & Reinartz, 2011).

According to these thoughts, creativity consists of 3 fundamental elements (Im & Workman, 2004): novelty (Amabile, 1983, 1988, 1993), significance (Goldenberg et al., 1999) and originality (Sternberg & Lubart, 1999). In terms of advertising, novelty can be defined as a relevant change of existing processes and customs (Ang et al., 2007; Ang & Low, 2000). This means that the general idea, the message and the information about the product being advertised must have a unique message that is relevant for the target audience (Ang et al., 2007; Baack et al., 2008; Smith et al., 2007). Significance should focus on the connection between the recipient of the ad message and the advertised product (Sasser & Koslow, 2008). Previous research shows that significance could be obtained when the creative idea is related to the specific product and to
the most important benefit, which is to satisfy the real needs of the consumer. In their study, (Kilgour et al., 2013) say that winning prizes for creativity is mainly a function of originality. However, originality, despite being an essential element of creativity, is not the only element to provide answers from consumers.

Other studies have focused on the influence of other factors on creativity, such as the environment, motivation and leadership style (Amabile, 1998; Amabile et al., 1996; Amabile et al., 1994; Blasko & Mokwa, 1986; El-Murad & West, 2004; Koslow et al., 2003; Kover et al., 1997; Ruscio et al., 1997). Creativity is so important that it is even the most admired characteristic (Helgesen, 1994; Montano, 2004) in advertising festivals.

Advertising festivals give advertising agencies prestige and status (Helgesen, 1994; Schweitzer & Hester, 1992) and indirectly give the brand in the advertisement more profits (Tippins & Kunkel, 2006) due to excellent advertising creativity. The coverage of advertising festivals depends on three fundamental aspects: regional coverage, the structure of prizes and the purpose of evaluating advertisements (Repiso et al., 2015). Agencies that want to participate in evaluation systems go to advertising festivals where creativity is especially valued in order to occupy good positions in the ranking (Repiso et al., 2013). With this being the purpose of evaluating creativity, there is the Iberoamerican Advertising Ranking which assesses the competitiveness of agencies through the creative results of their advertisements and also considers the prizes they receive as being decisive in the ranking.

**OBJECTIVES**

Advertising rankings have a high impact on the advertising industry, where creativity is one of the key variables of an advertising agency’s success. The aim of this paper is to analyze the current position of Spanish advertising agencies in the UNIR (Universidad Internacional de la Rioja) Iberoamerican Advertising Ranking, which evaluates the competitiveness of agencies through the results of their products. In other words, this ranking assesses agencies’ creative capacity in advertising and considers a thorough examination of the awards they have won and the festivals they have won them in. (Núñez-Barriopedro & Ravina-Ripoll, 2017; Núñez Barriopedro et al., 2018). It also studies the tendency according to its position and score in the 2012 – 2016 ranking. This paper focuses on the top 25 agencies of the ranking.

**RESEARCH METHODOLOGY**

The Research Method is made is not only qualitative but also quantitative too. The festivals were previously classified in 4 categories, which are subdivided into two categories, national and international. In the case of national festivals, the best rated festivals have been called “national” and national +”. While international festivals are divided into two groups called “international”, which is made up of European and Latin American festivals, and “international +”, which is made up of worldwide advertising festivals.

The weighted average of the prizes has been carried out using values similar to those of the festivals (Repiso & Berlanga, 2015; Repiso et al., 2018). The prize of the highest category (Gold, Grand Prize, etc.) has been given a value of 1, and as the category of prizes decreases, they have been given a value of 2, 3, 4 and 5. There are festivals that reward one or two advertisements with recognitions that represent the best advertisement of the year of all the categories, like in the case of the Platinum prize of the Festival el Sol. This type of awards are given a value of 0.5. The calculation of the value of the agencies is normalized, taking into
account that the value of the edition is calculated considering the awards received in the two previous years, which indicates that it is a current ranking.

\[\text{Agencia } z = \frac{\sum_{x=1}^{m} \sum_{y=1}^{n} F_{i} A_{n j}^{p} + \sum_{x=1}^{m} \sum_{y=1}^{q} F_{x} A_{n y}^{q}}{(\text{Agencia})^{1/2}}\]

Source: Repiso, Llorente-Barroso y García-García, 2013

Where:

z: Agency evaluated in the year x.
m: Festival.
n: Position of the advertisement in the festival.
Fi: Value of the festival in the year x-2.
Anj: Valuation of the award received in the festival in the year x-2.
p: Festival.
q: Position of the advertisement in the festival.

This paper studies tendencies according to positions, background and score in the ranking during the 2012-2016 period of all the agencies, Spanish or foreign working in Spain, in each one of the five years.

RESULTS AND DISCUSSION

This section analyzes the current position for the 2012-2016 five year period of Spanish advertising agencies in the Iberoamerican Advertising Ranking. Once the data has been normalized and reviewed, the ranking of agencies for the 2012-2016 period presents the top 25 advertising agencies that participate in the Iberoamerican ranking. For each one of the years being analyzed, the samples were 188, 230, 258, 258 and 150 Spanish agencies respectively.

As shown in Table 1, the advertising agency McCann Erickson leads the ranking in the 2012-2016 period, its position then decreased in 2015 and suffered a serious drop until it ranked 23rd. The advertising agency Shackleton went through the same situation, it was ranked second in 2012 and 2013, it then dropped two positions in 2014, it fell to position 16 in 2015 and was ranked 22nd in 2016. However, both agencies were still among the top 25 most creative Spanish agencies.

