

The Write Stuff:

How CMOs Can Use AI To Develop Data-Driven Marketing Creative





Introduction

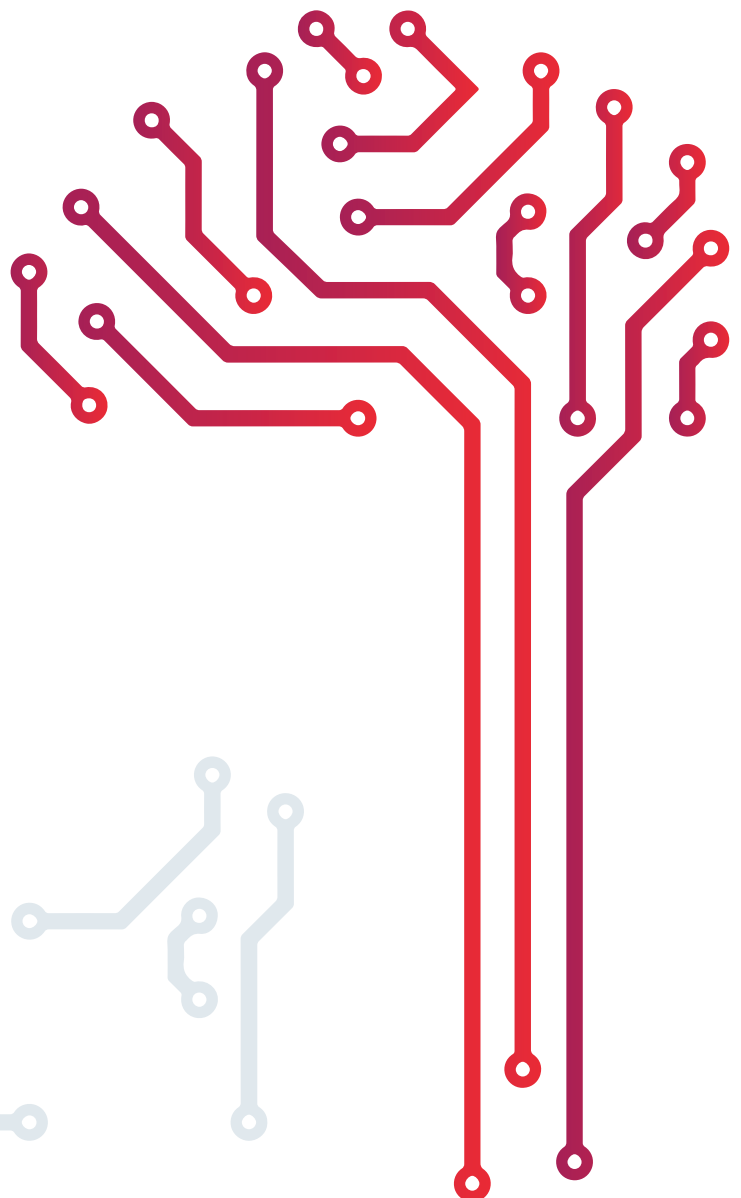
Chief Marketing Officers (CMOs) are facing a growing 'confidence crisis' today related to digital marketing creative. Budgets keep growing yet results are disappointing. In fact, 71% of CMOs don't believe in their creative's ability to drive results.¹

From Mad Men to Math Men

In the modern digital marketing environment, CMOs can closely track engagement and see the results of their campaigns. Data underpins everything they do. Yet, when it comes to actually developing creative, they are still predominantly relying on gut feeling and guesswork, rather than data science and mathematical certainty. But imagine if this wasn't the case? What if they could use data-led insights to accurately predict the results of their core marketing messaging before they launch?

Thanks to advances in intelligent automation, artificial intelligence (AI), and linguistic science, such a reality is possible. CMOs no longer have to rely on guesswork. They can make the creative part of the process as accountable as all other areas of marketing. Further, the CMO can quantify the impact of the creative output on real-life business goals and calculate the return on investment (ROI).

This white paper looks at how CMOs can unlock the power of words and add mathematical certainty to the development of digital marketing creative to optimize brand engagement and revenue performance.



