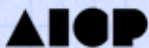


# commerce craft

## **CRAFT & COMMERCE**

Opportunities for Marketing  
in the Motion Image • 2024



A DEPTH OF FIELD GUIDE  
Commissioned by AICP  
Presented by The Nucleus Group



## **CRAFT & COMMERCE**

Opportunities for Marketing  
in the Motion Image • 2024

### **ACTIONABLE WISDOM STARTS WITH WONDER**

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Is demand for commercials increasing or decreasing?

Will AI replace me?

Does anyone care about craft anymore?

Who is next and how will they know what to do?

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# Dear Reader,

In recent years, the commercial production industry has experienced unprecedented changes. This has had a tremendous ripple effect on how the companies that make up the Association of Independent Commercial Producers (AICP) operate, and how these companies respond to demand.

We all know the media landscape continues to evolve. We all know that there are technologies afoot that will forever change the way we work. We all know that we are facing increased competition on many fronts—some that are perceived as unfair and others that are merely emerging from new corners.

Yet we also know that this is a resilient business that has adapted to many changes over the five-decade history of AICP. The creative problem solving, talent, and craft within this industry is second to none.

AICP's core mission remains representing our members and providing information to help them better run their businesses. The AICP National Board of Directors is committed to meeting challenges as they come and listening to the concerns of each member. With this in mind, the Board recognized that it was essential to engage a first-class strategic research company to outline where we, as an industry, have come from, where we are, and where we are heading—in a report that is neither rooted in what we want to hear nor from

the point of view of advocacy, but rather assembled and told by a truly impartial third party.

In November 2023, the AICP Board engaged The Nucleus Group to undertake this work. Nucleus conducted deep, immersive research—reviewing materials, interviewing subject matter experts and professionals from all facets of the industry, and surveying our membership to identify emerging opportunities within commercial production. What follows are their findings, observations, and insights.

It is the AICP Board's hope that, armed with this information, each of our members can chart their course for a successful future, and the organization can chart a course for better fulfilling its mission and promise to the membership for the next five decades and beyond.



**Matt Miller**  
President & CEO  
Association of Independent  
Commercial Producers  
July 2024



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# Introduction

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# Today's world is tumultuous and unpredictable. Things are changing at an unprecedented pace across culture, economics, geopolitics, and communications.

The trickle-down effect has a profound influence on how companies choose to invest and specifically, what they invest in. There is no question: Budgets for advertising and communication are tightening and shifting in response.

Commercial storytelling is also in a state of flux, a critical inflection point, because commercials have now broken free from the conventional parameters of television. Audiences are no longer held captive, yet they are besieged by the omnipresence of content. Swept up in the wave of algorithmic automation, data-driven decision making, and artificial intelligence, businesses are demanding more from their storymaking partners than ever before.

In an era of splintered attention, satisfying ravenous appetites is prioritized over appealing to discriminating palates.

To meet the constant need for content, traditional practices have been upended as brand priorities shift from creativity to streamlined efficiency. In response to this trinity of speed, volume, and platform, an industry that has always celebrated the craft of storytelling now finds itself in the business of content production.

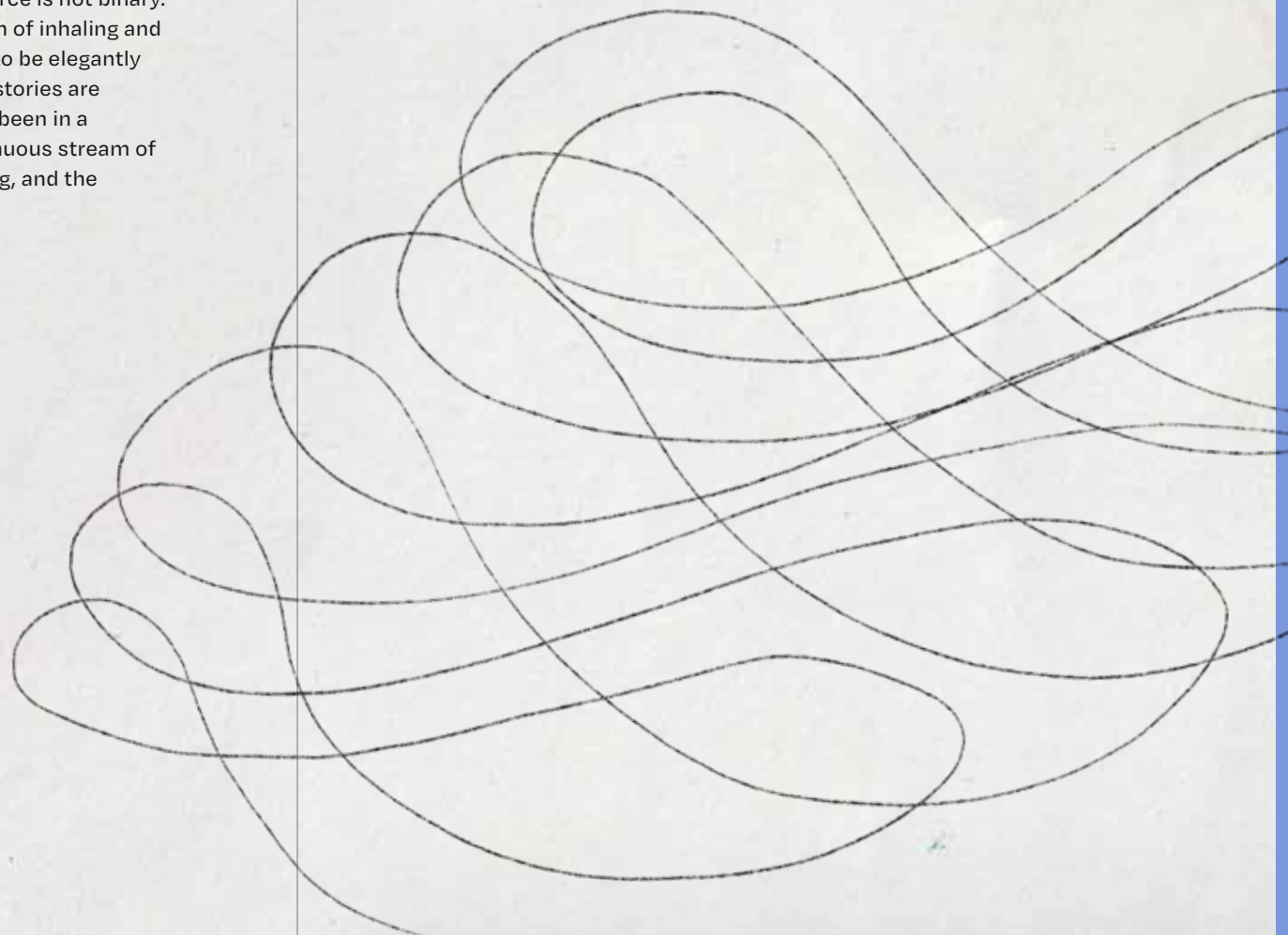


This fundamental shift has amplified the inherent friction between craft and commerce—the perceived antagonism of one versus the other, the push and pull of either/or. However, the truth is that advertising has always been about combining craft and commerce. Craft without commerce prioritizes aesthetics over action and fails to drive business forward. Commerce without craft goes the way of the algorithm and sinks to the bottom of a sea of sameness.

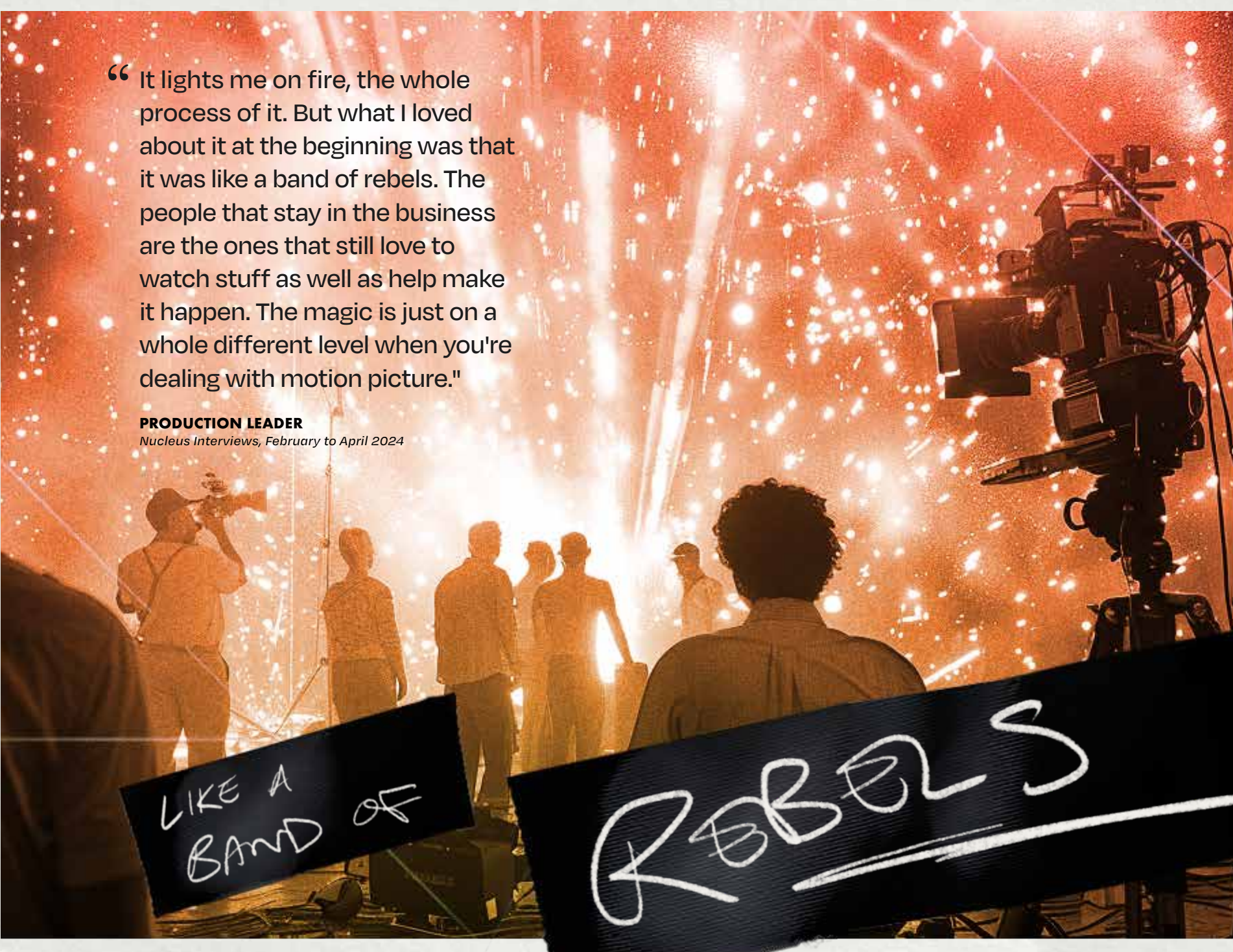
The tension between craft and commerce is not binary. Similar to breathing, the natural rhythm of inhaling and exhaling, it's a fluid state—something to be elegantly managed, rather than solved. The way stories are crafted, produced, and distributed has been in a constant state of evolution. This continuous stream of innovation has ensured that storytelling, and the businesses that support it, flourishes.

**The tension between craft and commerce is not binary. Similar to breathing, the natural rhythm of inhaling and exhaling, it's a fluid state—something to be elegantly managed, rather than solved.**

There has never been greater demand for commercial content. The goal of this report is to identify the challenges and opportunities inherent in meeting this demand anew. By defining and leveraging new offerings, compensation models, relationships, and tools, the time is ripe for commercial production to thrive.







“ It lights me on fire, the whole process of it. But what I loved about it at the beginning was that it was like a band of rebels. The people that stay in the business are the ones that still love to watch stuff as well as help make it happen. The magic is just on a whole different level when you're dealing with motion picture.”

**PRODUCTION LEADER**

*Nucleus Interviews, February to April 2024*

LIKE A  
BAND OF

REBELS

# About This Guide

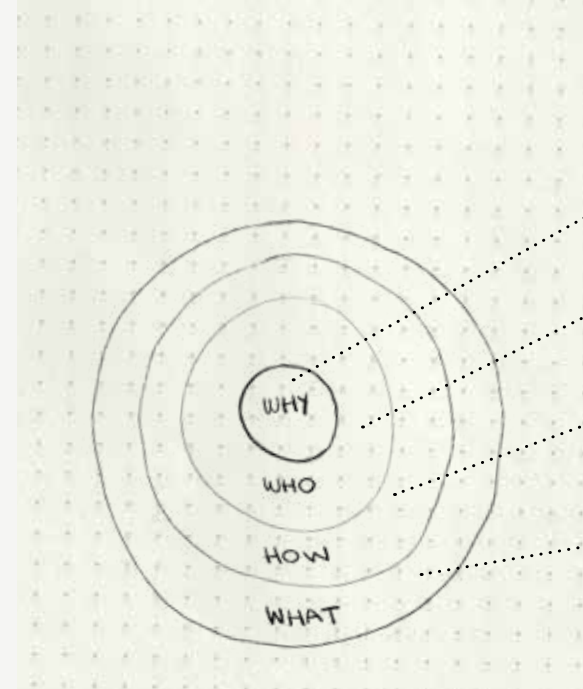
**Researched and produced by The Nucleus Group, this is the first in a series of human-centered, evidence-based Depth of Field Guides.**

Nucleus conducts research and delivers actionable wisdom that enables leaders to understand and manage the paradoxes and polarities of our time, in order to make decisions that stand the test of time. For more about The Nucleus Group, visit: [thenucleusgroup.com](http://thenucleusgroup.com).

## PROCESS AND METHODOLOGY

The process of creating this report began with a deep audit of available research and information, including the review of countless articles and publications, industry reports, podcasts, books, and webinars.

This was followed by primary research, including an AICP membership survey and in-depth interviews with advertisers, consultancies, marketing and advertising agencies, creative studios, filmmakers, and production and post-production companies.



### Why

To ensure marketing in the motion image continues to thrive

### Who

For problem-solvers and storytakers dedicated to commercial production

### How

A synthesis of observations and shared, actionable wisdom

### What

An examination in the evolution of product, purpose, and people to provide a clear view for navigating today's challenges and emergent opportunities

## AN EXPLANATION OF TERMS

**The terms *storymaking* and *production* are used throughout the guide and are meant to be all-encompassing references to the process of creating marketing in the motion image.**

This includes Live Action, Visual Effects, Graphics, Editorial, Color, Music, and Audio—essentially, all aspects of the crafts coming together to execute advertising content.

Excerpts from in-depth interviews conducted by Nucleus and responses from the AICP membership survey are presented anonymously to maintain confidentiality. Quotes have been edited and condensed for length and clarity.



REPORT  
PART  
2

# The Evolution of Commercial Production

## **An Evolution in Product**

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content  
&  
commercial

COMMERCIAL & CONTENT

# An Evolution in **Product**

The metamorphosis in advertising driven by shifting behaviors in content consumption and shopping

# An Evolution in Product

## FORM MEETS FUNCTION

The way people consume content and purchase products has changed.

The investment brands make to engage consumers requires a new balance between creating a connection and making the sale.

