

HOW TO BUILD AN IN-HOUSE CREATIVE OPTIMIZATION TEAM

- Critical roles for supporting continuous creative optimization



So you've made the decision to create or expand your company's in-house creative capabilities. While you have several reasons for bringing these resources in-house, two of your primary drivers are likely 1) to improve marketing performance and 2) to increase efficiency of creative production.

A critical key to improving creative performance, both in terms of effectiveness and resource-efficiency, is continuous testing and optimization. Contrary to common misconceptions, when done right, testing doesn't burden your budget nor stall your timelines. With the right process in place, continuous testing and optimization gets you past underperforming content to find and serve winning creative, faster and at lower cost.

This guide outlines the critical functions that your team will need to excel at successful continuous testing and optimization. Keep in mind that these are not necessarily separate roles – one person may handle many of these or there may be several positions to support each function, depending on the organization.

After reading and comparing to your existing in-house functions, you'll have a solid understanding of where to add or improve functions to support best-in-class creative testing and optimization.

OUTLINING THE FIVE KEY FUNCTIONS

There are five recommended functions to successfully perform experimentation using Innervate's perpetual, iterative, velocity-oriented testing (PIVOT) method:

THE TEST DIRECTOR

Primary Responsibility: Organizing the process and providing prioritization and structure to testing.

Basic Work Product: The test plan, which is the guide by which all experimentation is undertaken.

THE CAMPAIGN (MEDIA) MANAGER

Primary Responsibility: Identifying, targeting and purchasing the best performing media to drive maximum return-on-investment for the campaign.

Basic work-product: The media plan

THE CREATIVE OPTIMIZATION MANAGER

Primary Responsibility: driving continuous improvement of the creative performance through the development of new creatives for experimentation.

Basic Work Product: Creatives and tests

THE ASSET PRODUCTION TEAM

Primary Responsibility: The timely delivery of creative assets that can be rapidly assembled into individual creatives by the creative optimization manager.

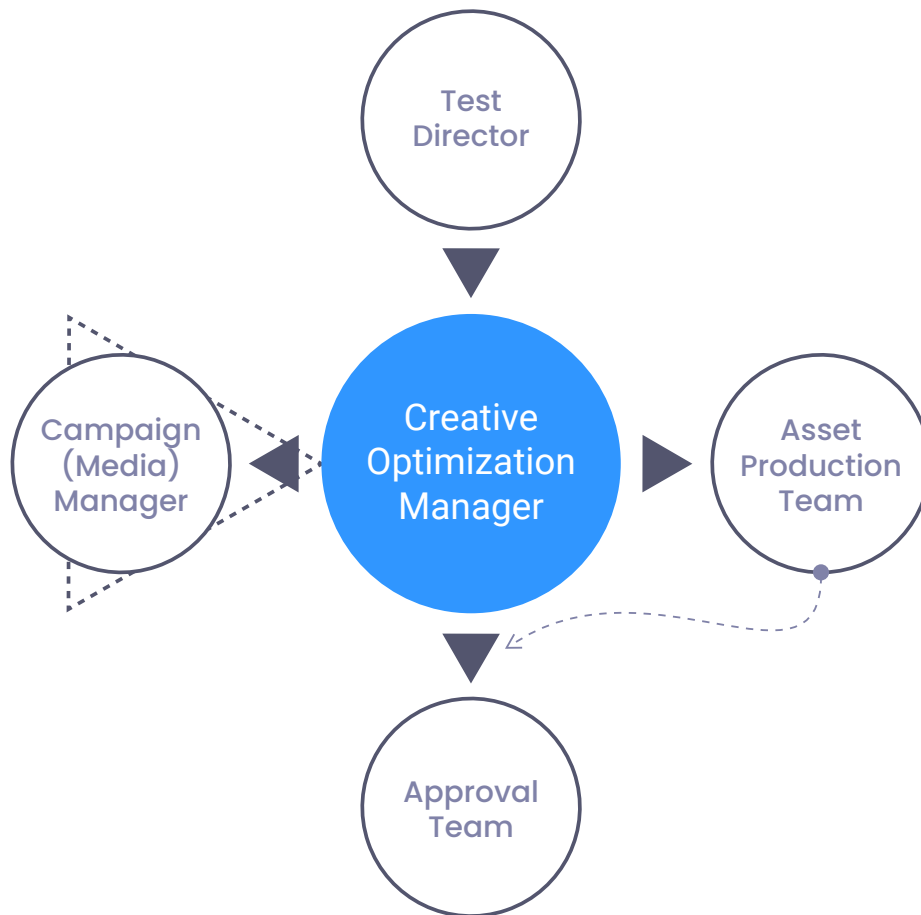
Basic Work Product: The asset library

THE APPROVAL TEAM

Primary Responsibility: Approval of creative assets that have been developed by Optimization Managers.

