

Feed the Creative Beast

The state of scaling video production for digital advertising



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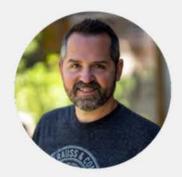
Foreword



Amanda Evans
Chief Executive Officer
Closed loop

Creative proliferation has ushered in a new era for digital advertising. Now more than ever, brands are compelled to rethink their creative process. Scalability is critical to crafting a robust customer experience — unique ads for every channel, ad format, funnel stage and asset type. Brands are hurting for video content in two ways — they either lack the asset coverage needed for modern campaigns or don't feed automation enough creative or video content to make campaigns efficient.

Brands hoping to continue their stake in the marketplace should consider taking a single production or concept and turning it into hundreds of assets. Media teams must collaborate with creative teams to plan and optimize ads in real time. Advertisers and brands who adapt to the new creative era will seize the opportunity of machine learning and dominate the industry.



Jeremy Olson

SVP Creative Director

closed loop

Agencies can and will charge a premium for creative services and video production. And the sticker shock is often hard to swallow. For digital marketers, there are so many platforms, types of ad units, sizes and creative costs that can add up quickly. It's undeniably challenging to know where to place your bets.

The industry has gotten crafty at leveraging AI, creative tools and templates to execute advertising. And sadly, so have our competitors. Content is blending, creating a new normal of brands doing the same thing — mediocrity. Highquality video and creative assets are the answer to cutting through the clutter.

Champion brands must invest in asset creation to drive ROI, maintain efficiency and reach customers across the funnel.

Introduction

Today, video dominates the digital landscape. In the last decade, we've observed an increased demand for engaging video content for ad formats among our brand partners. Before expanding our service offerings, we've collaborated for years with creatives, other agencies and freelancers to produce and distribute high-quality video content across media channels.

Regardless of industry or business, the need for more video has yet to cease or slow down. A whopping 94% of marketers report that video has helped them increase brand awareness (Wyzowl, 2023).

Yet, we wanted to know why many brands still aren't leading with a video-first strategy despite the creative being one of the most influential levers for differentiation and audience engagement.

Through our independent research, we've discovered that shifting to a videodominant strategy presents both challenges and opportunities for marketing leaders.

Success with video depends heavily on strategy, media planning and execution. However, we uncovered a major disconnect between marketing leaders' goals and the outcomes of their initiatives. In fact, video production is a significant dilemma for companies.

Nearly 61% of brands say time and and bandwidth are their biggest hurdles, with team size, resources and technical ability trailing close behind at 44% (Hubspot, 2023).

This data and others like it highlight an undeniable reality — how we approach and scale video production to deploy creative assets in digital

advertising needs a fundamental transformation. Not only does the current system poorly serve the needs of modern campaigns, but it is also completely disconnected from the demands of a growing automated ecosystem.

Not only does the current system poorly serve the needs of modern campaigns, but it is also completely disconnected from the demands of a growing automated ecosystem.

The challenges within this gap are obvious, as budget constraints in a tight economy put video production in a lull. Consequently, making asset coverage is a major issue for executing media planning. Although some in-house teams resort to scrappy measures by leveraging strained in-house resources and DIY tools, quality and credibility have become an additional concern.

Our investigation into these issues led us to develop the Diamond Method — an impactful approach to high-quality video production that emphasizes meticulous planning, strategic alignment and seamless integration of creative and media efforts. We found that campaigns leveraging this methodology were twice as likely to create more assets within budget.

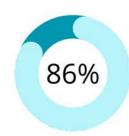
High-quality video content and asset creation are more critical than ever. If adopting a methodical approach to planning and video production was key to campaign success — why wouldn't you?

Let's look at the future of video production.

Why High-Quality Video and Creative?

Cutting through the clutter

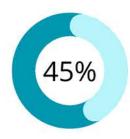
High-quality video helps brands stand out, capturing and retaining audience attention more effectively than static content.



% of businesses use video as a marketing tool (Wyzowl)



% of marketers say video is an important part of their marketing strategy (Wyzowl)



% of marketers agree video is the best medium (Forbes)

Investment in video is paramount. Global video ad spend is projected to peak at over \$191.4 B by 2024, which highlights the growing need to prioritize video for digital advertising.