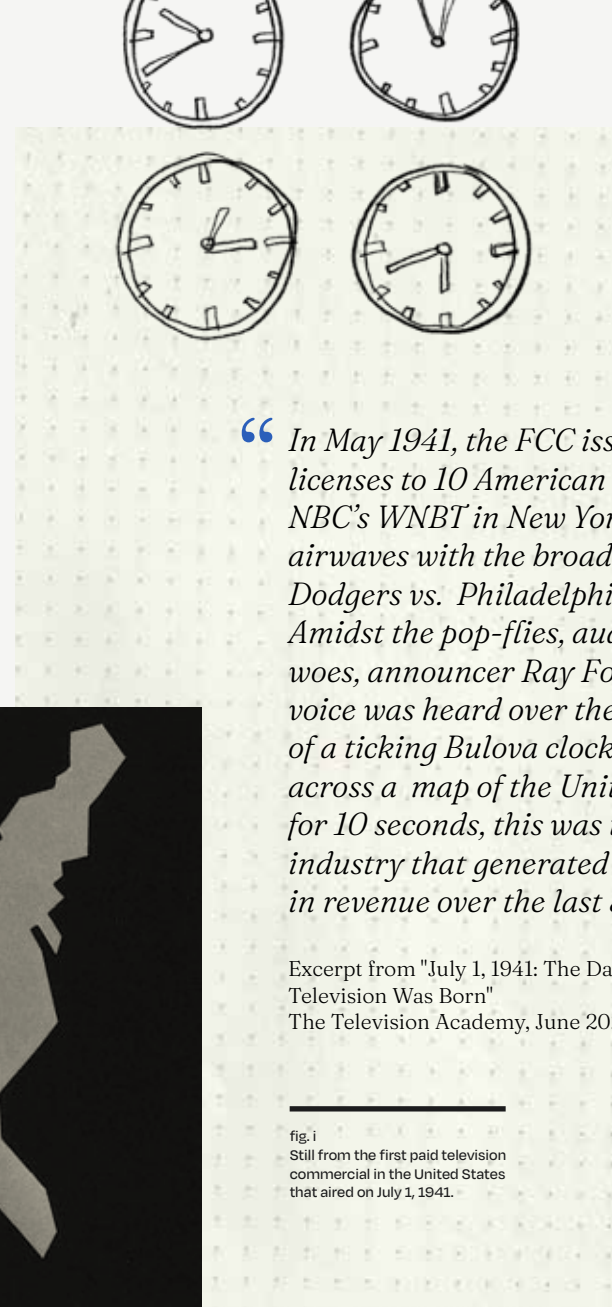
Brands are seeking out storytakers that take on concepting and accountability to craft content that builds awareness while delivering the utility of performance. This is the bridge production can build to satisfy the needs and requirements of the brands they serve.



## Marketing In Motion

**The debut of the first television commercial changed the way brands connected with consumers.**

In July 1941, during a baseball game between the Brooklyn Dodgers and the Philadelphia Phillies, the American watchmaker Bulova aired the world's first television commercial. The ad was all of 10 seconds long and cost \$9 to run—but in those 10 seconds, something fundamentally shifted in the world of commerce. As the idea of marketing in the motion image was introduced to the masses, the way brands reached consumers forever changed.



“*In May 1941, the FCC issued commercial licenses to 10 American TV stations. NBC’s WNBT in New York took to the airwaves with the broadcast of a Brooklyn Dodgers vs. Philadelphia Phillies game. Amidst the pop-flies, audience cheers, and woes, announcer Ray Forrest’s friendly voice was heard over the clear-view image of a ticking Bulova clock transposed across a map of the United States. At \$9 for 10 seconds, this was the onset of an industry that generated billions of dollars in revenue over the last 83 years.*”

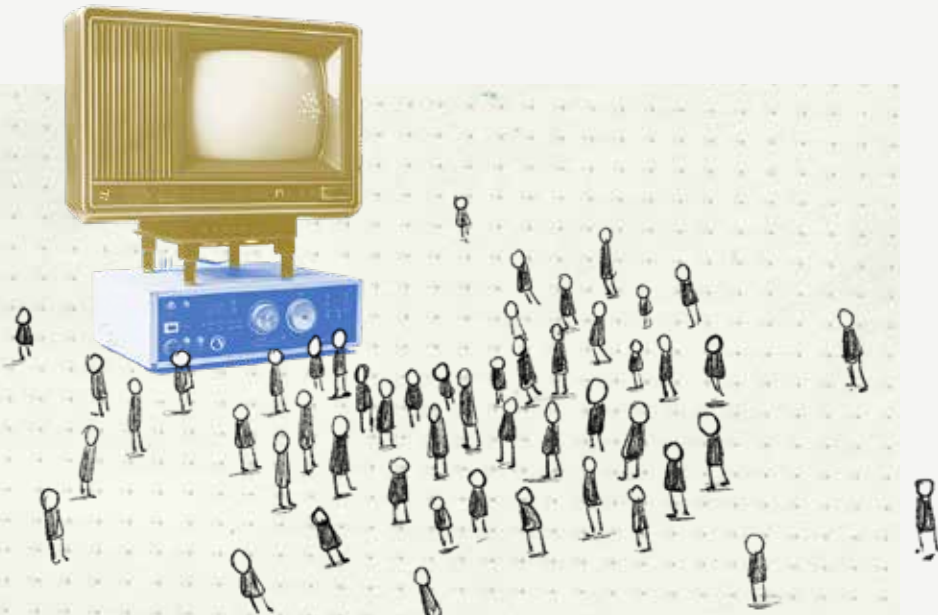
Excerpt from "July 1, 1941: The Day Commercial Television Was Born"  
The Television Academy, June 2021

fig. i  
Still from the first paid television commercial in the United States that aired on July 1, 1941.

## Viewers Once Gathered...

**Scheduled programming meant TV shows and commercials had a captive audience.**

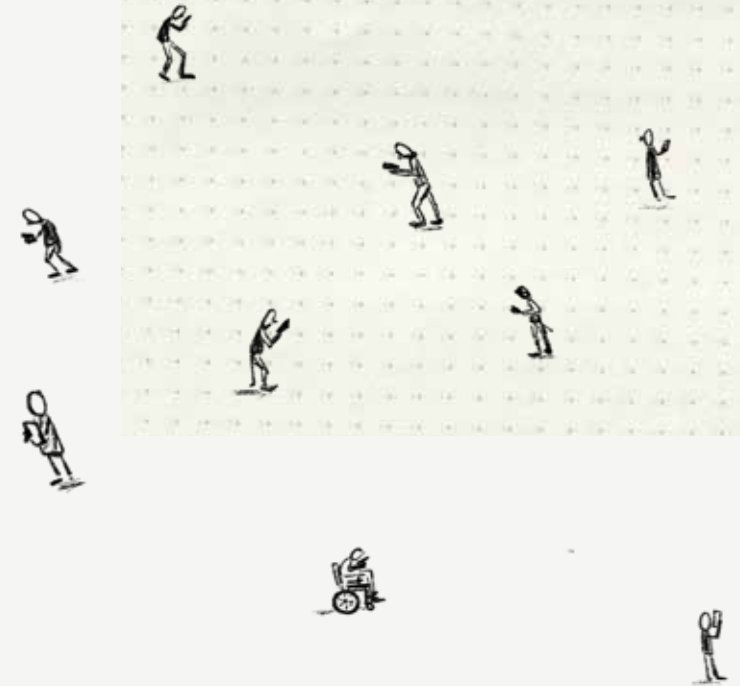
In the decades after the Bulova commercial first aired, television was the primary way that brands connected with audiences. People gathered together each evening for the news, dinner, and prime time TV. Given a limited number of choices and channels on broadcast, it was the era of appointment viewing: tuning in to a TV show as it aired. News, live events, sports, or final episodes of favorite shows were peak appointment viewing times; these collective experiences defined pop culture conversation. They were social currency. People connected and engaged through these unifying moments, and the brands they came to trust were a part of that. Television shows, and the commercials incorporated in each one, had a captive audience.



## ...Now, They Wander

**People now have unprecedented freedom over when, how, and what to watch, and so the way brands connect with consumers has shifted again.**

In 2024, audiences are free to roam. Instead of coming together each night around the household's only television set, people are surrounded by multiple screens of varying sizes at any given moment, at times paying little attention to any of them. Given the firehose of choices evolving from the rigidity of broadcast television to the fluidity of streaming and social media, brands must work to capture viewers' attention by crafting their own unforgettable moments.





## Without Ad Breaks, The Dam Breaks

**With a proliferation of platforms, the commercial is taking on new forms as brands create and distribute content with the goal of achieving a measurable return on investment.**

Commercials were created to live in the spaces between the actual content of episodic television, sports, and the news. In the 83 years since the Bulova advertisement made its first appearance, commercials have gone beyond these interstitial spaces to become content in and of themselves. The omnipresence of content, an amorphous, all-encompassing term for the digital material that is offered for consumption 24 hours a day, represents a breaking of the dam: a deluge of things to watch, read, and share.

“*In an era where the term 'attention economy' is as pervasive as the digital devices that glue us to our screens, every scroll, click, like, and share is more than a mere action; it's a transaction in the world's most valuable currency: our attention. This economy, which sees our focus as a finite resource to be captured and monetized, has fundamentally altered how we connect.*”

"Lost in the Scroll: The Hidden Impact of the Attention Economy"  
*Forbes*, February 2024



# Blurred Lines

**The boundaries between above-the-line and below-the-line media are more nebulous than ever.**

There was once a dividing line in advertising. Traditional media lived above this line, with everything else below it. Above-the-line media (television, print, radio, and outdoor advertising) made emotional appeals in the name of branding, creating awareness and stimulating desire. It held an esteemed place, while below-the-line media (direct marketing, experiential marketing, and digital marketing) were the workhorses—utilities metered, measured, and designed to sell.

The distinction between above- and below-the-line media has been in flux. Over the past decade, as bandwidth increased, access to video expanded from home to mobile devices and from short-form content to full-blown streaming. Then, in 2020, there was a major shift, not only in the way people were consuming media and entertainment, but in the way they were buying goods and services.

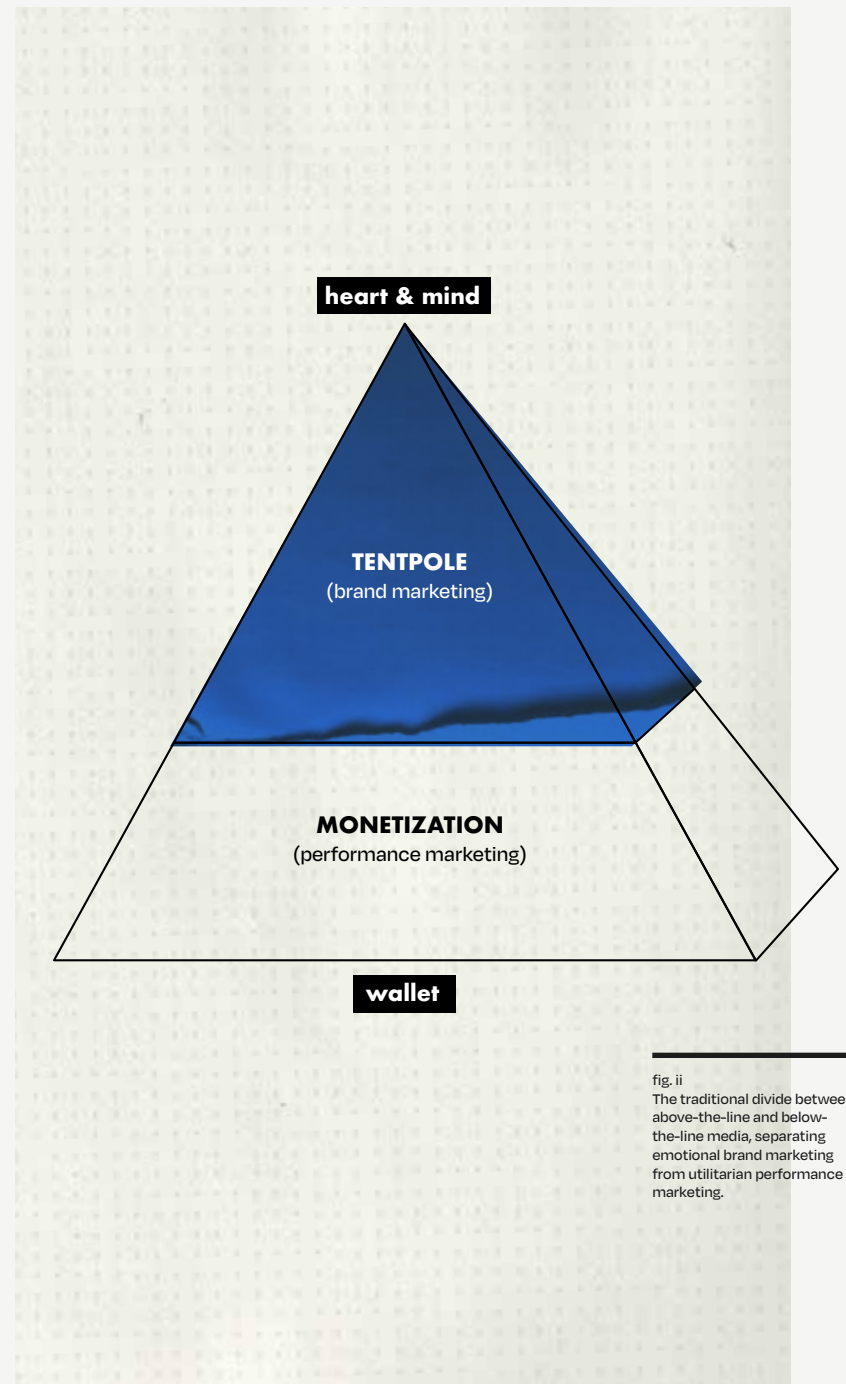
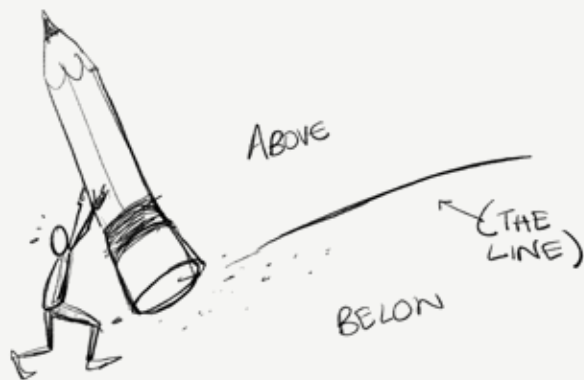


fig. ii  
The traditional divide between above-the-line and below-the-line media, separating emotional brand marketing from utilitarian performance marketing.



## TikTok Shop and Social Commerce

**Online shopping, uninterrupted: Social commerce brings the entire consumer purchasing experience to social media platforms, from beginning to end.**

A viewer can watch an influencer cooking eggs in a nonstick pan on TikTok and directly purchase the same pan without leaving the app—swiftly moving from awareness and interest to desire and action, all in the span of one video.

With U.S.-based teenagers spending an average of two hours a day on TikTok, there's an abundance of attention and potential sales within this generation of up-and-coming consumers that the platform wants to tap into. In a bid to go up against giants like Amazon, TikTok is beefing up its logistical operations and distribution networks to provide a more seamless experience. It's estimated that social commerce will grow into a \$100-billion market by 2025. E-commerce disrupted brick-and-mortar retail. Now social commerce is disrupting traditional e-commerce.

## Beyond Making Connections, Content Must Perform

**Given the ability to measure and track effectiveness, a brand's definition of a successful advertisement is changing to put greater value on performance.**

The pandemic erased all but the faintest indication of separation between above- and below-the-line media strategies and expenditures. A direct-to-consumer tidal wave, supercharged by Covid lockdowns and isolation, altered the way brands interact with consumers. This shift in the way brands connect with people has also shifted the way brands value advertising. No longer satisfied to simply connect, brands now require more utility from their ads. As brands favor content that converts to commerce, commercials must contribute to the bottom line. In this day and age, content must do more than connect. Content must perform.

"As a consumer, I can 'follow' someone on a social network, then be just two clicks away from actually buying the product they like, that I like, right in that impulse moment.

That immediacy and targeting is exceptional, powerful, and so very measurable for clients. It must be intoxicating. It is so different from the 'hearts and minds' marketing of brand ads."

**PRODUCTION LEADER**  
Nucleus Interviews  
February to April 2024



fig. iii  
Because consumer habits around viewing and shopping have changed, so has the nature of advertising and how brands define a successful ad.



## Cultural Capital

**Tentpole productions draw sizable audiences and traditionally, a sizable slice of advertising budgets. However, with changing viewership habits and rising costs, brands are looking elsewhere to get more bang for their buck.**

The Super Bowl, award shows, and live events still have the power to draw substantial audiences for appointment viewing—occasions that offer opportunities for brands not only to connect but also create a ripple in culture, make a mark, pique mass curiosity, and spark widespread conversation.