Words matter

When it comes to digital marketing creative, even a minor change in the headline, subhead or call to action (CTA) can have a major impact on results. In fact, the difference between the best and worst message, in terms of engagement, can be upwards of 400%. But how do you know which words will have the most impact?

Persado has created the world's largest data-driven knowledge base of creative marketing messages and language. The Persado Message Machine utilizes AI and machine learning algorithms to continuously evolve our understanding of how the exact right message can be personalized to each consumer and can drive the maximum brand engagement and revenue results.

The anatomy of a marketing message

Persado delivers up to 30x return on investment for customers by breaking down the digital marketing creative across six key dimensions:

- Narrative:** Narratives allow Persado to generate the most impactful and appropriate message for any campaign, any brand, and any audience. They make Persado's messages more relatable and authentic to an audience.
- Emotional:** The Persado Message Machine identifies which words and phrases evoke specific emotions and understands which emotions deliver the strongest appeal.
- Descriptive:** Descriptions are specific words and phrases related to product classifications, promotions, offers, and services and influence marketing campaign engagement.
- Functional/CTA:** This refers to any part of the creative or message that directs the audience to take a specific action; a button that says "Buy Now", text that includes 'Call 1-800-###-####', or a link to 'Find a Store' are all calls to action.
- Formatting and positioning:** Whether it's a matter of using bold versus an italicized font or changing the position of a particular word or phrase, Persado can identify differences in formatting and positioning, then find the most powerful combination to maximize engagement.

Report Methodology

Between January 2016 to February 2019, Persado ran a series of experiments to discover the most impactful emotions, descriptions and CTAs across three major industries: retail & eCommerce, technology and financial services. In total, we completed over 8,149 language explorations, which included more than 300 million message permutations, reaching 2.4bn impressions, across six channels:



Web



Email



Social



SMS



Direct mail



Push

The results are based on an amalgamation of what works best across all major channels and can help marketers to make the right appeal to the right customer. The results are outlined below.

Retail & eCommerce

The retail sector is becoming ever more competitive as a wave of smaller, nimbler, tech-enabled competitors continue to take market share away from traditional incumbents.² At the same time, the industry is witnessing greater convergence between sectors, as companies establish new eCommerce platforms and broaden their offerings. Together these trends are driving down loyalty and eroding brand strength.³

In such a cut-throat environment, it is essential for retailers to have digital marketing creative that is able to outperform the competition. Fine margins will decide those retailers that win, and those that lose. Even changing as much as a single word can have a remarkable impact. For example, Persado's experimentation shows that changing the description part of a marketing message from '**newest pieces**' to '**new arrivals**' can result in a 36% increase in engagement. Marketers need mathematical certainty, not guesswork, when it comes to their creative. Below, we look at key dos and don'ts for crafting your marketing message for retailers.

Words matter:

The three main elements of a marketing message

Emotional

Words and phrases that have an emotional impact

Descriptive

Different ways of describing the offer and its specifics, or the product and its features

Functional

The necessary CTA to facilitate action

Emotional

**GET EXCITED...
YOU ARE ON YOUR WAY!**

Descriptive

New arrivals are here. Shop today and receive 20% off at checkout.

Functional

SHOP NOW



Emotional

In the retail sector, positive emotions have the highest impact on customer engagement, however, it is important to select the right one. Not all positive emotions have equal results, and some can even be counterproductive.

Gratitude is the top-performing emotion. Evoking this with a phrase such as **'you deserve this deal'** can be powerful as it expresses knowledge, appreciation and affection in a personal way. By contrast, a phrase like **'don't miss out on this deal'** can have a negative impact on engagement levels because it creates a sense of Guilt, which is a common tactic in flash sales, but customers are becoming somewhat desensitized to it. What is interesting is that even small alterations in the wording can trigger very different emotions in a customer, which is why marketers have to tread so carefully.