Basic Work Product: Brand, compliance, legal and other guidelines

At a high level, the roles work together like this:



- The Test Director sets overall direction and priorities
- The Campaign Manager tasks the Creative Optimization Manager with making sure that all purchased inventory is filled with the best-performing creative
- The Creative Optimization Manager comes up with testable ideas, writes copy and creates the content
- The Creative Optimization Manager tasks the production team with populating the asset library with all the necessary assets
- The Approval Team reviews and approves all creative assets (visual assets and copy) and all final ads
- The Creative Optimization Manager controls day-to-day testing and trafficking
- The Creative Optimization Manager then provides the campaign manager with feedback about successful media and then the both work to find the most effective areas of media expansion

ROLE #1: THE TEST DIRECTOR



PRIMARY RESPONSIBILITIES

Ownership of the process from top to bottom.

Creator of the grand vision.

Outline the principles of the testing paradigm

Driving force behind new communication strategies, testable hypothesis, new creative direction and the process for and prioritization of back testing

Communication of key direction, priorities and rank-order of expected returns

Delegate production, testing strategy

THE TEST DIRECTOR IS ALSO RESPONSIBLE FOR:

Overall Process and Orchestration: Establish priorities for the rest of the team, list individual team members' important tasks, and be the final sounding board for the test team's idea generation.

Idea Approval/Generation: The Test Director will drive the generation of new ideas and inspire other team members to contribute, making sure that all ideas are socialized within the organization before centralizing the most promising. Test Director should have the final say in all test concepts.

Institutional Knowledge: The Test Director should maintain a repository of all the data gathered through the organization's history of PIVOT activity. The Test Director will manage the repository of institutionalized knowledge (such as the layout library, the testable theory library, the back-test library and so on).

Prioritization: The Test Director will want to proceed in an organized, scientific manner so that all tests currently running are those with the best likelihood of paying off based on prior experience, prior knowledge, and previous experiments.

Work-Load Distribution: To maximize returns, resources need to be allocated to the test groups likely to have the highest overall impact. In practice, this means ordering test groups based on volume of conversions (not impressions) for ad units, ad sizes and formats, languages and so on.

Test "Tranches": Test tranches are represented as traffic segments that allow ads in different states of approval (e.g. "approved for testing" vs "approved for run of network") and produced by different groups or teams (including publisher teams) to run only where they are allowed. In the simplest cases, this step may be omitted.

ROLE #2: THE CAMPAIGN MEDIA MANAGER

The role of the Campaign Media Manager (or Campaign Manager) is to secure the best inventory for the desired audience to work with the Creative Optimization Manager who can test the media purchased. When successful, this partnership creates a virtual feedback loop. Previously tested inventory that did not become ROI positive can be retested after a significant creative lift has been achieved.



PRIMARY RESPONSIBILITIES

To drive continuously increasing ROI for paid media dollars through ongoing improvements in audience targeting and price segmentation

Own Media Buying – whether with an outside vendor or directly with DSPs, individual publishers etc.

Maximize audience reach

Create volume for the test manager

Create categories for micro segmentation of media

Understand and communicate the successful media sources

Manage ongoing relationship with Creative Optimization Manager to acquire more successful media and remove unsuccessful media

The campaign manager buys media and slices it into as many audience segments as necessary to achieve business objectives. This represents both demographic and behavioral segments, but also the inventory itself (e.g., CNN has a different audience than Facebook). All the permutations of these audiences can be said to form one large “data cube.” Each individual cell in the data cube needs to be tested for performance, which is typically done algorithmically (where machine learning or other big data techniques infer values for many cells based on learnings from other cells).

THE BASIC QUESTIONS THAT THE CAMPAIGN MANAGER NEEDS TO ANSWER ARE:

- **Reach:** How many users of the intended audience can be reached through the various media?
- **Placement:** Where should the ads be placed?
- **Targeting:** Which restrictions should apply to the selection of the available media?
- **Success Measurement:** How will we know the media buy is successful and achieves positive ROI?
- **Frequency:** How frequently should a given ad reach a specific user (per attention period, per day, per campaign, etc) or user/placement combination (as attention is likely reset between placements)?
- **Optimization Algorithm:** How do you determine what is working for a specific micro-medium or audience?
- **Budget:** How much money should be spent on each placement / medium / property? This takes two forms:
 - **The Learning Budget:** How much money should be spent per cell to understand the value of the media?
 - **The Scaling Budget:** Once learning has determined that the media cell is ROI positive, how much money should be spent to drive the objectives of the campaign?