*“Nothing in the media world comes close to getting companies the exposure that the Super Bowl can. That’s increasingly important as the media landscape grows more fragmented.”*

"Super Bowl Commercials Cost \$7 Million. It's Still a Good Deal."  
CNN, February 2022

Requiring mastery and craft, tentpole productions have traditionally been the highest priority for advertisers who value reach and cultural currency. Complacency-piercing stories, and spectacles with stars and stunts, capture hearts and minds. Not surprisingly, this form of advertising requires and receives an inordinately large allocation of an advertising budget. As the cost of these productions has risen dramatically and as audiences increasingly tune in to these special events on-demand and through new platforms, brands have begun to reevaluate the value of what was once nearly invaluable.

*“Where 'cultural capital' describes how particular tastes and reference points confer status, “content capital” connotes an aptitude for creating the kind of ancillary content that the Internet feeds upon. Since so much audience attention is funneled through social media, the most direct path to success is to cultivate a large digital following.”*

"How the Internet Turned Us Into Content Machines"  
The New Yorker, June 2022

## Content Capital

**Cultural capital has been superseded by content capital—the ability to create content that responds to, and facilitates, these conversations online. Digital fluency determines success.**

Successful advertising was once predicated upon building cultural capital to drive consumer preference, achieving impact and relevance with an impressionable audience. Through carefully crafted dialogue, catchy jingles, or alliances forged with stars of stage and screen, brands could dominate cultural conversations and ensure top-of-mind awareness. Brands are built in culture—but culture is ever-changing.



## The Squeezed Middle

**The slow burn of the traditional AIDA model of awareness, intention, desire, and action has been compressed.**

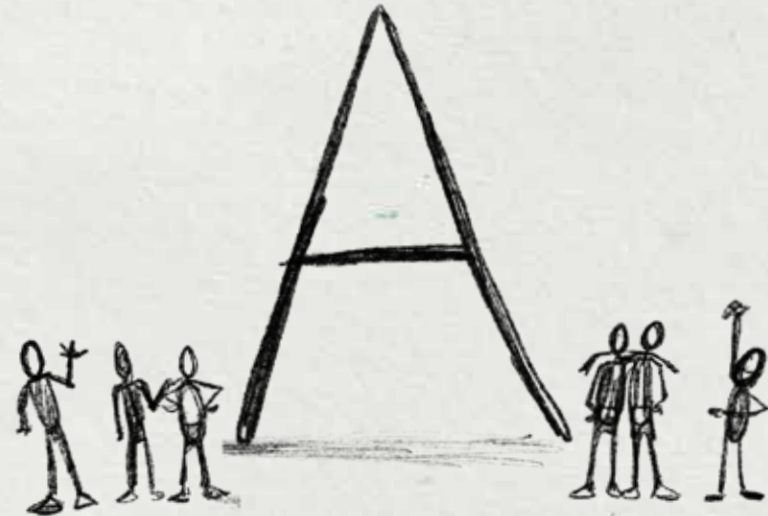
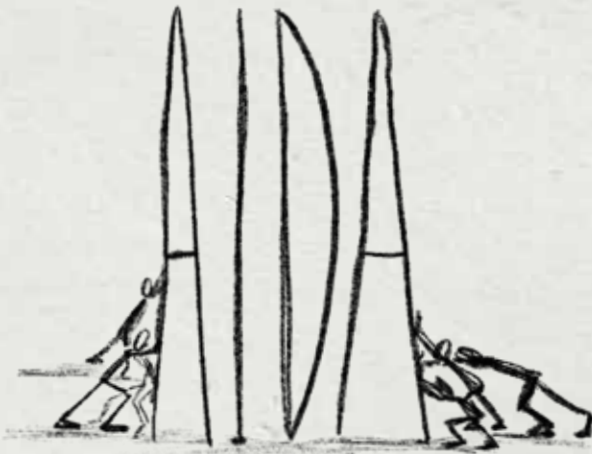
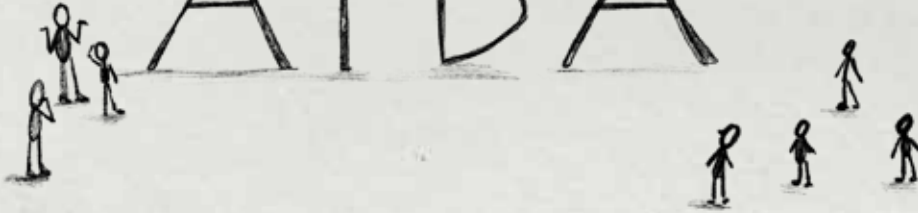
Content capital, which is a large digital following, is forged on the basis of speed, volume, and platform. This, along with its ability to drive consumers to take action and to compel a response, is increasingly becoming the indicator of success.

“All of a sudden, there was a new area of the market for commercials that lots of production companies were making. The gap between the smaller content action-driven stuff and bigger tentpole, brand awareness stuff became closer.”

Production Leader  
Nucleus Interviews, February to April 2024

AWARENESS INTEREST DESIRE ACTION

AIDA



~~AWARENESS~~ ~~INTEREST~~ ~~DESIRE~~ → ACTION



## Porous Boundaries

**The format and nature of commercial content has changed. With more platforms, there are more storymakers and opportunism abounds.**

"My Instagram feed is mostly commercial content, by my choosing."

### MARKETING LEADER

Nucleus Interviews  
February to April 2024

Creative power and influence have been democratized, and with that, traditional forms of advertising are shifting in value. Brands can sell people anything, anytime, and anywhere, and consumers are accustomed to it—some even actively seeking it out.

The increase in opportunities for brands to connect with buyers has given rise to new choices and new spending patterns. What had been considered the below-the-line budget allocation has made its way up and squeezed what had been above-the-line. In fact, there is no line left. With the rise of high-speed internet, streaming, and social channels, advertising that is full of craft may now air only online. Brands targeting younger audiences are meeting them where they are—not on TV but on YouTube, Instagram, and TikTok—and creating quality content with lower budgets.

Commercial content is no longer limited to any one medium. Now that content exists nearly everywhere a screen exists, there are more opportunities to make it, and many new creators and storymakers are jumping into the pool. Barriers to entry have eroded and so too have the borders that separated pros from opportunists.

*"The possibility of making a few bucks has turned ordinary people into creative directors and provided a steady flow of free advertising and marketing ideas for pennies on the dollar."*

"Have We Reached the End of TikTok's Infinite Scroll?"  
*The New York Times*, February 2024

*"It's time for the people to conduct what I want to call a digital guillotine, a 'digitine' if you will. It's time to block all the celebrities, influencers, and wealthy socialites who are not using their resources to help those in dire need."*

—@ladyfromtheoutside

As quoted in "The 'Digital Guillotine' and Why TikTok is Blocking Big Name Celebrities"  
*USA Today*, May 2024



## Star Power?

**Celebrity-led commercials fluctuate in popularity with advertisers and audiences.**

Celebrities can be extremely expensive, but they can also attract attention and set the public abuzz, "catapult[ing] [brands] into the pop-culture zeitgeist."<sup>1</sup> They earn a great deal of media—in the form of press coverage and content shares from starstruck fans—but there is always the risk that the celebrity will overshadow the brand or worse yet, appear inauthentic.

Fame is no longer necessary to garner influence and authority, previously the domain of those who have achieved a certain degree of stardom. Some audiences are also tiring of—and even rallying for the outright rejection of—celebrity involvement in commercials.

A topic notoriously rich with controversy, celebrities represent a financial and social gamble. While they may help to amplify, they should never be relied on as a replacement for well-crafted storytelling.

<sup>1</sup> "Celebrities Are Paid a Shocking Amount for 30-Second Super Bowl Ads," *CNN*, February 2024

“The difference now is we will be asked for a 30- and a 60-second ad. Inevitably, we're also asked for a 120-, a 6-, a 15-, and a 10-. For every project, the deliverables are through the roof, which is just part of it.

*But we're not getting compensated for that. We're already being asked to work with much smaller budgets, and cramming everything we can in there.*

# OUR OPPORTUNITY TO ACTUALLY STAY IN BUSINESS AND MAINTAIN A COMPANY LIES IN THOSE ADDITIONAL ASKS.”

## POST-PRODUCTION LEADER

Nucleus Interviews, February to April 2024

## More Stories = More Touchpoints = More Money?

**The explosive growth of content means more production opportunities, but budgets should be proportionate to the number of deliverables and the level of expectations.**

While every brand has a story to tell, those stories now need to be told in more places, in new ways, with greater frequency, and with new expectations of what they will yield. Brands have higher expectations about the volume of what can be produced for the same cost, often seeking an increase in deliverables without a commensurate increase in budget or price.

With such a wide range of customer touchpoints, the number of deliverables for commercial content has exponentially increased. A story needs to be sized and framed for the screen that it will be viewed on, and also tailored for the audience that will be viewing it. This is not simply business as usual and, as such, when scoped and priced accordingly, it represents a significant opportunity for production.

"Production value means significantly less money for significantly more deliverables. With the reduction in money to spend, there has not been a reduction in the expectation of quality. It's more and more common for our company to reduce necessary-to-operate markups to not only stay competitive but to reduce more to win the job. It's very clear it's about the numbers for the client now, over the best company for the job."

**AICP MEMBERSHIP SURVEY**  
April 2024



# From Ads That Connect to Ads That Perform

**With the demand for premium TV advertising waning, advertisers seek content that can effectively deliver measurable value and utility for their brands.**

Cultural events that garner real-time, massive viewership are fewer and far between. While this makes them all the more valuable, they have become a spectacular luxury that only a limited number of advertisers can afford. Of note, none of the big American auto companies that traditionally invest in the Super Bowl, advertised in the 2024 broadcast. Overall, demand for premium TV advertising is being continuously eroded. As television viewership recedes, the rising tide of streaming (in particular, the introduction of more ad-supported models) and social platforms deliver the reach, required utility, and measurable performance advertisers seek.

Brands are turning to social platforms not only to deliver highly targeted messages but to gain the benefit of audiences who can, in turn, share these ads with friends and family in seconds, with just a few clicks and keystrokes.

This formula of targeting + sharing + trackable return on investment entices brands to redirect funds to ads that deliver utility, the hard work of reaching buyers and making the sale. Performance ads, those that are highly targeted and sit closest to revenue production, are favored and needed in higher quantity and with greater frequency.

"These big shared moments are becoming even more important... and even grow in terms of value...but then you've got all this very fast, quick-turn stuff for social."

**CREATIVE AGENCY LEADER**

*Nucleus Interviews  
February to April 2024*

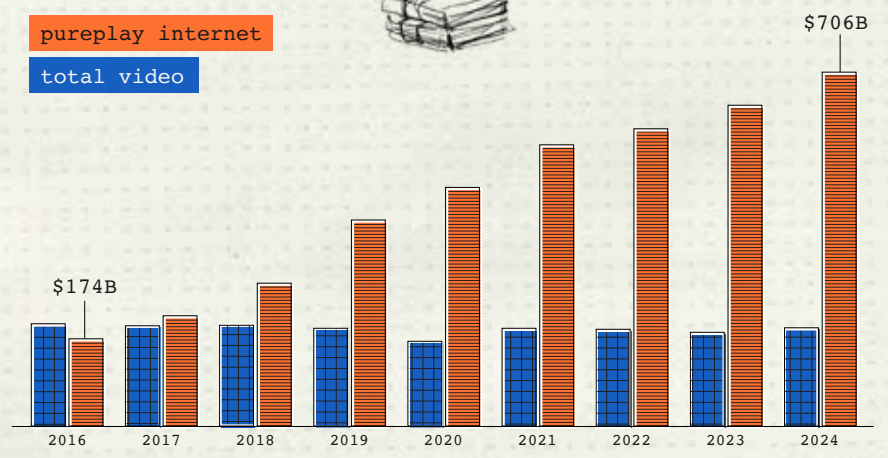
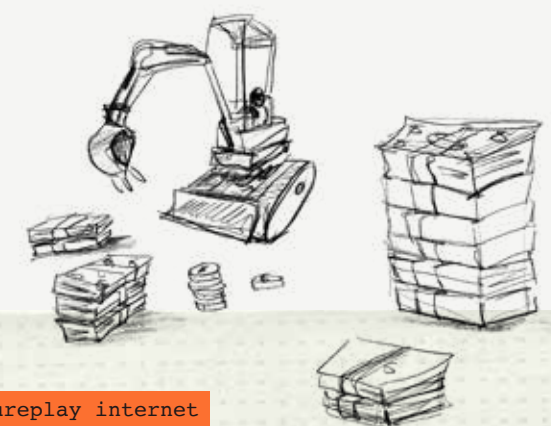


fig. iv  
While ad spend in total video (linear and CTV) remains steady, advertisers are shifting their investment to pureplay internet channels. The biggest growth opportunities are in these channels of social media, search, and retail media. [World Advertising Research Centers (WARC), January 2024]





# Coming Full Circle

**Streaming platforms are now charging for ad-free programming. The interstitial commercial is reappearing, but it's showing up in a new way with new possibilities.**

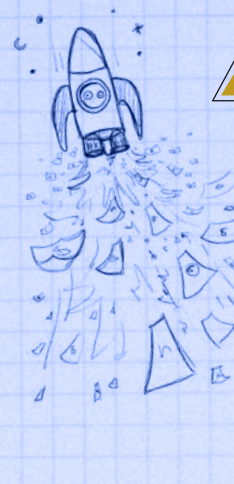
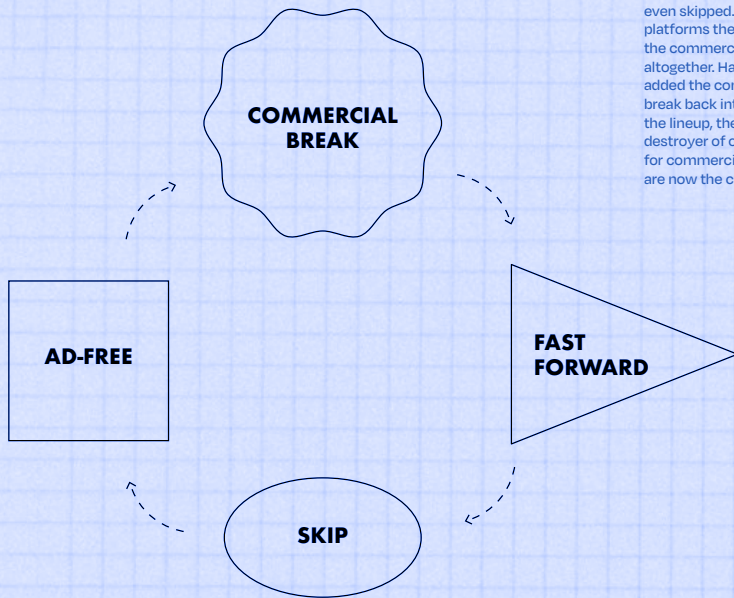
"The future of our business is streaming ads. The captive audience is coming back through the streaming services, and through their advertising model."

**PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

The popular streaming platforms that once prided themselves on being ad-free are reintroducing the commercial with basic subscriptions. Averaging four minutes (as opposed to 15 to 20 minutes) per hour, the commercial breaks on streaming are remarkably shorter than broadcast TV. What's more, this is offered to subscribers as a cost-saving strategy—an opt-in choice, rather than an unavoidable imposition. As an invited rather than unexpected guest, the streaming commercial is gaining traction with brands and audiences alike.

fig. v  
Thanks to the VHS and DVR, the commercial break could be sped through and even skipped. Streaming platforms then eliminated the commercial break altogether. Having now added the commercial break back into the lineup, the former destroyer of opportunity for commercial production are now the creators of it.



**\$49.1B**

Projected ad spend on streaming by year-end 2027

"TV Is Back in its Commercials Era," *The Atlantic*, January 2024

**+40M**

Users are now on Netflix's ad-supported tier

"Netflix Advertising Is Booming," *Fast Company*, May 2024

Skyrocketing numbers and shifting mindsets bring with them the possibility for production companies to earn targetable and trackable work that will be seen by more engaged audiences.