Retail & eCommerce

Top three **highest**-performing emotions



EMOTION: Gratitude



EXAMPLE: *You deserve this deal*



EMOTION: Achievement



EXAMPLE: *You scored an offer*



EMOTION: Safety



EXAMPLE: *It's official, our sale is on*

Source: Persado

Retail & eCommerce

Top three **lowest**-performing emotions



EMOTION: Guilt



EXAMPLE: *Don't miss out on this deal*



EMOTION: Encouragement



EXAMPLE: *Treat yourself to this offer*



EMOTION: Challenge



EXAMPLE: *Are you ready for our sale?*

Source: Persado

Another emotion that is a favorite for retail customers is Achievement. After all, who doesn't like getting praise or reward for something, however small? One eCommerce brand saw an 18% uplift during Black Friday by using achievement-based phrases. A good example of this type of wording is **'you scored an offer'**, which gives the customer a sense of accomplishment. By contrast, a phrase such as **'treat yourself to this offer'** is not as impactful as it generates a feeling of Encouragement. Although a positive emotion, encouragement does not move customers as powerfully as Achievement does.

Using Safety-driven language is also a winner for retailers, as it speaks to customer's anxieties and helps them to feel secure. A comforting phrase such as **'it's official, our sale is on'** is stronger than terminology such as **'are you ready for our sale?'**, which can actually sound like a Challenge and evoke slight feelings of nervousness or even annoyance in a customer.



Descriptive

When it comes to the descriptive part of a message, Persado Analytics shows that the most effective approach is to have a vague price callout. With wording like **'get if for less'**, customers are intrigued and seek out more information, which leads to higher engagement rates. Specific price callouts, such as **'get it, for \$25'**, do not perform as well.

Retail & eCommerce

Top three **highest**-performing descriptions

 **DESCRIPTION:** *Vague price callout*

 **EXAMPLE:** *Get it for less*

 **DESCRIPTION:** *Quantity limitation*

 **EXAMPLE:** *While supplies last*

 **DESCRIPTION:** *Quantitative offer description*

 **EXAMPLE:** *Get a great discount*

Source: Persado

Retail & eCommerce

Top three **lowest**-performing descriptions

 **DESCRIPTION:** *Specific price callout*

 **EXAMPLE:** *Get it for \$25*

 **DESCRIPTION:** *Time limitation*

 **EXAMPLE:** *Before it expires*

 **DESCRIPTION:** *Qualitative offer description*

 **EXAMPLE:** *Get a great deal*

Source: Persado

Meanwhile, one interesting trend in retail is that phrases that set a quantity limitation, such as **'while supplies last'**, are effective as they create a sense of scarcity. But wording that sets a time limitation, e.g. **'before it expires'**, has a negative impact. This may be because it makes the shopper feel too pressured to act.

Finally, our research shows that for retail offers it is best to have a quantitative rather than a qualitative description. A phrase such as **'get a great discount'** will resonate more than **'get a great deal,'** although the wording is similar.

Functional – Call to action (CTA)

When it comes to CTAs, it often pays to ditch the subtlety and be direct, and Persado Analytics backs this up. Being vague and intriguing can be effective in the descriptive part of the message, as you are trying to persuade a customer to explore further. But such an approach should not be used for the CTA. Persado's research shows that the CTA **'get this deal'** followed by **'claim offer'**, stimulates a sense of achievement and was more effective than the more ambiguous and explorative CTA **'get started'** followed by the **'shop now'** action.

Retail & eCommerce

Top-performing CTA

 **CTA:** *Acquisition*

 **EXAMPLE:** *Get this deal, claim offer*

Source: Persado

Retail & eCommerce

Worst-performing CTA

 **CTA:** *Exploration*

 **EXAMPLE:** *Get started, shop now*

Source: Persado

Technology

The relentless pace of innovation has been one of the major reasons for the success of the tech sector in recent decades. New products, features and services are continually being unveiled. Companies can suddenly become unicorns or disappear altogether. Disruption is the name of the game. But this also puts enormous pressure on marketers to make sure their products stand out amongst the constant sea of new and exciting offerings. The fight for customer attention is vital and marketers have to maximize the impact of their messaging. Below we look at key dos and don'ts for crafting your creative for tech companies.