ROLE #3: THE CREATIVE OPTIMIZATION MANAGER

The Creative Optimization Manager is the role most central to the PIVOT method. For any given campaign, the function of the Creative Optimization Manager is to drive continuous improvement in the performance of the creatives through both *ongoing testing and scaling*. All the other roles tend to play an enabling or supporting role to the Creative Optimization Manager.

At the highest level, the Creative Optimization Manager takes all media buys procured by the Campaign Manager and aggregates them so that they can be subjected to the testing and optimization process method. The Creative Optimization Manager identifies with and produces new creative concepts and variants. When new assets are required, the Creative Optimization Manager asks for support from the Asset Production Team. The creatives are tested against audience and media, and once there is a winner in each test-group the creative is iterated and submitted back to the Test Director for further direction.



PRIMARY RESPONSIBILITIES

Aggregate media to begin scientific examination of audiences

Implement the test direction provided by the Test Director

Implement day-to-day methodology

Explore the areas of success, run with interesting possibilities

Communicate successes and failures to the greater team so that those can be added to institutional understanding

Deep collaboration with Campaign Manager

Bifurcate media to further examine successes once obvious successes have been determined

ROLE #4: THE ASSET PRODUCTION TEAM

The asset production team contributes assets that can be reused as individual components in ad creatives (call to action buttons, background images, icons, logos, etc). The team could, but doesn't necessarily have to, include: illustrators, Photoshop designers, animators and video producers, all dedicated to getting the assets needed to create tests. The team may also include copywriters and translators for localization of creative copy, however, the copywriting function is usually performed within Creative Optimization.

The Creative Optimization Manager generates asset production requests to support ongoing and new testing efforts. In a fully empowered sense, the Asset Production Team also uses data so they can trace both the contribution of their assets to a particular ad as well as the performance of their assets across ads. While the Creative Optimization Manager should be controlling this, the production team can also delve into data and suggest further modifications. This level of interaction should be considered when establishing team dynamics.



PRIMARY RESPONSIBILITIES

Produce and manage the asset library (images, animations, video, etc.)

Manage the ongoing production of test elements

Produce copy localization / translation (and sometimes copywriting)

Illustrate and design new assets

Create layout ideas and production

ROLE #5: THE APPROVAL TEAM

The approval team can be engaged at any spot in the production process to provide cursory suggestions or approval. This level of engagement will be different for every team. Ultimately, the approval team will have the final say before anything can be pushed live.

The approval team makes several kinds of judgments. Some are more mechanical (legal and compliance) than others (brand). To preserve the identity of the brand, the team should assure that brand guidelines are clearly established before any testing is undertaken. This ensures the team fully understands the limitations of the expected look and feel of ads.



PRIMARY RESPONSIBILITIES

Provide internal leadership

Arrange for the creation and distribution of brand guidelines

Assure adherence of assets and creative to the brand guidelines

Create and monitor legal and disclaimer guidelines

Establish and enforce copywriting rules and limitations



WORKFLOW BETWEEN ROLES

To function efficiently, the Creative Optimization Manager and Campaign Manager must know which tests must be attended to and which creatives are mission critical. Success here entails working with the Test Director to figure out alerts and guideposts that will allow for the team to be nimble but stay on course. How quickly should a test be refilled? How long should a test be given if no clear winner is achieved? What inventory must be refilled instantly?

Workflow may differ based on many factors, like type of creative, type of inventory, level of approval required, prioritization, vendor involvement and client preference. Each workflow should be set up with some flexibility to allow for opportunistic improvisation, but also must give the team members a clear idea of the overarching direction expected for effective test campaigns. Some examples of workflow include:

- **Approval:** An approval workflow might include a subsection of creative that doesn't require buy-in from all stakeholders for some particular reason (the concept was already approved, the media footprint is small, etc). The Creative Optimization Manager or Campaign Manager could run these creatives without specific approvals to increase their agility.
- **Prioritization:** A prioritization workflow should give the Creative Optimization Manager a clear idea of which tests to focus on.

Vendor Initiated Testing: A vendor, like a network or a DSP, might be granted certain permissions to maintain and suggest creative direction based on their own data. In this case, a workflow could be established to allow them to move quickly and take advantage of this knowledge.

MOVING FORWARD

You should now have a basic understanding of the functions most critical to supporting successful, effective marketing creative via the PIVOT method.

The next step is to put theory into action. Help new team members save time and avoid frustration by making sure you have function clarity in job descriptions and existing guideline assets are updated and circulated. Perhaps this is a reminder that maybe your current team would benefit from clarity in their roles and responsibilities or a better approval workflow solution to support efficiency.

Whatever your current team situation, even if you're just starting to plan for one, you can start identifying function gaps, clean up ambiguities and overlap in roles, and expedite workflow processes.