The more invaluable opportunity, though, lies in breaking down negative sentiment and educating new generations through exposure to great commercials that illustrate the power of the short-form story and create synergy between programming and commercials. This becomes especially critical for gaming, where interstitial ads can be a seamless continuation, rather than a jarring interruption, of the immersive digital experience.

"TV content is in its heyday, and it deserves good ads alongside it."

**AICP MEMBERSHIP SURVEY**  
*April 2024*

“There was always this notion that people don't like ads. I don't think that's true. People don't like bad advertising or a bad advertising experience.”

—Rita Ferro, President of Global Advertising, Disney

"What Happened to Our Ad-Free TV?"  
*The New York Times*, May 2024

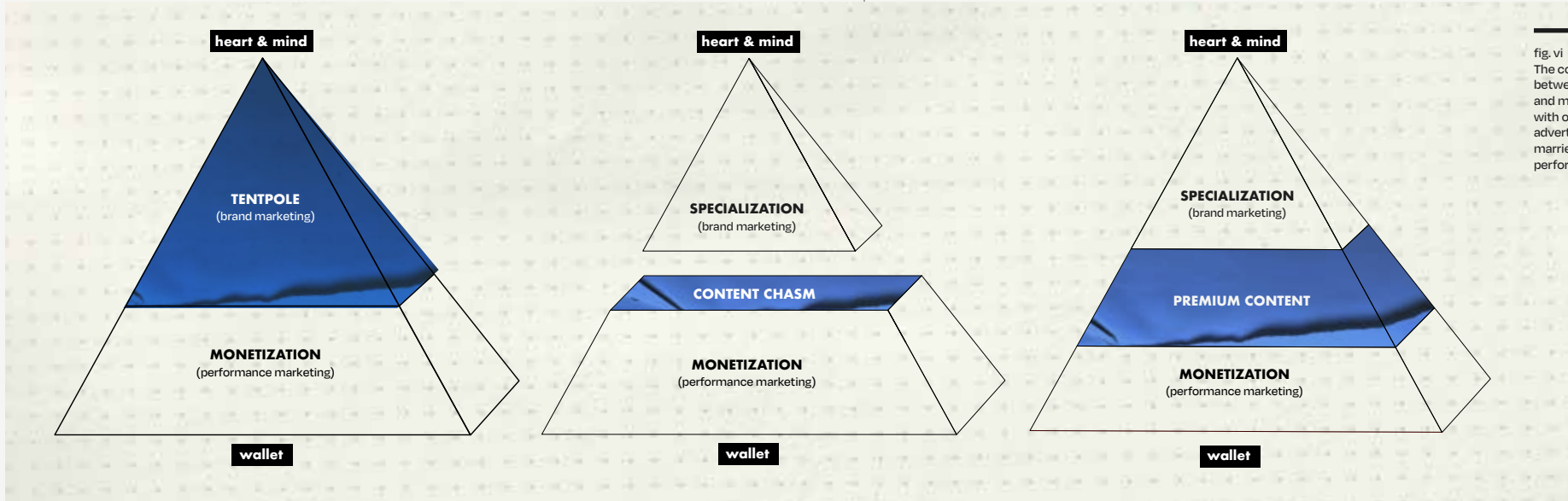


fig. vi  
The content chasm between specialization and monetization is ripe with opportunity for advertising content that marries storytelling and performance.

## A Content Chasm Opens Up

**The space between brand marketing and performance marketing is ripe with opportunity for the production community to combine storytelling, craft, and performance.**

"Everything in the middle is getting shut down. We're seeing a big chasm. It's either highly iconic stuff or hardworking stuff."

**CREATIVE AGENCY LEADER**

*Nucleus Interviews  
February to April 2024*

A steep hierarchy of content has emerged, with a hefty base of utility, an attenuating apex of premium advertising, and little else in between. A content chasm has opened up—a desert that should be an oasis of opportunity for brand stories and branded content. This middle tier, where vast numbers of brands reside, is on the precipice of becoming a commercial wasteland.

Sandwiched between the specialization of brand marketing and the monetization of performance marketing, this content chasm holds incredible opportunities for the production community. Tentpole advertisements may have stagnated, but the number of brands seeking the confluence of storytelling and performance continues to grow.

As marketers trade out expensive network spots, they may be able to allocate more of their budget to crafting engaging, higher-end video content. By working directly with brand owners and concepting in the chasm, production can deliver the best of both worlds—the connections created through crafted, premium advertising coupled with the accountability of utility-based content. Production companies have the power to turn this content chasm into a space that flourishes.



performance  
&  
persuasion

**PERSUASION & PERFORMANCE**

# An Evolution in Purpose

The changing role and responsibilities of the commercial  
in high-speed, highly measurable environments



# An Evolution in Purpose

## **BALANCE THE ART OF THE STORY WITH THE DUTY TO PERFORM.**

Advertising has evolved from the subtle art of persuasion to the concrete deliverable of performance.

In this new era, polish, which had long been the measure of exceptional production values, may not measure up given the preferences and proclivities of brands and buyers. Advertisers are increasingly turning to others to produce and distribute their content in more raw, authentic ways.

This leads to fears that craft has been devalued by performance. In reality, there has never been greater demand for it, so long as it facilitates connection and becomes accountable for performance.

Resonance sits between story and authenticity and is essential for advertising to be effective. Craft needs to adapt to new aesthetic landscapes if it's going to connect with new generations.

Advertising has always been undertaken by brands to make money, but that is one-sided. When advertising's role is to add value, it becomes an ambition shared by the brand, the creators, the producers, and the consumers.

## The Art of Persuasion

**At its most basic level, advertising harnesses the power of storytelling to make money. For centuries, that power was identified as persuasion.**

From ancient Greek masters Aesop and Aristotle all the way up to 20th-century advertising icons William Bernbach, David Ogilvy, and Lee Clow, persuasion has long been considered an art form whose subtlety belies its true strength.

“*The art of persuasion is greater than the strength of force.*”

—Aesop

As quoted in "The Necessary Art of Persuasion"  
*Harvard Business Review*, May-June 1998

The nuanced interplay of information, emotion, and trust has a powerful influence on consumers when it transpires atop a foundational understanding of human psyche and behavior. Considering the audience is essential to connecting with the audience, which is essential to compelling the audience.



## Senses and Sensibility

**Great stories catch the eye, perk up the ears, stimulate the mind, and tug at the heart.**

A good story is seen and heard. A great story is considered, consumed, felt, and even shared. It is the aesthetic that penetrates the corporeal, transcends the rational, and activates the visceral. It is the aesthetic that enables narrative strands to freely play both with lines of thought and emotional ties. It is the aesthetic that transforms a story into an experience.

"The biggest problem is breakthrough with a message in this sea of noise."

**CREATIVE INNOVATION LEADER**

*Nucleus Interviews*  
February to April 2024

A premium commercial attracts attention through its creative—a harmony of the aural, visual, and verbal—but it creates impact by tapping into emotion and the subconscious.

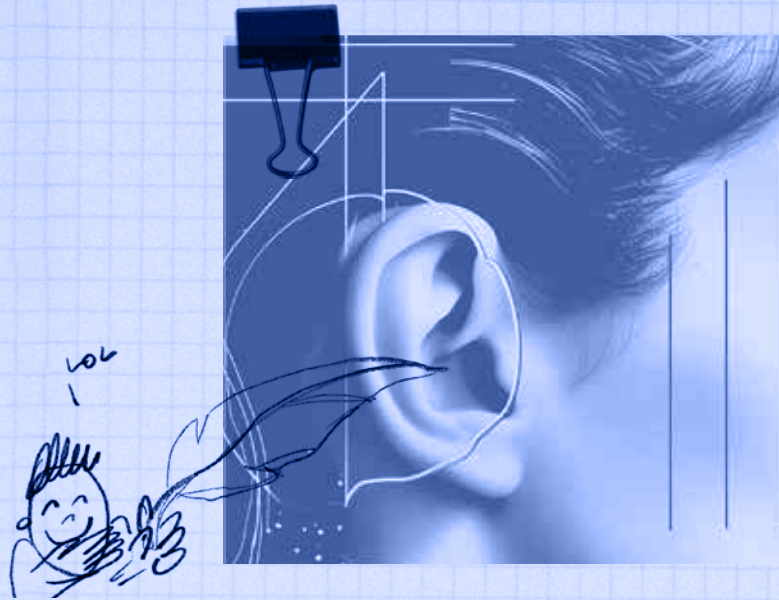
An effective advertisement needs to start with an original idea, but it gains power when that idea is made manifest. It is not just a story well-told, but also a story well-made and well-crafted. And today, that story also needs to perform, delivering measurable results.

“*Good advertising does not just circulate information. It penetrates the public mind with desires and belief.*”

—William Bernbach

As quoted in "New Hornbach Ad Spot Lavishes in the Illicit Smell of Sweat"  
*Creative Review*, March 2019





## Tickle Their Ear-Balls

**Sound—music, dialogue, and the timing and pacing of sound effects—plays a critical, though often underappreciated, role in advertising.**

"I think the most important aspect of advertising is how it sounds—whether it's the correct sound effects, whether things are punching through at the right time depending on who you're seeing, what they're saying, and when you're seeing it. How is music communicating something? I just think it's essential."

**POST-PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

Imagining an Oscar Mayer commercial without its delightful jingle or Apple's "1984" without the ominous crunch of marching footsteps, raw whooshing of the hammer, and Edward Grover's voiceover, elucidates sound's profound power.

A study by neuromarketing resource Neuro-Insight analyzed over 150 ads and found those which correlated with long-term memory encoding (LTME) contain music tracks where lyrics or tempo match what is happening on-screen. From Springsteen to Dylan, Queen to Stevie Nicks, famous musicians and their estates are selling their music catalogs for millions or even billions of dollars because the brand and music adjacency is a performance enhancer.

While "the mix of sight and sound is one of video's secret powers,"<sup>2</sup> video content viewed through phones and on social media is often consumed with the sound off. Captions and subtitles can encourage a rewatch with the sound on.

Anticipating these habits and adapting to these behaviors means commercial producers must not only design for both circumstances, but they must also consider how visuals and audio can work separately, as well as together. Media ecologist Jack Myers emphasized how ads "need to tickle [audience's] eye-balls and tickle their ear-balls." An ad's aesthetic and emotional impact can be delivered through a one-two punch as well as a single hit, so creating a layered experience for the viewer ensures better performance.

<sup>2</sup> AICP Membership Survey, April 2024

### WATCHING ON MUTE

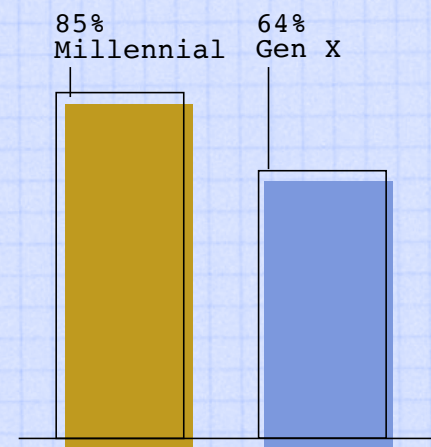


fig. vii  
Audiences increasingly watch mobile videos on mute. Producers and marketers must adapt and factor in the ability to deliver the same message with or without sound. [Digiday, June 2021]



# The Science of Performance

"Things are definitely more data- and research-driven with less human 'gut' being used."

**AICP MEMBERSHIP SURVEY**  
April 2024

"Social media marketing is getting very, very big heavy chunks of marketing budget, because [brands] know that it is more easily trackable."

**MARKETING LEADER**  
Nucleus Interviews  
February to April 2024

<sup>3</sup> Production Leader,  
Nucleus Interviews,  
February to April 2024

**As advertisers seek accountability for all investments, data enables them to measure their efforts. They favor what is quantifiable, responsive, and adaptive.**

The digitization of ads grants brands unprecedented access to the data points and engagement metrics necessary to make more calculated decisions. Long gone are the days where marketers rely on instinct, experience, and a spray-and-pray approach. Advertisers are now able to precisely target and track the effects of an ad, on a specific audience, in real time.

They are accordingly moving budgeting dollars from where "success is less detailed—less granular and more vibe-based"<sup>3</sup> to where the correlation between ad spend and critical marketing metrics are more easily measured. The value of the tears, smiles, laughs, and sighs that brand awareness advertising elicits must now produce clicks, likes, and shares. All advertising must perform.



**The value of the tears, smiles, laughs, and sighs that brand awareness advertising elicits must now produce clicks, likes, and shares.**

“NOW THERE IS AN UNDERSTANDING THAT WE ARE ALWAYS ITERATING.

*I can get the work out and then go back to it when I can or when it is necessary.*

NOTHING LIVES FOREVER AND EVERYTHING IS REVISABLE.”

**BRAND LEADER**  
Nucleus Interviews, February to April 2024

## At the Speed of Culture

**As a utility, advertising must be responsive and match its fast-paced world.**

Thanks to tangible and actionable information, advertiser, audience, and algorithm have been brought into a three-way, quick-fire dialogue. They engage continually via a tight feedback loop, where advertisers know immediately if content is resonating. Since continued circulation of an ineffective ad is money wasted, adapting is critical.

Advertisers are accountable for, and focused on, improving conversions. Whether it's pivoting to a new platform ahead of the pack or creating new content to capitalize on a cultural moment, they must be remarkably agile.

Though seemingly “throwing different sh\*t at a wall to see what sticks,”<sup>4</sup> advertisers are deliberately testing, learning, and revising at rapid speed in an attempt to meet the evolving needs and preferences of consumers. This has catalyzed a “total proliferation of little bits of stuff that can go out immediately.”<sup>5</sup>

“It's kind of like a Gold Rush mindset...as soon as a platform becomes mainstream, the results start diminishing, so then you have to kind of jump on something else, which is emerging now.”

**MARKETING LEADER**  
Nucleus Interviews  
February to April 2024

<sup>4</sup>AICP Membership Survey, April 2024  
<sup>5</sup>Production Leader, Nucleus Interviews, February to April 2024

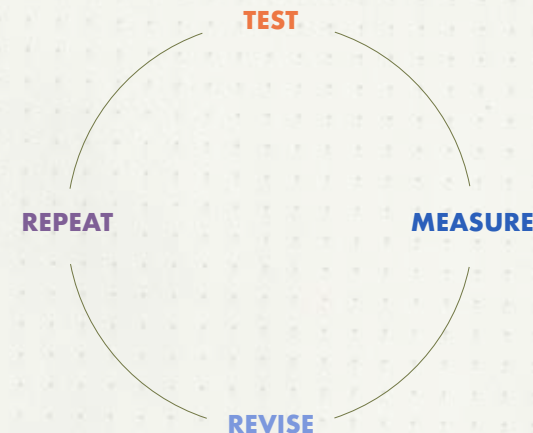


fig. viii  
The ability to track content and see what resonates leads to a constant state of revision and iteration.





“ We're spending a lot of extra time noodling. I respect the craft, but when you're speaking to everyday consumers, they don't always care. As long as it looks good enough, that's what they care about.”

**PRODUCTION LEADER**

*Nucleus Interviews, February to April 2024*

GOOD ENOUGH

2

## Polished to [Im]perfection

"We've watched films go to YouTube, TikTok, and Reels. Content is more disposable and ephemeral and there's an emphasis on quantity over quality."

### CREATIVE AGENCY LEADER

Nucleus Interviews  
February to April 2024

"It's going on TikTok. They're going to look at it for two seconds, and will hit the "Like" button, or not. Then it's over. Don't overthink it."

### POST-PRODUCTION LEADER

Nucleus Interviews  
February to April 2024

**Content is revisable, ephemeral, and disposable, so polish becomes perfunctory.**

A TV commercial creates an impression in 15 to 60 seconds, but an advertisement living in a social feed flies by in a few seconds, passed over with the mere flick of a finger.

Making the most of a fleeting moment doesn't always allow time for, deserve, or require perfection to be effective. There is less time and need to be particular when content has such a short shelf life.

Sometimes greatness is warranted. Other times, "good enough" is sufficient. Less is proving to be more with efficacy no longer requiring the polish associated with high production value. The content that elicits engagement is often that which bears blatant imperfections, inconsistencies, and rough edges—the telltale markings of a human thumbprint.