Emotional

In the tech industry, the most important emotion to stimulate is Gratification. Phrases such as **'treating you to the best tech'** can generate a sense of warmth and fulfillment in customers. This approach works better than more provoking language, like **'get prepared with the best gear'**. Although successful for online gaming campaigns, presenting a Challenge does not translate as well in the wider tech sector. The same is true for Encouragement and phrases such as **'get more out of your device'**, which prompt customers to do something.

Technology

Top three **highest**-performing emotions

- ♥ **EMOTION:** *Gratification*
- 📝 **EXAMPLE:** *Treating you to the best tech*

- ♥ **EMOTION:** *Anxiety*
- 📝 **EXAMPLE:** *Your attention please*

- ♥ **EMOTION:** *Safety*
- 📝 **EXAMPLE:** *These deals are no joke*

Source: Persado

Technology

Top three **lowest**-performing emotions

- ♥ **EMOTION:** *Challenge*
- 📝 **EXAMPLE:** *Get prepared with the best gear*

- ♥ **EMOTION:** *Guilt*
- 📝 **EXAMPLE:** *You won't want to miss this*

- ♥ **EMOTION:** *Encouragement*
- 📝 **EXAMPLE:** *Get more out of your device*

Source: Persado

Meanwhile, stimulating a sense of alertness through Anxiety is also very effective in the tech sector. This is not surprising as it is the top-performing emotion worldwide across industries. Giving consumers a wake-up call with phrases like **'your attention please'** can be a good strategy. But marketers have to be careful with their wording. A phrase like **'you won't want to miss this'** could generate a sense of Guilt, which plays badly with tech shoppers. Creating a feeling of Safety is also effective as it brings to mind warm feelings of security and contentment as is linked strongly to trust, which is the cornerstone of the customer relationship. A phrase like **'these deals are no joke'** is a good example of Safety-based messaging.

Descriptive

When it comes to descriptive phrases, Persado Analytics shows that one major trigger is a free shipping callout. This is possibly because a number of tech products are quite bulky, and shipping fees are high. Having no delivery charge is, therefore, an enticing option, so a phrase such as **'get it with free shipping'** is likely to perform well, especially as customers can easily calculate the type of savings they might make. By contrast, qualitative offer descriptions such as **'get big savings'** performed poorly, possibly as they were too vague about how much would be saved.

Technology

Top three **highest**-performing descriptions

 **DESCRIPTION:** *Free shipping callout*

 **EXAMPLE:** *Get it with free shipping*

 **DESCRIPTION:** *Specific price callout*

 **EXAMPLE:** *Make it yours with just \$150*

 **DESCRIPTION:** *Time limitation*

 **EXAMPLE:** *Limited-time deals*

Source: Persado

Technology

Top three **lowest**-performing descriptions

 **DESCRIPTION:** *Qualitative offer description*

 **EXAMPLE:** *Get big savings*

 **DESCRIPTION:** *Vague price callout*

 **EXAMPLE:** *Make it yours at a lower price*

 **DESCRIPTION:** *Popularity*

 **EXAMPLE:** *Deals on essential tech*

Source: Persado

Indeed, our research showed that specific price callouts, such as **'make it yours with just \$150'**, are very effective, while vague price callouts like **'make it yours at a lower price'** did not work as well. Tech products are often high-value items so any price reductions are likely to have a real impact on customers' wallets. There is no upside in being vague about this for marketers. Again because of the possible savings, time limitations tend to spur action, which isn't always the case in other sectors. The description **'limited time deals'** is likely to be a high performer. Basing the description around popularity, such as with the wording **'deals on essential tech'**, could have a negative impact.

Functional – Call to action (CTA)

Regarding the CTA, Persado Analytics suggests that creating an air of exploration with a phrase such as **'try it now'** will be most successful in the tech sector. Meanwhile, using acquisition-based messaging, like **'get access'** has a negative impact on engagement.