The Spanish agency SRA. Rushmore is third in the ranking despite suffering gradual falls in 2013, 2014 and 2015, in 2016 it managed to recover and ranked ninth.

| TABLE 1 | THE TOP 25 ADVERTISING AGENCIES ACCORDING TO THE IBEROAMERICAN ADVERTISING RANKING, 2012-2016 PERIOD |
|---|---|---|---|---|---|---|---|
| --- | --- | --- | --- | --- | --- | --- |
| 1 | MCCANN ERICKSON | 10000 | MCCANN ERICKSON | 1000 | TBWA ESPAÑA | MCCANN MADRID | 1000 |
| 2 | SHACKLETON | 9400 | SHACKLETON | 7917 | TBWA ESPAÑA | 856 | TBWA ESPAÑA | 893 |
| 3 | SRA. RUSHMORE | 7027 | CONTRAPUNTO BBDO | 6317 | GREY | 699 | HAVAS MEDIA | 757 |
| 4 | BASSAT OGLIVY | 6985 | SRA. RUSHMORE | 5945 | SHACKLETON | 686 | GREY | 667 |
| 5 | LEO BURNETT IBERIA | 6582 | TBWA | 5890 | *S,C,P,F | 680 | *S,C,P,F | 665 | VCCP SPAIN | 763 |

Source: Repiso, Llorente-Barroso y García-García, 2013
The advertising agency S,C,P,F went through a different situation, in 2012 it ranked 20th but was then among the first five from 2013 to 2015, but ranked 10th in 2016. Another case worth highlighting is the ranking of the agencies Lola y Lowe & Partners/Lola who entered the ranking and was 24th during the first years, it then jumped to 7th and 11th place in 2016 showing it gained considerable competitiveness.

The TBWA advertising agency was in 8th place in 2012 and continued to progress until it led the ranking in 2015 and was 2nd in 2016. It is also important to point out the improvement of agencies like McCann Madrid, VCCP Spain, McCann Spain and La despensa de ingredientes.
creativos. On the other hand, there are advertising agencies that have gained and lost positions in different periods, such as Contrapunto BBDO and El Laboratorio, the former ranked 11th in 2012 and then 3rd in 2013, in 2014 it dropped to 15th place and then recovered to 14th. The latter has had a more stable behavior, it has fluctuated from 21st place in 2012, it went up and down a couple of places and managed to remain 20th in 2016.

Other agencies that have a v-shaped tendency are DDB, Momentum and Leo Burnett Iberia, all these agencies had a privileged position in 2012, they fell some places and then had a strong recovery in 2016. Creative competitiveness among Spanish advertising agencies became important in the 2012-2016 period and by 2016 this tendency has been increasing in many agencies such as McCann Madrid leading the ranking, DDB, MCCann Spain, Lola, CP Proximity, Sra Rushmore, Lowe & Partners, Momentum, El Cuartel, Contrapunto, Leo Burnett Iberia, Leo Burnet Argentina, La despensa ingredientes creativos, Kitchen, FCB Spain, MC Comunicación, 360 Grados marketing y comunicación, & Rosã€s.

CONCLUSION

This paper has tried to provide a first approximation to the advertising industry by analyzing the position of Spanish advertising agencies in the Iberoamerican Advertising Ranking. The 25 most creative agencies from Spain were studied and an analysis of their behavior and tendency in the last few years was conducted, specifically for the 2012 -2016 five year period. Table 1 shows that McCann Erickson, Shackleton and Sra. Rushmore led the ranking in 2012, while in 2016 the ranking was led by McCann Madrid, TBWA España, and DDB. Therefore, international agencies have led the ranking.

This trend analysis shows different behaviors in the positions of the agencies in the ranking. It presents strong competitiveness and a fight between agencies that rank in privileged positions, those that undergo slight ups and downs, those with a v-shaped tendency and even those that grow at an alarming pace in the period under study, to be ranked first on the list. The analyzed ranking, in addition to ordering and studying the trend of agencies for their creative quality, is a good benchmark to analyze advertising in Spain and serve as a driver of competitiveness.

A limitation of this study is that the agencies that were analyzed are the ones that participated in the aforementioned festivals. Therefore, the agencies that did not participate in those festivals are left out. Authors such as Polonsky & Waller (1995) say the reason those agencies do not take part in the festivals is because the creativity of their advertising campaigns is poor compared to their competitors. It is worth indicating that most clients today need agencies that are able to develop creative ideas not only for one communication channel but for all possible channels (Kotler & Keller 2006; Naik & Raman 2003). For advertising agencies, the best promotion tool in the current advertising industry is to receive awards for creativity and to rank among the top advertising agencies in the Iberoamerican Advertising Ranking, both in Spain and Iberoamerica in general. This, among other things, will enable agencies to increase their earnings (Wentz, 2005).

To conclude, this study contributes to the continuous improvement of a Spanish communicator’s professional education, it provides an insight of the most creative Spanish advertising agencies in the market that offer possibilities of expansion to international markets. Taking into account that leading international brands seek to be promoted by the best ranked advertising agencies.
REFERENCES

Adlatina. (2017). The 100 most effective agencies in Latin America. Retrieved from http://www.adlatina.com/publicidad/las-100-agencias-m%C3%A1s-effectivas-de-latinoam%C3%A9rica