## Real is Raw and it Resonates

**Audiences seek peers over polish because they value authenticity.**

Once considered impressionable on account of their naivety, today's audiences are savvier about persuasion techniques. Their trust and loyalty is harder to earn.

"People like to interact with something that they think is more real, based on their daily life and their patterns."

### MARKETING LEADER

Nucleus Interviews  
February to April 2024

“*People are very sophisticated about advertising now. You have to entertain them. You have to present a product honestly and with a tremendous amount of pizzazz and flair.*”

—Mary Wells Lawrence

As quoted in "Attention's the Problem, Creativity's the Answer—as Ever"  
*Marketing Week*, July 2023

They have become dubious of brands and their overly produced, sales-driven advertisements. With little tolerance for disruption and deception, audiences turn regularly to their peers and fellow consumers who speak *with* them, rather than at them, when sharing information.

"Content now needs to look like the brand isn't trying heavily to advertise their products but rather, to humanize their brand and approaches."

### MARKETING LEADER

Nucleus Interviews  
February to April 2024





# People Power

**Brands seek people over polish because they value the performance that human stories yield.**

"Consumer behavior has shifted from more offer-driven to more social proofing."

**MARKETING LEADER**

*Nucleus Interviews  
February to April 2024*

While word-of-mouth has always been valued, it is now a leading driver of sales. The microinfluencer has gained legitimacy, and brands, with greater frequency, are relinquishing control of content creation. They are entrusting—and often commissioning—the consumer to act as storyteller and storymaker and subsequently gaining the benefit of increased engagement, higher performance, and more earned media (content sharing).

"Marketers now understand the value of people talking about their brands and not controlling what they do."

**BRAND LEADER**

*Nucleus Interviews  
February to April 2024*

Since people engender trust, brands that need to be trusted empower people, increasing demand for user-generated content (UGC) and paid content that stylistically emulates it. The sphere of greatest influence is akin to who is, or seems most like, a trusted good friend.

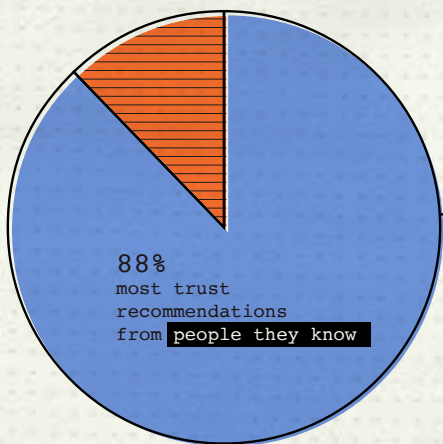


fig. ix  
People favor recommendations from someone they know, over all other forms of marketing messaging. [Nielsen, Trust in Advertising 2021]

**70%** **77%**  
Gen Z & Millennials say user-generated content (UGC) plays a significant role in their buying decisions

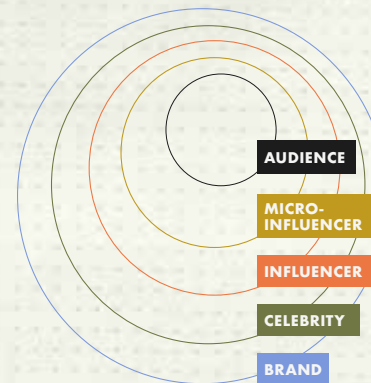


fig. x  
The accessibility of the microinfluencer and influencer enables them to hold stronger sway over the audience.

# Crafted Connection

**While traditional production value is feared lost in the chase for metrics, advertising will always be about human connection.**

Today, production value is relative and the relationship between performance and production value is tenuous at best. Appreciation is contingent upon where the content is being seen and by whom.

No matter what platform it lives on, what tools were used to make it, or how much time and money were spent to produce it, advertising must perform, and it must connect to sell. Connecting across platforms and with diverse audiences requires refined skills and techniques. Standing out within the sea of sameness requires something special. There is an overwhelming need for craft, as long as that craft performs.

"For a piece of media, I can blow the car up for \$300, \$3,000, \$300,000 or \$3 million, and every single tier would have audience appreciation. It just depends on which audience."

**CREATIVE AGENCY LEADER**

*Nucleus Interviews  
February to April 2024*

"A client still wants to win awards, but the big win is an Effie."

**PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

## A Social Divide

As users' preferences and behaviors change, social media's big personality is splitting and morphing.

Social media is dividing into entertainment-based platforms with passive consumption versus conversation-based platforms with active engagement.

While many may still be scrolling and sliding into direct messages, far fewer are sharing everything publicly and posting with carefree abandon.

With the trends and guardrails around content creation, sharing, and consuming continually evolving, social media is "not a pond,"<sup>6</sup> but rather, a "swiftly moving river"<sup>7</sup> needing to be actively kept up with.

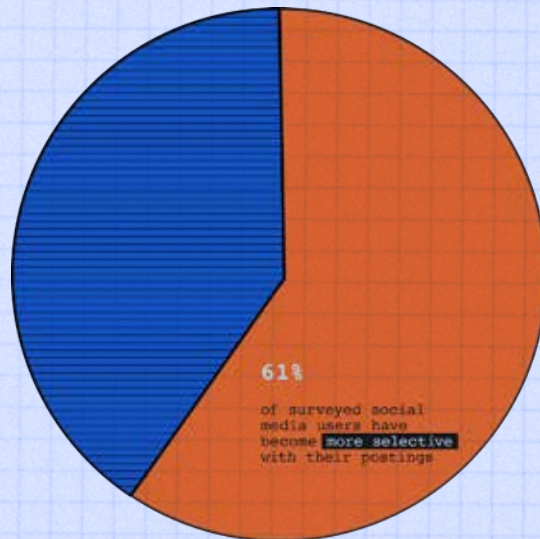


fig. xi  
Users are posting less on social media, but not cutting back on time spent scrolling—preferring to watch instead of share. [Morning Consult, October 2023]



“The weird magic of online social networks was to combine personal interactions with mass communication. Now this amalgam is splitting in two again.”

"The End of the Social Network"  
*The Economist*, February 2024

As new generations create and consume content, they are shaping new platforms and a new desired aesthetic—one that better reflects their reality by leaning into authenticity and away from high manipulation and careful curation.

Advocating for friends over followers, Lapse is an "invite-only disposable camera"<sup>8</sup> app "designed to reclaim how we take and share memories. A camera for living in the moment"<sup>9</sup> that promotes authenticity by only allowing users to post unedited photos that users can opt to "develop" over a 24-hour period.

By taking cues from how the public is capturing and sharing their world and their memories, production companies can continue to imbue their craft with empathy and synchronize their craft with culture.

"What is reality from the point of view of the user? How do we not put our reality in front of them and show them how they should see it? How can we be as natural as possible in their world?"

### CREATIVE INNOVATION LEADER

*Nucleus Interviews*  
February to April 2024

<sup>6</sup> Jon Ippolito, Professor of New Media at the University of Maine, as quoted in "TikTok Is the New TV," *Wired*, November 2023

<sup>7</sup> *Ibid.*

<sup>8</sup> *lapse.com*

<sup>9</sup> *Ibid.*



# THE DEFINITION OF TRUE CRAFTSMANSHIP IS SIMPLY EVOLVING.

“*Social ads need to stop people in their tracks! You need that ‘wow’ factor to get someone to watch. Craft is the best way to do that! People don't share poorly crafted spots. They share pieces that are beautiful, funny, touching. They share things that were expertly created.*”

**AICP MEMBERSHIP SURVEY**  
April 2024

# CRAFT MUST NOW TAKE ITS CUES FROM CULTURE.

## Adding Value With a New Aesthetic

**Ads can do much more than make money. They can add value—to those who commission them, those who craft them, and those who consume them.**

Content production is currently operating at two extremes: those hyperfocused on finesse neglect function, whereas those beholden to the bottom line sacrifice core concepts and original, bold ideas, resorting to repeating what's worked before.

Although performance has risen in priority, raw doesn't have to mean sloppy. Responsive doesn't have to mean derivative. Real doesn't have to mean careless.

The definition of true craftsmanship is simply evolving. In today's market, craft is the most effective execution that connects a brand with its intended audience and delivers a measurable result, whether achieved through the finest cinematography or executed through an iPhone.

Craft must now take its cues from culture.

Exciting possibilities might arise when advertisements exist not as an imposition, but as a complement, and even as an enrichment. Rather than skew heavily toward benefitting the brand, they can reward both advertiser and audience.

"Craft takes all forms and means different things to different people, but gifted storytellers—whether they're comedy directors or visualizers—elevate work so it resonates with viewers."

**AICP MEMBERSHIP SURVEY**  
April 2024

"What I find most interesting is the possibility of work that is nourishing to people rather than depleting—work that respects people, rather than manipulating them. Inspiring."

**CREATIVE AGENCY LEADER**  
Nucleus Interviews  
February to April 2024



**TRADITION & INNOVATION**

# An Evolution in People

The dynamic relationships between specialists  
and generalists, experience and newcomers,  
tradition and innovation

tradition  
innovation

# An Evolution in People

## LEARN AND GAIN FROM EACH OTHER TO ACCLIMATE TO NEW REALITIES.

During the global lockdown, façades faded and people felt freer to experiment, educating themselves and each other in all forms of creating and making.

Technology is the on-ramp for new talent to take up the craft. While untrained and unaware of the culture of the industry, they're unafraid and undaunted to overturn norms and experiment.

AI may be divisive, but its fate is not predetermined. Those who choose to master it will shape what it becomes, and can transform it into a vehicle for positive change and the advancement of the craft.

Bundling iteration and replication with craft devalues all efforts. Educate clients and offer clear compensation models that signal the value of craft, while delivering the performance-based iteration and replication that is required to achieve critical marketing metrics.

Through interskilled, intergenerational, and interdisciplinary capacity-building, the industry can advance and meet the need for both quality and quantity.



## Open the Gates

**Craft used to thrive in exclusivity, but today it survives through accessibility.**

To perfect craft and protect quality, medieval guilds once kept a "closed shop" where they could maintain tight control over both process and product. Tools, materials, and information were limited to members, and mastery was achieved only after following a long, strict regimen of training.

This model stands in stark contrast to the free and open information exchange ushered in by the internet and accelerated with social media. Today, gatekeeping is fodder for public shame. Withholding information is a frowned-upon power play while transparency and openness signal trustworthiness.



“On TikTok, if you gatekeep where you bought that vintage skirt or which drugstore moisturizer you use or what’s the best martini in the city or how you’re making money from selling feet pics, you’ll be chastised.”

"The Real Meaning of Gatekeeping"  
*The Cut*, July 2023

“The coronavirus pandemic, in particular, would prove the perfect crucible for accelerating the decline of faith in experts.”

"When Experts Fail"  
*The Atlantic*, March 2024

## Experimentation Over Expertise

**A rising generation of storytellers and makers grew into their craft during the pandemic.**

Forced to shut the physical world out, people let the digital world in. Work meetings occurred at kitchen tables, the news was reported from basements, and music was made in bedrooms.

This makeshift moment prompted understanding that revealing what’s behind the curtain doesn’t diminish magic’s spell nor sacrifice power. Exhausted by the upkeep, people let their guard down, forgave each other’s shortcomings, and marveled at one another’s resourcefulness.

When public policy and institutional advice wavered during the pandemic, faith in expertise faltered, but eagerness for learning soared. Everyone was revealed to be a novice, figuring it out as they went, in any way they could. Experiencing the world and work in isolation, they experimented, educating themselves and each other.

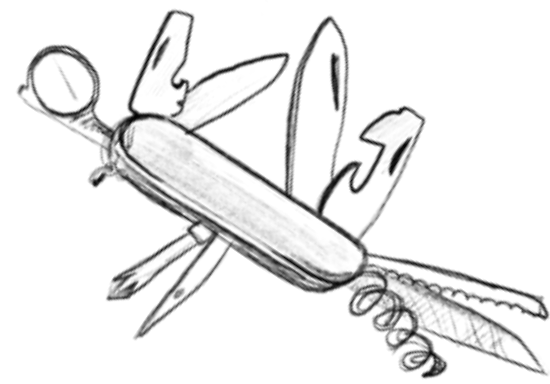


## Do-It-Yourself

**Information exchange fostered communities of practice in which creativity thrived and a do-it-yourself spirit prevailed.**

Whether out of boredom, curiosity, or necessity, many took it upon themselves to purchase new tools and try their hand at new skills—a pursuit made possible by online learning in the form of YouTube tutorials, MasterClasses, TikTok videos, and Reddit threads.

Whether they were making bread, throwing pots, or creating content, people supported one another as self-taught makers and creators; they appreciated craft and celebrated intention and ingenuity, without dwelling on (or having to understand) quality.



## Jack-of-All-Trades

**Expansive knowledge has certain benefits over concentrated knowledge—a broadening of horizons can trump a narrowing of focus.**

Liberated from the fear of failure and criticism, people felt free to dabble; new hobbies and passion projects were eagerly picked up.

With each skill acquired, the average Joe fuels their transformation into a jack-of-all-trades. The multi-hyphenate—a generalist who knows a little about a lot—seems well-suited to the gig economy and a world full of split screens, open browser tabs, and all-in-one devices. A master of one, by comparison, with deep knowledge and mastery of one specific skill or field, feels anachronistic—a luxurious remnant of a more traditional and slower-paced era.

“*Knowledge is a double-edged sword. It allows you to do some things, but it also makes you blind to other things that you could do.*”

—David Epstein

*Range: How Generalists Triumph in a Specialized World, 2019*

“*Tourist and purist, that’s my main device to understand the sections of culture that move culture forward. You have a purist that’s like, ‘I know the whole art history of everything, you can’t do this, this was done 20 times before you thought of it.’ This is the pure institution. Then there’s the tourist, who’s bright-eyed, curiosity-driven, that has a lust for learning, and they support whatever.*”

—Virgil Abloh

"How Virgil Abloh's Legacy Lives on Through Collaboration"  
*Wallpaper*, November 2022

## Where Tourist Meets Purist



**It is precisely at the tension point where generalist and specialist—or as the late fashion visionary Virgil Abloh referred to them, tourist and purist—meet that sparks fly, energy surges, and momentum builds.**

During and after the pandemic, the creator economy experienced surges of bright-eyed tourists—new and younger content creators and microinfluencers who were hungry to learn and motivated to explore.

Thanks to porous borders, they move more freely than ever, traveling to and from different creative sectors with ease.

## Fast-Track to Professional

**New talent that first made their mark during the pandemic continue to make an indelible impression on culture and the industry.**

One such talent, a former linguistics graduate student who saved up waitressing money to buy a camera, began experimenting with “making epic commercials for random objects”<sup>10</sup> during the pandemic.

Her first video—a DIY mock commercial for a fork—received 2.4M views on TikTok. Her second brand-sponsored commercial with Celsius received 9.7M organic views. Today, she is a commercial filmmaker and director, working with global brands, including Amazon, Samsonite, and Adobe. She also founded her own Product Film School.