Technology

Top-performing CTA

 **CTA:** *Exploration*

 **EXAMPLE:** *Try it now*

Source: Persado

Technology

Worst-performing CTA

 **CTA:** *Acquisition*

 **EXAMPLE:** *Get access*

Source: Persado



Financial services (FinServ)

There are many challenges for marketers in the FinServ sector. Since the 2008 crisis, the most prominent has arguably been the need to adhere with ever more stringent regulations. This can limit the language used in marketing creative. At the same time, a new wave of fintechs has been disrupting the market, with everything from insurance companies to traditional banks being threatened by digital-first competitors. If up against an established player, new entrants need to punch above their weight and marketing creative is one way of doing this. Conversely, traditional operators have to focus on encouraging loyalty and retention with their customers. For both approaches, the quality of the messaging can be a key differentiator.

Emotional

In FinServ, the emotion that has the biggest impact is Achievement. Whatever the sector, people love a feeling of accomplishment, but when it comes to things that affect their finances, this can be even more powerful. A phrase such as **'you're being rewarded faster'** is likely to perform well. By contrast, wording like **'it's easy to earn more rewards'** leans towards Encouragement, an emotion that works particularly well in sectors like health & fitness but does not have the same impact in FinServ.

FinServ

Top three **highest**-performing emotions

- ♥ **EMOTION:** *Achievement*
- 📝 **EXAMPLE:** *You're being rewarded faster*
- ♥ **EMOTION:** *Gratification*
- 📝 **EXAMPLE:** *You're getting bonus miles*
- ♥ **EMOTION:** *Anxiety*
- 📝 **EXAMPLE:** *Please review your options*

Source: Persado

FinServ

Top three **lowest**-performing emotions

- ♥ **EMOTION:** *Encouragement*
- 📝 **EXAMPLE:** *It's easy to earn more rewards*
- ♥ **EMOTION:** *Guilt*
- 📝 **EXAMPLE:** *Don't miss out on this chance to apply*
- ♥ **EMOTION:** *Challenge*
- 📝 **EXAMPLE:** *Get ready to take control of your finances*

Source: Persado

When people get something of value or make a financial gain, they often feel a sense of Gratification. Unsurprisingly, this emotion appeals to customers in the FinServ sector. Wording like **'you're getting bonus miles'** is likely to encourage engagement. Meanwhile, generating a sense of Anxiety can also be effective, as the thought of making a mistake with your finances is a real concern for many people. A phrase such as **'please review your options'** is a good example of this type of approach. However, marketers have to be careful. Stimulating a sense of Guilt, with wording like **'don't miss out on this chance to apply'**, is not the way to go, according to our data. While for FinServ, customers also don't respond well to a Challenge with a phrase like **'get ready to take control of your finances'**.

Descriptive

For the descriptive part of the message, the best-performing approach is to use an instructional prompt, like **'see your offers here'**. Aspirational prompts such as **'increase your savings with these offers'** had a negative impact.

FinServ

Top three highest-performing descriptions

 **DESCRIPTION:** *Instructional prompt*

 **EXAMPLE:** *See your offers here*

 **DESCRIPTION:** *Comparative language*

 **EXAMPLE:** *A better offer*

 **DESCRIPTION:** *Qualitative offer description*

 **EXAMPLE:** *Enjoy a new way to save*

Source: Persado

FinServ

Top three lowest-performing descriptions

 **DESCRIPTION:** *Aspirational prompt*

 **EXAMPLE:** *Get big savings*

 **DESCRIPTION:** *Superlative language*

 **EXAMPLE:** *Our best offer*

 **DESCRIPTION:** *Quantitative offer description*

 **EXAMPLE:** *Enjoy a discount*

Source: Persado

Perhaps as a result of the huge increase in price comparison websites hitting the FinServ sector, comparative language, like **'a better offer'** was shown to work well and had more of an impact than superlative phrases such as **'our best offer'**. Meanwhile, somewhat surprisingly, in a sector very much based on numbers and figures, qualitative offer descriptions like **'enjoy a new way to save'** had a positive effect on consumer engagement while quantitative offer descriptions like **'enjoy a discount'** were not as impactful.