Alongside this prioritization is consumers' growing appetite for it. According to Hubspot, <u>54</u>% of consumers want to see more video content from brands.

The proliferation of video also adds fuel to the fire. In 2023, online videos were projected to comprise more than <u>82% of all</u> consumer internet traffic, five times the rate in 2017.

More and more brands realize that video content captivates audiences, driving higher engagement and retention than static content.

Creative

QUALITY

drives 50% of ROI

*Nielsen 2023 Study

Qualifying audiences

Marketers are seeing the value of video content:



% of marketers report video helps customers understand their products better



% of marketers attribute lead generation success to video content



% of marketers link video content to sales growth

- Effective video content attracts viewers and helps qualify leads by delivering targeted, relevant messages that resonate with specific audiences.
- Content tailored to specific audiences segments drives higher engagement and conversion rates by delivering targeted, relevant messages.
- Personalized video content creates better customer experiences, fostering stronger emotional connections and brand loyalty.

Source: Forbes

Adapting to automation

Typically, marketers discuss feeding machine learning with data in mind. But we need to feed the machine with creative, too.

Like data, there's no such thing as too much creative.

Today's advertiser needs creative to address multiple:

- channels
- ad formats
- aspect ratios
- stages of the funnel
- asset types

Key Takeaways

- As automation handles more of the traditional advertising processes, the need for exceptional creative content becomes paramount.
- High-quality video and creative assets ensure that automated campaigns remain effective and engaging.
- Machine learning algorithms also need tremendous inputs to do their job.

Challenges to Executing Video

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Budget constraints

Producing high-quality video content can be expensive, and many brands struggle to justify the investment.

Cost-effective video solutions:

- Developing smart video production strategies that maintain quality can help marketing leaders defend budget.
- Don't let budget hold you back. Instead, invest wisely in quality creative, then scale it.

Demonstrating ROI

• To secure effective budget for ROI, it's necessary to clearly articulate the tangible benefits of video with data.



Creative services are essential for standing out, but the sheer number of platforms, ad units and formats can make it feel overwhelming—and costs can add up fast. That's why scalable solutions like streamlined video production and creative iteration are game-changers. They ensure you always have fresh, impactful content to fuel campaigns without breaking the bank.



Jeremy Olson

SVP of Creative Strategy

closed loop

Asset coverage

Modern campaigns require a diverse range of creative assets to be effective across various platforms and formats.

The number of assets varies depending on the complexity of an ad campaign and the number of platforms and audiences it targets.

Additionally, each format might need multiple variations to fuel A/B testing and optimization.



Brands are starved of the creative assets needed for modern campaigns. This deficit heightens campaign inefficiency, leaving missed opportunities on the table and optimal performance out of reach.



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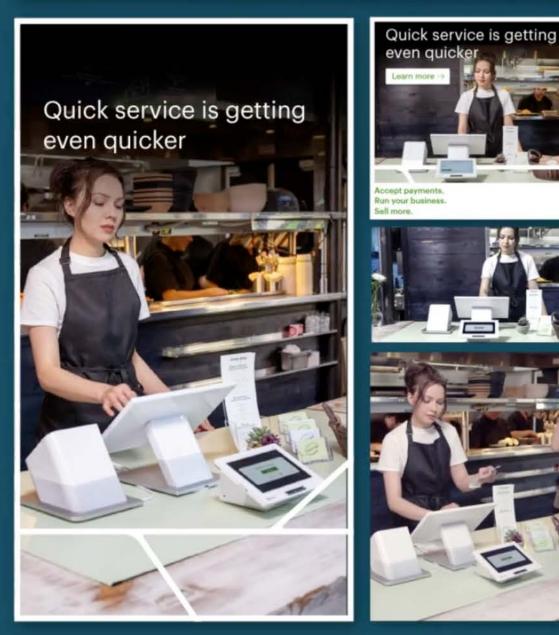
Consider the following scenario that show how ad formats can quickly add up.