<sup>10</sup> “How This Video Creator Went From Fake Commercials On TikTok To Real Commercials,” Sony, June 2023



## 165M

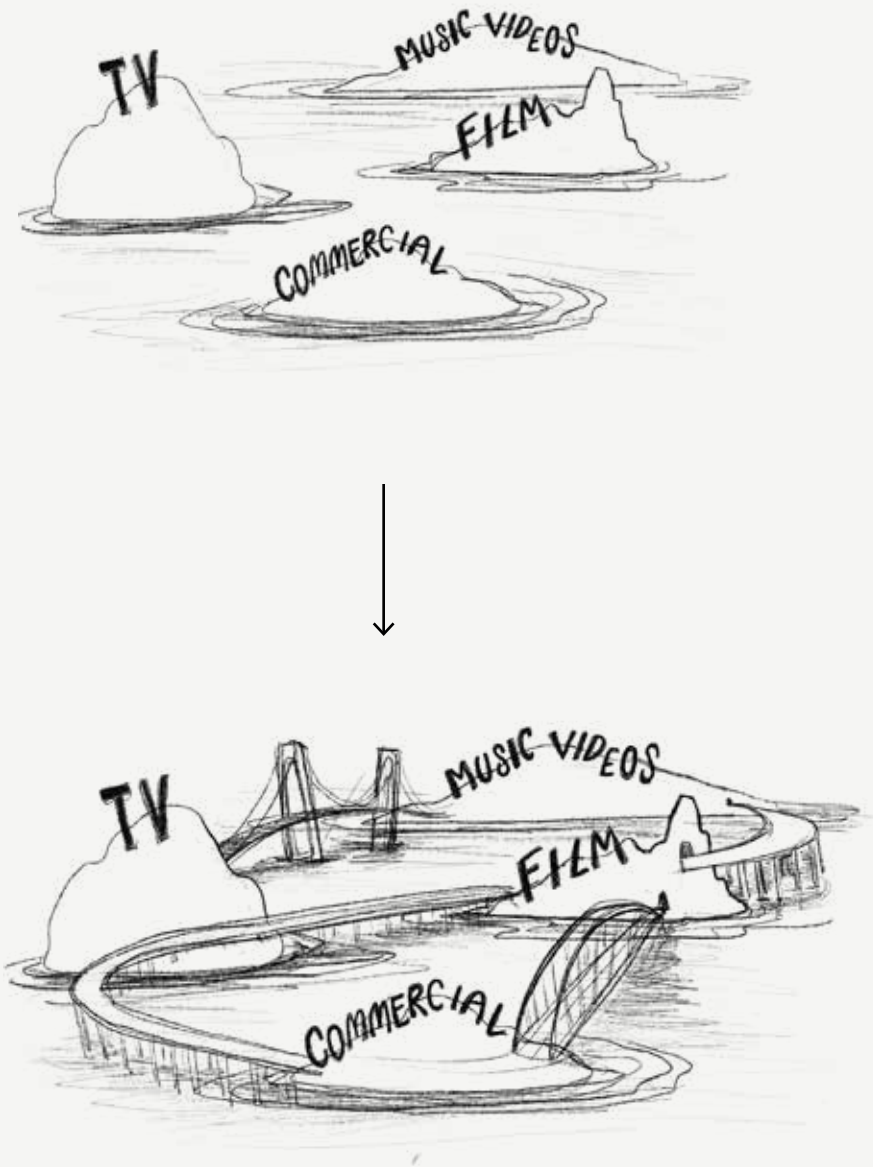
Creators joined the global creator economy from 2020–2022

Adobe, *Future of Creativity Study*, August 2022

“ When I started in the business, if you did music videos, no one would take you seriously for commercials. If you did commercials, no one would take you seriously for movies. If you did movies, no one would look at you for TV. There were these massively different pillars that are now gone. It’s all crossed over...I really feel like there's so much opportunity and there's so much more being made than any other time in my career. And there's much more opportunity to get into it—not always for everyone, but there's more opportunity than there ever has been.”

**PRODUCTION LEADER**

*Nucleus Interviews, February to April 2024*





# Technology as a Passport

**Throughout commercial production's history, technological inflection points have doubled as access points, marking where new masters of new technologies get their first big breaks.**

Like the waves of tourists who arrived before them, those coming ashore in commercial production did so with technology in hand. They gained entry with newer, more sophisticated cameras that were smaller to handle, easier to buy, and simpler to use.

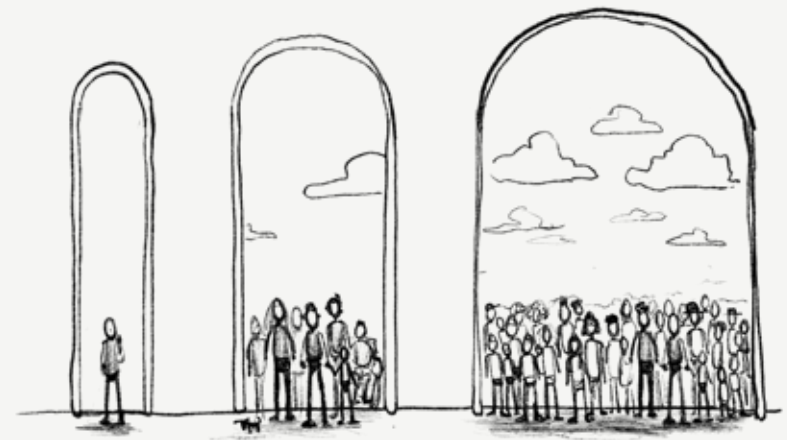
Continued digitalization of the production industry has considerably widened the industry's port of entry and diversified its membership.

"Suddenly, everyone could make really good stuff because of cheaper cameras, DSLRs. That was a big, watershed moment for me, because all of a sudden, the content I was creating looked like what was on TV or on higher-end commercials. You could kind of make it yourself."

**PRODUCTION LEADER**  
*Nucleus Interviews*  
February to April 2024

fig. xii

In recent decades, commercial production has successfully navigated many technology transitions and come to master many new tools, including Avid, digital cameras, and cloud video editing software by Blackbird and Adobe.



## The Nebulous Newcomer

"There's a fear that AI will take over and things will get so technologically advanced that you lose jobs, but it's not true. As much as the work gets easier, people still strive to get to that stuff where it looks special."

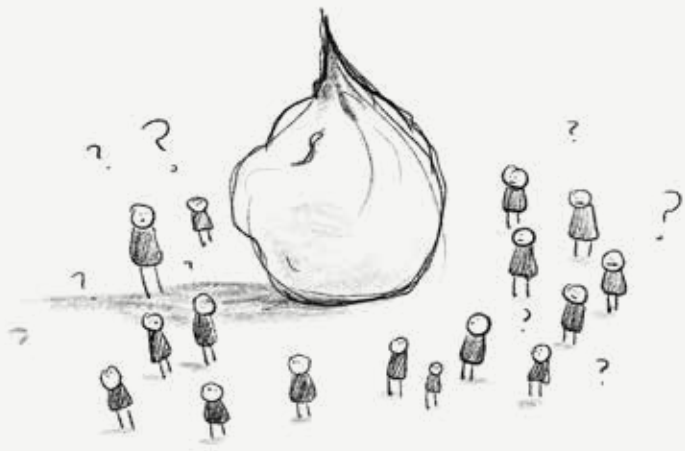
### PRODUCTION LEADER

Nucleus Interviews  
February to April 2024

**Though a nascent technology with an unknown future, Artificial Intelligence is a reality that will create significant change.**

As the newest tourist in town, Artificial Intelligence (AI) has caused quite the commotion, separating the early enthusiasts from the cautious optimists, the largely unfazed, and the downright terrified.

There is much wonder and scuttlebutt about AI's potential and the impact it will have on the industry at large. Ignoring it is impossible. Harnessing it for the opportunity to adapt and extend mastery—at speed and scale—is an obvious advantage that should be exploited.



**“AI IS AMAZING.  
COOL WHIP IS  
AMAZING.  
BUT IT'S NOT  
WHIPPED CREAM.”**

AICP MEMBERSHIP SURVEY

April 2024

**“AI IS THE OBVIOUS  
EXISTENTIAL THREAT.”**

*Many people see it as a creative opportunity. I think it's already changing the way people research and create pitch decks. It can soon change how filmmaking is made.”*

CREATIVE AGENCY LEADER

Nucleus Interviews, February to April 2024



“ AI is progressing so fast. Two weeks ago, I would have thought we're five years away from hi-res video that would trick anybody into believing that it's real. And now it's here. There's no map for this, and there's so many people working on it. It's hard to say where it will be in six months.”

**CREATIVE INNOVATION LEADER**

*Nucleus Interviews, February to April 2024*





## Wandering Without a Tour Guide

**Tourists introduce new ideas, skills, and processes, but in the absence of education, potential is left untapped, trust left unestablished, and the network left disjointed.**

"The folks that I've worked with that are younger, and just starting out, they're just figuring it out for themselves. They're watching YouTube content, which is sad, but I guess that's the way of the world."

### POST-PRODUCTION LEADER

Nucleus Interviews  
February to April 2024

Today's remote-work model, hypercompetitive marketplace, and tight deadlines provide little opportunity for the mentorship that proved so pivotal to previous generations' success.

Left largely to fend for themselves, the younger generations must learn on the fly or on their own. A 'fake it 'til you make it' strategy prevails across the entire advertising pipeline, with junior staff feigning confidence for the sake of their clients and careers.



“Mentorship is really in a stale place right now.”

Post-Production Leader  
Nucleus Interviews, February to April 2024

“When there's a client that doesn't have a huge budget, but that we're creatively aligned with, we've cut down revision opportunities, and shot without them on set. When they trust us, it makes it way more efficient. We've had really successful results with that—where they're getting something that is higher quality than what they would otherwise get, and we're getting a streamlined process.”

Creative Agency Leader  
Nucleus Interviews, February to April 2024

In an industry where time and money are at such a premium, precious resources are spent either getting the inexperienced up-to-speed or trying to garner trust and respect from those who don't recognize expertise.

From planning to distribution, brand to consumer, and across and between collaborators, trust is essential to efficiency and excellence. The more parties that are involved, the harder it is to achieve, but the more important it is to strive for.

"Increasingly, we have to essentially train or help agency staff who don't know how to do their jobs or are so overburdened by multiple projects that they can't keep up."

**AICP MEMBERSHIP SURVEY**  
April 2024

## Safety Must Not Be an Afterthought

**Don't make compromises in safety to achieve speed and scale.**

Safety holds the highest importance in this industry. Depending on the type of labor being engaged, employers have agreed to mandatory training requirements and safety meetings baked into each engagement; there are safety manuals created for legal and agency compliance (i.e. the Occupational Safety and Health Administration [OSHA]) as a standard course of business. Adding speed and scale to systems that aren't designed to take these provisions into account could result in people looking for shortcuts.

Due to the risks that could be present when bringing together large numbers of people and the type of equipment common on sets, safety has always been a paramount concern across all aspects of production planning. These risks and hazards, especially with people that have not gone through appropriate training or do not possess the appropriate experience (i.e. non-union crews, 'tourists' or other newcomers) could be exacerbated by the mounting pressure to deliver according to new levels of client objectives and budgets.

This must not become an acceptable way to operate, and the industry must resist taking shortcuts to meet client demands, even as they rethink production models for efficiency.

"Being a producer is a labor of love and it takes years of experience to really understand the job. The amount of money wasted with irresponsible producing techniques and subpar companies is astounding."

**AICP MEMBERSHIP SURVEY**

April 2024



# TODAY, THE COMMERCIAL PRODUCTION INDUSTRY IS A RICH MIX OF

PURISTS  
TRADITION  
EXPERTS  
PRAGMATISTS  
MASTERS



TOURISTS  
INNOVATION  
BEGINNERS  
DREAMERS  
MULTI-HYPHENATES

“The fragmentation of creative talent is a positive thing for the quality.”

**COST CONSULTANT**  
Nucleus Interviews, February to April 2024

## A Brave New World

**The commercial production industry today is a rich mix of purists and tourists, tradition and innovation, experts and beginners, pragmatists and dreamers, masters and multi-hyphenates.**

Unlike the medieval guilds, commercial production is a dynamic space where people who arrived via different paths with different skill sets work side by side to make many things, in many ways, to a multiplicity of standards.

With the acceleration of technology and consumption, however, working relationships have become far more transactional. When the creative process devolves into a numbers game and saving time and money is valued over ideas, preserving the necessity of craft and collaboration is its own challenge.

The coming together of diverse perspectives may currently feel unsettling, competitive, and chaotic, but bringing them into alignment fuels a thriving metropolis with a booming economy. The varied expertise of collaborators working in concert with one another yields the best product and the most rewarding experience.

"Brand people come up through creative and demand folks come up through marketing, and they are different disciplines."

**BRAND LEADER**  
Nucleus Interviews  
February to April 2024

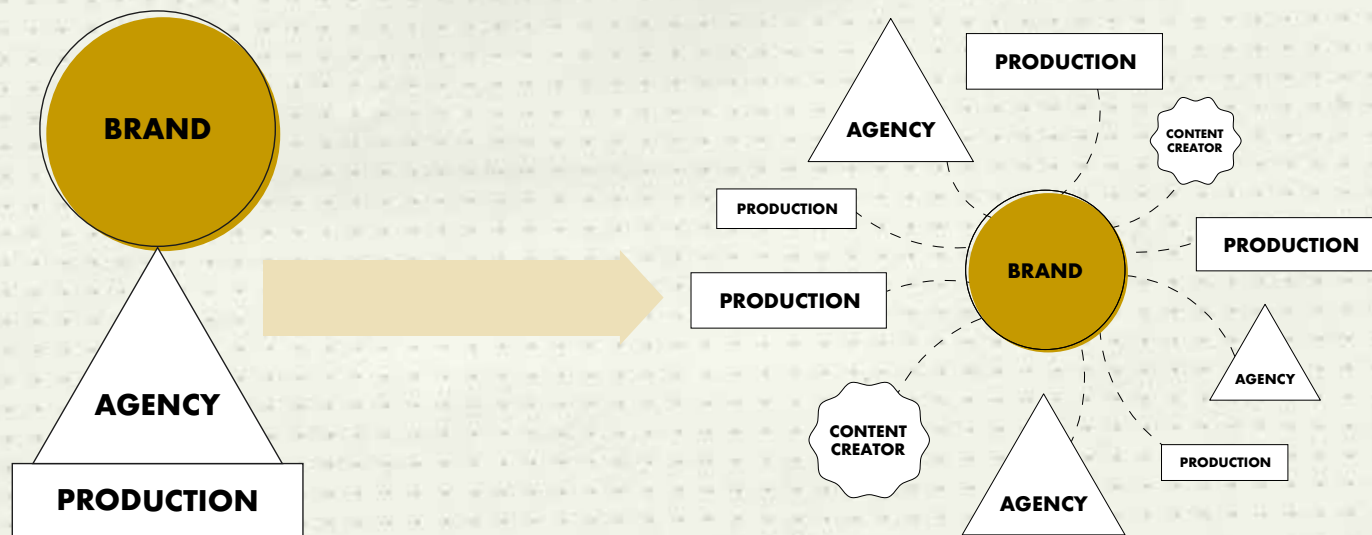
"In figuring out ways to do things nimbly and scrappily, we've efficientied [sic] ourselves out of business. We've efficientied [sic] out a lot of the craft and the things that make great ads."

**PRODUCTION LEADER**  
Nucleus Interviews  
February to April 2024





fig. xiii  
The traditional hierarchies that placed production at the bottom have been toppled, leading to more opportunities for direct collaboration.



## New Ways of Working

**The brand-agency-production pyramid has turned into a wheel, with the brand at the hub.**

"It used to be that a client had a brief, the agency came up with a script, the producer took it to a production company, who executed it, and it went out the door. Now, there's much more convergence of creative problem-solving from many different areas."

**PRODUCTION LEADER**  
Nucleus Interviews  
February to April 2024

The established, hierarchical brand-agency-production model has been flattened, becoming less of a pyramid and more a circle. The creative process and the long-standing relationships that accompany it have been transformed. Brands can work directly with production companies, influencers, and storytymakers of all stripes. Production, no longer beholden to the traditional structures that relegated them to the bottom, is now in a position to seize opportunities to work directly with clients.

“Working direct-to-client has been wonderful. They've been really buttoned up and they can make decisions faster and with more insight. It's been an absolute joy to work with teams that really like and understand their brand while having the authority and ownership in the approval process.”

AICP Membership Survey, April 2024

"The cost of producing anything in the U.S. has gone beyond what clients are willing to pay. Ninety percent of my work is now shot outside the country due to cost.