Functional – Call to action (CTA)

In FinServ, Persado Analytics suggests that using an observational phrase such as **'see offer'** is the most effective approach for the CTA. More explorative CTAs like **'learn more'** did not perform well in terms of engagement.

FinServ

Top-performing CTA

 **CTA:** *Observation*

 **EXAMPLE:** *See offer*

Source: Persado

FinServ

Worst-performing CTA

 **CTA:** *Exploration*

 **EXAMPLE:** *Learn more*

Source: Persado

Language contribution of different channels

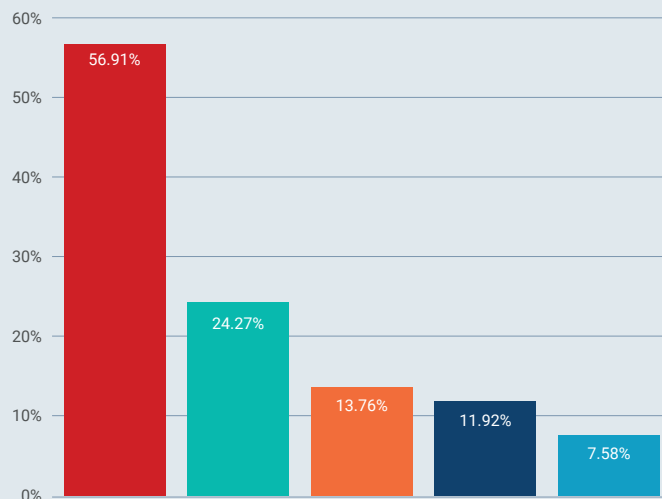
Depending on the channel, there can also be major variations in the impact of different elements in the creative marketing message. In general, we say that **emotional appeal accounts for 60%** of a message's success. But this can vary greatly and it is vital that brands take the right approach for the right channel. For example, with **email subject lines**, emotional appeals are far and away the most important element and getting this right will be vital in order to produce high open rates. With the **email body**, however, the functional/CTA part of the message leads the way. For a successful campaign, the subject line should evoke strong feelings, while the body of the message should have a clear and powerful CTA. A similar approach will also work for direct mail.

Functional/CTAs are also most important when it comes to **web pages** and **banners**, and **display advertising**, which is unsurprising, because with these channels there is often limited space for a message, and so marketers have to cut to the chase.

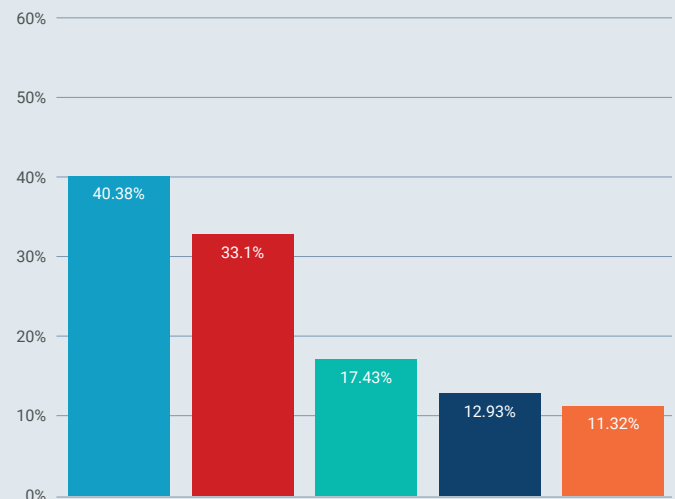
Meanwhile, **Facebook** is the only channel where formatting is the most important element. The platform has very specific requirements when it comes to image size and selection as well as character lengths for the text, so marketers have to make sure they get these basics right. After that – as most people know if they have ever succumbed to click-bait – sparking emotions work very effectively on this platform.