4 Platforms x 4 Ad formats x 3 Messages x 3 Variations = 144 pieces of content

Each year, ad formats expand across platforms. Many brands lack the volume of assets needed to sustain their marketing efforts, leading to creative fatigue and reduced impact.











Quality control

The proliferation of DIY tools and AI has led to an increase in low-quality, poorly thought-out ads. This has become a common practice among competitors, creating a marketplace with boring, uninspired creative.

Companies should not rely on basic tools for their creative needs but should invest in strategic, quality production to differentiate themselves for the long-term.

High-quality creative produced by a skilled team evokes authority and value in the minds of consumers.

62% of consumers are more likely to have a negative perception of a brand if a video ad is poorly produced.

(Hubspot, 2024)

Getting It Right In One Shot

Seamless integration of strategy, media & production

Combining strategy, media planning and creative production under one roof ensures cohesive and impactful results.

Closed Loop has developed an agile process to generate 100+ pieces of content for multiple platforms from a single production — The Diamond Method.

By aligning media plans and video production, brands can maximize the value of their investments and ensure they get all the creative they need to fill their digital ecosystem.



How Closed Loop scales video production

In-House Production

We work with one production house only — our own. That means no triple bidding or bloated passthrough costs. But the benefits go beyond budget alone. We also save clients' time with prioritized post production and film editing.

Truly Integrated Teams

We integrate teams from the start. Creative, data, production and media teams all have a seat at the table. When it's time to launch a campaign, everyone knows exactly what we're making for each platform.

Super Shoot Method

We shoot everything with scale in mind. As a result, we squeeze a ton of content out of every production.

We meticulously plan our shot lists, accounting for every media platform, aspect ratio and shot type. In a single day of filming, we capture enough content to fill your digital media pipeline.

Non-Specialized Crews

Multi-hatting is necessary to pull this off. That's why we only hire people who love creating and getting their hands dirty.

Case Study: Clover

Challenge:

Clover, a point-of-sale platform, partnered with Closed Loop to tackle the challenge of a limited advertising budget while competing against a market leader with a 5:1 spending advantage.

Strategy:

Clover launched the "On The Road" campaign, a 12-week initiative that turned a 30-second video spot into 100+ pieces of content, including shorter videos, static photos, and dynamic ads.

This high-quality, scalable creative was distributed across CTV, programmatic display networks, social media and direct-buy platforms. Closed Loop's digital media experts leveraged smart targeting to engage customers at every stage of the purchase funnel.

The campaign sent prospects to a custom microsite, followed by strategic retargeting with display ads. This integrated approach, combining creative strategy, media planning, and production under one roof, allowed for seamless alignment and optimization throughout the campaign.

Results:

- 100+ Ads from a single shoot
- +252% increase in CTR on Facebook
- +110% increase in CTR on programmatic

Client testimonial



What I appreciate most about our long-standing partnership with the Closed Loop team is that they are never satisfied with the status quo. They constantly innovate, push new boundaries in creative services, and employ effective production techniques that drive customer engagement and retention, which is our ultimate goal.

Mike Lazzaro,
VP of Product Growth
Clover

Client testimonial



"By having all of these assets that were so well done, we were able to actually A/B test them using control markets. It became a national campaign. We saw this huge lift, starting to become a first thought partner for small and medium-sized businesses. It was lightning fast, affordable from our perspective, and really high impact."

Chris Stone,
Director of Growth Marketing
Clover

Conclusion

As video becomes more ubiquitous, the need for high-quality video and methodical production for asset creation at scale becomes more mission-critical for marketing leaders.

By investing in video production and adopting an integrated approach that combines strategy, media, data and creative, brands can overcome budget constraints, ensure asset coverage and maintain the quality needed to stand out in a competitive market. Prioritizing high-quality creative and video production is no longer a fad—it's a strategic, competitive advantage that drives engagement, conversions and long-term success.



About Closed Loop:

Closed Loop is a full-funnel digital advertising agency specializing paid media and high-quality video production + creative services. Our integrated approach ensures seamless collaboration between strategy, media and creative, delivering meaningful results at each funnel stage for brands. Learn how to achieve your digital advertising goals by visiting **closedloop.com**.