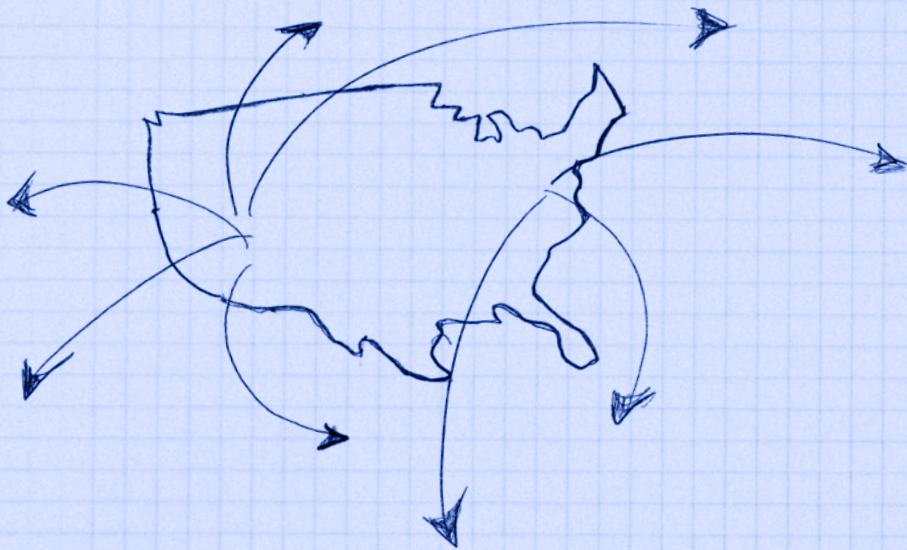
We need to figure out a way to keep things in the U.S. and costs down by around a third, otherwise this will get worse before it gets better."

**AICP MEMBERSHIP SURVEY**  
April 2024

## Relocation, Remuneration

**Rising costs force the industry to seek alternative locations, talent, and ways to get the job done.**

Constantly opposing forces of cost and output are further complicated by brands pushing companies to find solutions and loopholes to achieve even lower costs. In particular, cost factors that are unique to the U.S. market, such as complying with rules governing union labor (crews, the Directors Guild of America, and the Screen Actors Guild), have made offshore production a normalized production solution.



“All of the DEI initiatives oddly had a negative effect. There was more outreach for our minority-owned status than for the work we produced. With that status, we were just checking boxes for various agencies and clients that needed to fulfill their outreach to minority-owned companies.”

AICP Membership Survey, April 2024

## Diversity and Inclusion

**Creativity thrives in diversity, yet efforts to empower people of color and women have fallen short.**

To the next generation of producers, the industry can seem walled off and beyond reach. DEI efforts remain performative at best, despite an industry that wants to portray itself as forward-thinking.

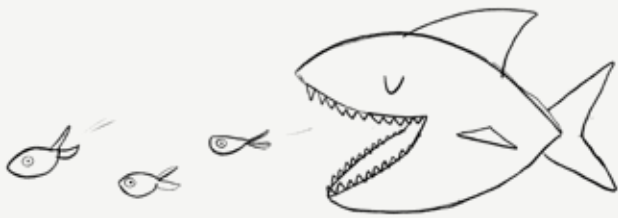
According to a 2021 study by Kantar Global Monitor, 65% of consumers believe that the companies they buy from should actively promote diversity and inclusion in their own business or society as a whole. Brands have been scrutinized for their lack of representation in business practices and advertising. The same level of public scrutiny has not reached production, nor does it need to for the industry to change. Representation alone is inadequate; the industry must ensure that underrepresented communities have equal opportunities in terms of leadership and compensation.

"I'm a certified minority- and female-owned company. There is a lot of talk about wanting to promote diversity and work with companies like myself. I'm always terribly disappointed in the actual follow-through."

**POST-PRODUCTION LEADER**

Nucleus Interviews  
February to April 2024





## Bigger Fish to Fry

"We are not set up to satisfy all the needs for delivery on every distribution platform at the scale that a client needs and that an agency is required to do. It's a mess to try to handle it.

The mantra of 'Let's take it in-house. Let's do it at scale. We can just do it however we want. We're gonna save money' is upsetting to our industry.

There's a fear if we don't do the low-budget online content, that someone else will take our business away."

### PRODUCTION LEADER

*Nucleus Interviews, February to April 2024*

**With the industry feeling the squeeze on all sides, a 24/7 beast of content that needs to be fed, and too many vendors for brand owners to coordinate with, bigger agencies and holding companies are bringing all of it, including production, under their own corporate umbrella.**

Agencies and advertisers often take on production to achieve fast turnaround and cost efficiencies, especially as it relates to utility-focused content. At times, though, it's the ad agency taking on production only to capture more revenue for their bottom line.

For publicly traded agencies and holding companies, no longer able to rely on highly profitable AOR (agency of record) relationships, moving into premium production is thought to be a possible solution to the constant pressure to show growth. It leads to putting individual profits before acting in a brand's best interest, and demonstrates a land-grab approach that threatens fair competition and stymies the diversity and creativity of the collective whole. When it comes to premium content, it is the craft of connection through expert storymaking that yields the most powerful results.

“ *These companies are going through a massive transition of their businesses. They have had to change their model.*

### EVERYONE SHOULD BE ABLE TO CREATE A BUSINESS THAT MAKES A PROFIT.

*So why would they not look at their business and say, 'In this transition, we should be capturing more of this'? Because we have to, and they should.*”

### PRODUCTION LEADER

*Nucleus Interviews, February to April 2024*

“ *Agencies have always had some sort of internal situation in terms of crafting things. They do it for presentations, they'll do it for pitches. The interesting thing is, even though it was set up for that, they would start going outside to independent companies to help them do pitches. You're saying what the issue is right there—you need more talent to do this stuff.*

### AND IT'S BECAUSE A LOT OF THE TALENT IS STILL ON THE OUTSIDE.”

### POST-PRODUCTION LEADER

*Nucleus Interviews, February to April 2024*



## A Free-For-All That Can Be Costly

"The business currently rewards overpromising, and that has an impact on the overall quality of work—and life—that is produced."

### AICP MEMBERSHIP SURVEY

April 2024

"The bidding process has become a cumbersome and oftentimes unfair process that honestly is putting many companies out of business as so much time and energy is spent on pitching."

### AICP MEMBERSHIP SURVEY

April 2024

<sup>21</sup> Creative Agency Leader, Nucleus Interviews, February to April 2024

**When brands can go anywhere and everywhere for creative and commercial production, the job of the advertiser becomes more complex.**

Just as real-world travelers are sometimes distracted by new attractions and experiences, there is always an underbelly to lack of familiarity. From filler content to "scaled specialization,"<sup>21</sup> the advertiser must learn to weigh the different offerings on the market, being especially wary of overpromises that result in underdelivery.

As brands that lack this vital working knowledge establish project budgets and they, or the agencies they've hired, shop for production companies willing to meet them, the bidding process becomes even more turbulent and time-consuming—often an exercise in futility with no guarantee of a payoff.

While companies have a responsibility to their clients to be transparent about their capabilities, advertisers are starting to learn from experience who to rely on for generic but quick versus special and considered.

**"Once clients move their production in-house, we typically get a call 6 months to 1 year later when they need to get more serious work done. The amount of smaller 'transactional' projects we get from them might decrease, but it's made our workflow more honed on being creative specialists."**

LinkedIn, April 2024

**"While budgets shrink, the expectations are still caviar tastes."**

AICP Membership Survey, April 2024



This recognition may evolve into a tiered compensation model. Advertisers need to be flexible, for example, to pay differently for craft versus volume and speed. While restaurant-goers accept and expect price variance in meals prepared by fast-food chains versus Michelin-starred restaurants, that is not yet an everyday reality across the production industry.

Education will be vital to rectifying this untenable imbalance and properly correlating cost and quality.

"I find it imperative to educate clients on 'costs'. They seem to think they can make up a number and that any project can be produced within that budget, no matter the creative ask."

### AICP MEMBERSHIP SURVEY

April 2024

## Actionable Wisdom

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**AS COMMERCIAL CONTENT UNDERGOES A METAMORPHOSIS, THE INDUSTRY IS RUNNING RAGGED TRYING TO KEEP UP. THE STRUCTURES THAT ONCE CREATED A FAIR AND COMPETITIVE MARKETPLACE ARE BREAKING APART.**

"Advertising is everywhere that you look. The demand has never been higher. Yet the infrastructure to create it is crumbling."

**POST-PRODUCTION LEADER**  
Nucleus Interviews  
February to April 2024

"We're doing everything we can, throwing everything at it. We're trying to figure out what and where to go and how to stay ahead of it."

**POST-PRODUCTION LEADER**  
Nucleus Interviews  
February to April 2024

Independent production companies are under tremendous pressure from two different sides. The forms of commercial content they've historically relied on to make a living are morphing. What was once stable is now on precarious ground; what is becoming profitable may not necessitate the same level of craft they built their businesses on.

On the other end, the structures that once protected them and made their work possible are no longer viable as both agencies and clients experiment with ways to take on those roles themselves.

With every entity attempting to reorient itself to this new landscape and ensure its own survival, divergent objectives and methods of accomplishing them emerge.

**Reimagining Systems and Structures**

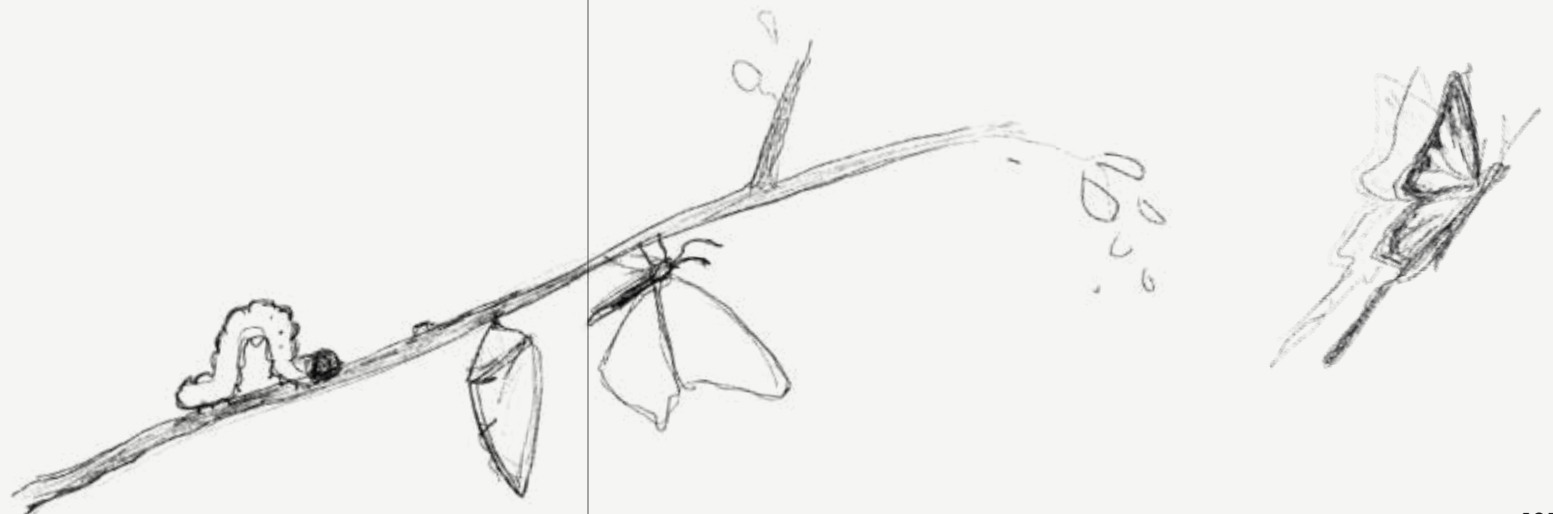
**Industry changes require the production community to evolve with them. Opportunities abound for creating content in ways that combine stories that matter with performance that adds value.**

Systems that once provided safeguards conformed to established industry principles, yet these safeguards may now stand in the way of progress. The industry itself has dramatically changed and continues to change at the whirlwind speed of culture. New systems and safeguards are required to facilitate diverse, creative collaboration in an ecosystem of fair competition.

Reimagined structures that combine the best of old and new will ensure the production industry is valued for its contribution to craft and accountable for performance. The connection between story, performance, and utility does not rest with the client alone. Navigating change requires protecting what matters while allowing the industry to evolve. It is precisely at the moment when everything is in flux that new opportunities emerge to envision what the future can be.

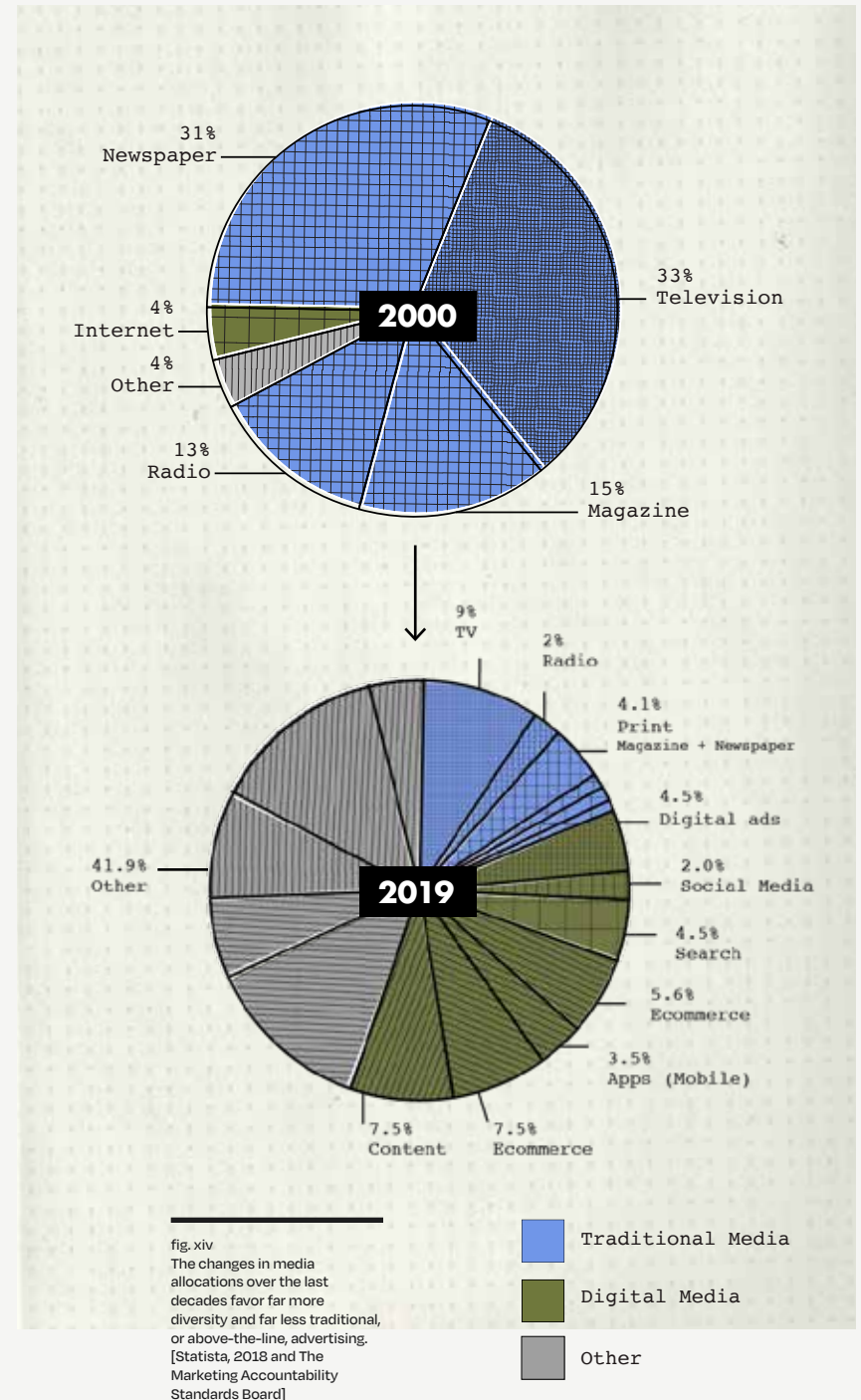
"I get a sense from a lot of production companies—it could be a generational thing, and I'm certainly part of that sort of older generation in the business—that people are clinging to the past of what was. You can't cling to the past, you can learn from it and take that knowledge and key learnings forward. But you've got to be receptive and part of the change."

**PRODUCTION LEADER**  
Nucleus Interviews  
February to April 2024





IT IS PRECISELY AT THE MOMENT WHEN EVERYTHING IS IN FLUX THAT NEW OPPORTUNITIES EMERGE TO ENVISION WHAT THE FUTURE CAN BE.