Average contribution for different channels

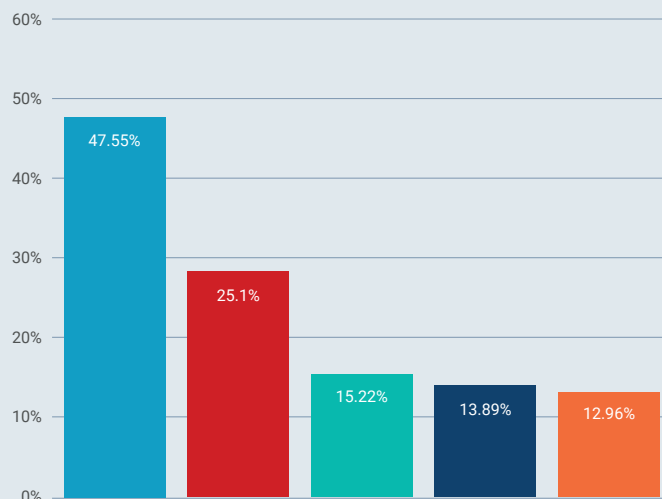
Email subject lines



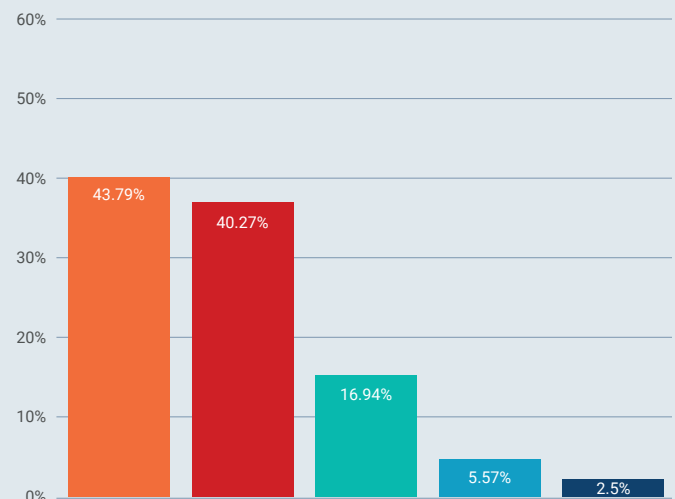
Email bodies



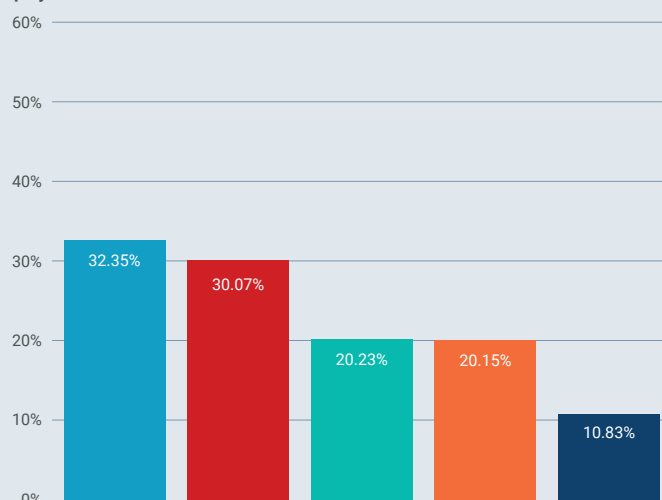
Web pages and banners



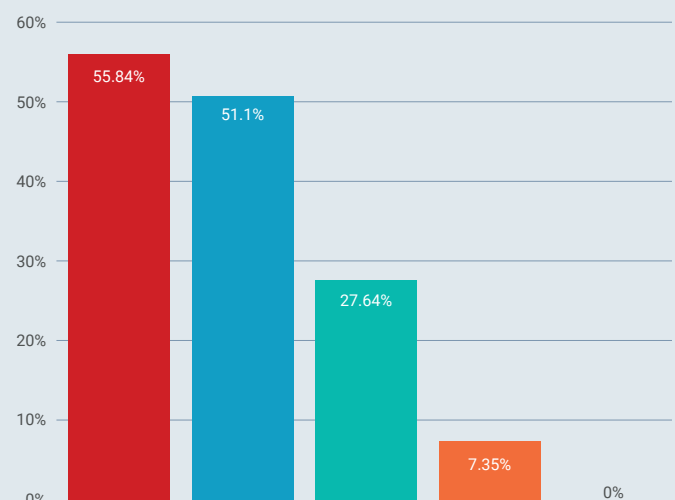
Facebook



Display



Direct mail



Note: These reflect averages across numerous experiments. Therefore, percentages may not add up to 100%.

Source: 2.4 billion impressions from Persado-run experiments between 2016 and 2019.

Key:

- **Emotional:** words and phrases that have an emotional impact
- **Formatting:** stylistic or structural elements (e.g. symbols)
- **Descriptive:** the different ways of describing the offer or product

- **Positioning:** the placement of all the different components
- **Functional:** language that directly impels or prompts a specific action, response or process

Engagement trends over time

Another important variable that brands have to take into account when planning their digital marketing creative campaigns is that the impact of each language element can vary during different times of the year. For example, Persado recently ran an emotional analysis for a major global retailer and saw a wide variation between the different months. The emotion of Gratification was a top performer in March and April 2018, but was one of the worst in June and December 2018. This highlights the importance of closely tracking the performance of marketing creative over time, and reacting accordingly. A one size fits all approach, won't work.

	Top-performing emotion	Bottom-performing emotion
Jan 19	Exclusivity	Encouragement
	Curiosity	Fascination
Dec 18	Anxiety	Gratitude
	Fascination	Gratification
Nov 18	Exclusivity	Excitement
	Fascination	Curiosity
Oct 18	Encouragement	Urgency
	Anxiety	Fascination
Sep 18	Curiosity	Excitement
	Urgency	Guilt
Aug 18	Gratitude	Achievement
	Anxiety	Safety
Jul 18	Exclusivity	Encouragement
	Anxiety	Curiosity
Jun 18	Urgency	Encouragement
	Fascination	Gratification
May 18	Gratitude	Achievement
	Exclusivity	Urgency
Apr 18	Encouragement	Guilt
	Gratitude	Challenge
Mar 18	Urgency	Intimacy
	Gratification	Gratification
Feb 18	Curiosity	Gratitude
	Gratification	Excitement

Source: 233 Experiments, 21,366,817 Permutations, and 8 Channels for a Fortune 50 Retailer.

Conclusion

Words matter at every moment in every channel across the customer journey, but what matters most changes depending on the audience, the channel, the brand and even the time of the year. In order to stay ahead of competition, marketers need to leverage in-depth data to understand what will work best for their audience and they need to make experimentation a constant because change is constant. Persado Analytics shows which emotions, descriptions, CTAs and even formatting elements are currently engaging – or turning away – customers. It also provides insights specific to each channel and industry sector, so marketers know which levers to pull depending on their strategy.

Finally, marketers are able to understand which language is trending well – or poorly – so a stale message is never sent. Taken together, marketers can understand the impact of each and every word, phrase, symbol and image on customer engagement. Digital marketing creative can shift from being a subjective exercise to being an objective one. Ambiguity is replaced with certainty. Marketing will never be the same again.

Key Findings

Emotional: Positive emotions (gratitude, achievement, and safety) have the highest impact on customer engagement across channels. They reinforce knowledge, appreciation and affection for customers in a personalized way.

Descriptive: Descriptive language has the greatest effect on SMS (35 percent) and email subject line campaign performance (24 percent). To maximize impact, brands should use vague price callouts ('get it for less' vs. 'get it for \$25'). Why? The element of mystery encourages customers to seek out more information.

Functional: Language prompting a CTA is the most influential aspect of campaign performance on email bodies (40 percent), display (32 percent), and web pages and banners (48 percent). When crafting CTAs, it often pays to ditch the subtlety and be direct ('get this deal' / 'claim offer' vs. 'get started' / 'shop now'). The directness stimulates a sense of achievement for customers and encourages them to click.

Formatting: Formatting contributes to nearly half (44 percent) of the performance of ads on Facebook, demonstrating that stylistic elements like emojis, symbols and imagery can help catch the consumer eye in an increasingly crowded newsfeed.



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