# Explore Emerging Opportunities

## PREMIUM STORYMAKING THRIVES BEYOND THE TRADITIONAL COMMERCIAL.

Commercial production had typically operated within the traditional media pie, but within that pie today are more companies than ever, fighting over skinnier slivers. Production companies can continue to produce great commercials to defend (and possibly even expand) their slice, but they also can transfer their skills to entirely new and different pies. While short branded stories are not going away, opportunities abound for repurposing skill sets grounded in both familiar and emerging media. This is where growth opportunities will continue to present themselves.



## Branded Entertainment

**Branded entertainment is the long game that puts production companies' craftsmanship on full display and their expertise at the heart of projects.**

Advertisers working to build belief in their brand and engagement with their target audiences are starting to invest in branded entertainment. Global companies like Nike and Coca-Cola are already widening their apertures beyond "the spot" and are supporting larger productions of larger stories that ignite culture-shaping conversations. Often on tangential topics indirectly related to the brand, these productions stand to move the needle significantly, albeit slowly.

Operating in spaces where audiences elect to devote their attention, advertising needs to be seamlessly integrated to provide an uninterrupted, high-quality experience. This demand for content and commercials to act as a cohesive unit may sharply rise as streamers grapple with the need to report profits to Wall Street, while prototyping ad-based models and dealing with subscriber churn.

Sitting more squarely at the intersection of entertainment and marketing, branded entertainment brings the brand and Hollywood into dialogue. Who better to mediate that conversation and carry out pertinent aspects of the execution than production companies, who know the brands so well and are adept at marrying art and commerce?

"I think the future of advertising is embracing branded entertainment in a much stronger capacity."

### PRODUCTION LEADER

*Nucleus Interviews  
February to April 2024*

"The brand is financing a move in culture that will indirectly benefit the brand."

### BRAND LEADER

*Nucleus Interviews  
February to April 2024*

"We're in a position where we can speak both languages. We can go to the Netflix and Geicos of the world, and be in the center of a conversation about making something that is way more interesting than just a 30-second spot."

### PRODUCTION LEADER

*Nucleus Interviews  
February to April 2024*

## Product

Films designed to be an extension of the product—adopting its voice, matching its style, demonstrating its capabilities—can inform and inspire.

“You have to tell a story, not advertise. People don’t want to be disturbed, they want to be entertained.”

**CREATIVE INNOVATION LEADER**

Nucleus Interviews  
February to April 2024

Direct-to-consumer brands have voracious audiences hungry to see things in new ways in order to buy. Editorial product photography layered with descriptive copy is often no longer enough to compel choice-rich consumers. *What is it?* will always be top of mind for prospective buyers, but today it is joined by: *How is it used?* *Why do I need this?* and *Who is using it successfully?* These are all questions best answered through the motion image.

Awareness is no longer reserved for the start of the marketing funnel; it needs to be present throughout the entire customer journey. By providing interconnected paths marked with motion image signposts, brands can advance the consumer’s decision-making process. Whether it’s Microsoft partnering with the Rijks museum to share how AI can make art more accessible, or a travel advisor creating a library of short films about various destinations, video creates a differentiating experience that articulates the value proposition and instills desire.

“You need to attract your audience to come back to see your story. So pushing little Instagram videos out or making little reels was a different way of working a commercial model.”

**BRAND LEADER**

Nucleus Interviews  
February to April 2024

For brands who elect not to undertake this wayfinding initiative alone, production companies can build a tight content ecosystem that works across platforms to reach different audiences. Though not commercials in the traditional sense, these videos are very much part of a commercial enterprise—designed to attract traffic and monetized when the consumer takes action.



## Experiential

A marketing campaign typically begins with a great idea, which gets developed into a story, which gets cut up and distributed across platforms to ultimately reach consumers.

There are those who elect to invert this story-first model in favor of a human-centered, connection-first approach. Events, experiences, and spectacles shorten the gap between the idea and audience connection. In fact, the audience becomes part of the story and often becomes a storyteller.

When an orchestrated or staged event happens in a public space, the moment of interaction between brand and audience is captured by many and then shared by many, becoming a source of content as well as earned media.

By fully embracing and prioritizing the job of creating connections, production companies might produce the event that attracts audiences who create and broadcast the "commercial" from it. In this way, storytellers find opportunity in a "relentless pursuit of original ideas that strike a chord in big ways in culture,"<sup>12</sup> as they make stories of different forms in different ways to different effects.

“I do believe in storytelling, but I look at it more as a creative platform—the notion that it can be built from the bottom up. I can build an experience based on event marketing, and then I can create my ads based on what’s happening there, rather than the reverse.”

**CREATIVE AGENCY LEADER**

Nucleus Interviews  
February to April 2024

<sup>12</sup> Creative Agency Leader, Nucleus Interviews, February to April 2024

“I think experiential is the counterbalance to everything social—wanting something that’s out in the real world. When you do something in the real world, you still need to document it, and share it online. The organic shares of that were only so many, but then we were able to create a whole slew of assets that they could share out on social media about that event that happened.”

Creative Agency Leader  
Nucleus Interviews, February to April 2024



## The Plus Side of Polyamory

**Afforded a new panoramic view, production companies can reach and be reached by anyone inside or outside the brand/agency circle.**

“We were the agency of record (AOR) for a ton of different brands—there was an exclusive relationship, to use dating parlance, and it was monogamous. Now, no one does AOR anymore. All these brands want to work with 10 different agencies for different specialties.”

**PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

“It used to be quite a defined space. It’s a very open playing field now, where you can tap into different streams of creative collaborators.”

**PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

The brand–agency–production hierarchy has given way to a new, circular arrangement, and this has fundamentally changed how collaborations are forged and the ways in which different disciplines come together to enrich the work. Once the norm, agencies of record and go-to creative/production teams are now anomalies; time-honored relationships that were once monogamous are now polyamorous.

This lack of exclusivity marks a dramatic departure from the past. It puts a great deal of pressure on agencies and holding companies to replace Agencies of Record (AOR)—guaranteed revenues—with new sources of income. This has resulted in the encroachment into what had been the exclusive domain of longtime production partners.

Where clear lanes and alliances had been universally understood and observed, a new media landscape has changed that.

To thrive in what has become a far more competitive environment, production companies will find opportunity in exploring and forging new relationships while maintaining, but not being held captive by, existing ones.

New conversations among new parties about new possibilities (from commercials to content, product, experiential, and entertainment) are happening, and production companies can and should partake in, and even initiate them.

“Brands will make demands specific to their needs, which allows all of us to be more specific with our services.”

AICP Membership Survey, April 2024



# Exploit Tools and Data

"'Tweaking' things is incredibly difficult and tweaking is the number one thing that all clients want."

**AICP MEMBERSHIP SURVEY**  
April 2024

"The people that can get the most out of AI by knowing how and what to input will end up being leaders."

**AICP MEMBERSHIP SURVEY**  
April 2024

## **PRODUCTION COMPANIES THAT EMBRACE DATA & AI TO PROLIFERATE (AND ITERATE) AT SPEED AND SCALE WILL BE HIGHLY VALUED PARTNERS AND COLLABORATORS.**

Today, all advertising is measurable and required to perform. The new tools and information available to brands, agencies, and production companies facilitate and necessitate iterating and optimizing.

Production companies that leverage AI and data will maximize brands' investments—turning content that connects into content that continually performs.



Below is a list of different ways AICP members are already using Artificial Intelligence.

Which ways does your company currently use AI? Are there any that pique your interest? Check all that apply.

- |  |   |
|--|---|
| <input type="checkbox"/> ADMINISTRATIVE TASKS                                | <input type="checkbox"/> CHARACTER ANIMATION                |
| <input type="checkbox"/> IMAGE RESEARCH                                      | <input type="checkbox"/> DRAFTING PITCHES                   |
| <input type="checkbox"/> NOISE REDUCTION                                     | <input type="checkbox"/> WRITING EMAILS                     |
| <input type="checkbox"/> DIALOGUE AND DUBBING                                | <input type="checkbox"/> VFX                                |
| <input type="checkbox"/> MEDIA PREPARATION                                   | <input type="checkbox"/> COPYWRITING                        |
| <input type="checkbox"/> PITCHES   | <input type="checkbox"/> SPEECH TO TEXT                     |
| <input type="checkbox"/> BRAINSTORMING                                       | <input type="checkbox"/> VISUAL CONCEPTING                  |
| <input type="checkbox"/> LOCATION RESEARCH                                   | <input type="checkbox"/> RENDERS                            |
| <input type="checkbox"/> TREATMENTS  | <input type="checkbox"/> IMAGE TREATMENTS                   |
| <input type="checkbox"/> STREAMLINING PRODUCTION, OPERATIONS, AND ACCOUNTING | <input type="checkbox"/> CREATING PITCH IMAGERY AND MOCKUPS |
| <input type="checkbox"/> STOCK FOOTAGE                                       | <input type="checkbox"/> NOTE-TAKING                        |



## Manus x Machina

**Technology left to its own devices may be unpredictable, but technology in the hands of a master craftsman is power.**

Since the earliest representations, craftsmen and their tools have not only been inextricably linked, but depicted in harmony—the instrument or machine portrayed as an extension of the hand as opposed to a force working against it. From film to digital and flatbeds to Mac-based editing, the production industry is no stranger to mastering new technologies that enhance the craft.

Technology on its own can only be dependent and derivative, requiring the intervention of an expert to function and produce original work. It needs to be turned on and powered up, managed and analyzed. Technology is not an end in itself but a means to an end—a way of uncovering truths and defining ideas, not a replacement for innovative thinking.

“*The number one benefit of information technology is that it empowers people to do what they want to do. It lets people be creative. It lets people be productive. It lets people learn things they didn't think they could learn before, and so in a sense it is all about potential.*”

—Steve Ballmer

AACIS Unlimited Potential Grant Announcement  
Microsoft, February 2005



As technology has advanced and come to wield more power, it has grown exponentially more threatening in the minds of its users—“a looming specter”<sup>13</sup> that stands to “kill jobs and the unique creative spirit that art and commerce embraces.”<sup>14</sup>

It is important to remember that although Frankenstein's monster did turn on his creator, he did so only after he was rejected. Who's to say what magic might have happened had he simply been embraced?

<sup>13</sup> Brand Leader, Nucleus Interviews, February to April 2024

<sup>14</sup> AICP Membership Survey, April 2024



## Raising the Bar

**Production companies that leverage tools, metrics, experience, and intuition will create content that adds value to brands and audiences alike.**

From ideation to distribution, AI is being used throughout the storytelling and storymaking process. It's being embraced as a "sparring partner"<sup>15</sup> and a "sounding board"<sup>16</sup> to vet concepts, in addition to being a workhorse that performs the "rote tasks and mundanity that doesn't require the honed skills that make content come to life."<sup>17</sup>

<sup>15</sup> Creative Innovation Leader, Nucleus Interviews, February to April 2024

<sup>16</sup> Ibid.

<sup>17</sup> Paramount Advertising's Creative Now event, March 2024

<sup>18</sup> Paul Thorogood, Kaleidoscope, LinkedIn, May 2024

By using new tools to tackle the "good enough" work, production companies increase efficiency and profitability. By "making AI the apprentice,"<sup>18</sup> production companies can flourish as masters—focusing on making great work, training the next generation as to what that entails, and innovating with them on how it is best achieved.



<sup>19</sup> Post-Production Leader, Nucleus Interviews, February to April 2024

<sup>20</sup> Paramount Advertising's Creative Now event, March 2024

<sup>21</sup> Ibid.

Similarly, data is an available means of fine-tuning craft. A mindset shift from data as "the numbers aspect"<sup>19</sup> to data as "humans in disguise"<sup>20</sup> makes its worth far easier to grasp: Data makes readily apparent where audiences are. Meet them there.

It is important to be fluent experts in the language of the day. Data is communication, not simply numbers. Problem-solvers need to lead the conversation. All storytakers can and should use data "at the beginning to inspire, in the middle to optimize, and at the end to learn,"<sup>21</sup> because it is the storytakers who are in touch who make the most touching stories.



### SPOTLIGHT

## The Dynamics of Creativity

**The iterative capabilities of AI extend beyond reframing and resizing—and can even push the boundaries of the medium.**

When acclaimed filmmaker Gary Hustwit (known for his design documentaries *Helvetica*, *Objectified*, and *Rams*) set out to create a film about British musician Brian Eno's 50-year career, he knew he wanted to create "a cinematic experience that's as innovative as Eno's approach to music and art."<sup>22</sup> Using a bespoke generative AI engine and hundreds of hours of footage, Hustwit has crafted *Eno*, a documentary in which sequences and scenes vary with each viewing. The result is a groundbreaking, "infinitely iterative"<sup>23</sup> documentary that mirrors the musician's own approach to creativity: it is never the same experience twice.

<sup>22</sup> [hustwit.com/eno](https://hustwit.com/eno)

<sup>23</sup> Ibid.



apprentice

journeyman

master

## Demand Is a Two-Way Street

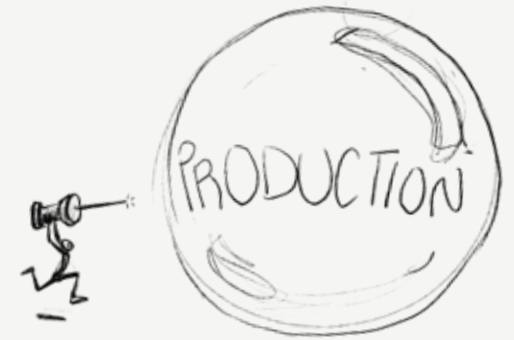
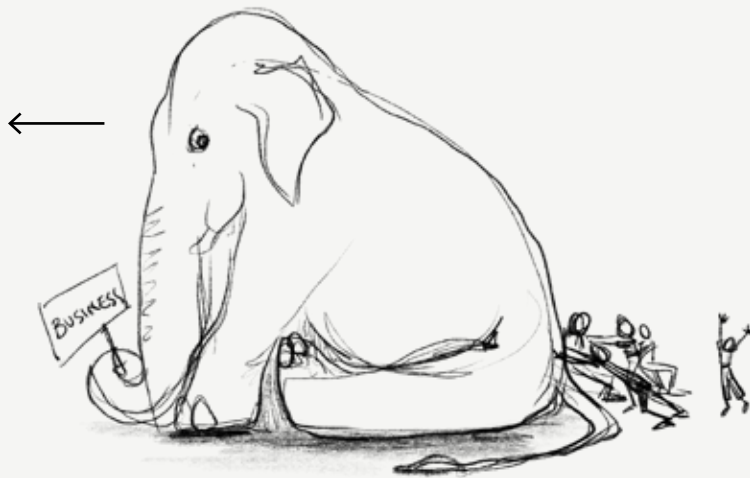
**Production companies need to *make* demands in order to meet the demands being made of them.**

Technology can only work wonders for those who wonder about its possibilities. That wonder fuels the experimentation that generates the wisdom that moves business forward. And moving the business forward is the primary and shared responsibility of the entire advertising pipeline.

“*You can’t be a creative and not realize that you’re as much a driver of growth. You aren’t exempt from that pressure.*”

Paramount Advertising’s *Creative Now* Event  
March 2024

Performance accountability may seem like a burden, but it is a requirement. Adopting technology remains a choice, but it’s a choice of leading or getting left behind, holding ground or surrendering it to those willingly taking on production to increase their efficiency and profitability.



Production companies have always mastered the newest tools but they have not always had a role to play in performance metrics. While some creators and producers crave more access to data, others still don’t understand it, and very few are given the opportunity to access it.

Production can no longer afford to operate within a bubble, responsible only for execution and closed off—whether by choice or by force—from tools and performance metrics. Embracing and mastering tools and data to optimize stories that perform can be what sets production companies apart within a highly competitive landscape.

“*What can we do with these tools? Dream bigger with our ideas. What can we do next for storytelling? Use new tools for us to dream bigger. See these as the tools that they are and show us what they can create. Open new doors for us.*”

Paramount Advertising’s *Creative Now* Event  
March 2024

# Educate to Endure

## EDUCATION IS VITAL TO THE SHORT- AND LONG-TERM SURVIVAL OF THE COMMERCIAL PRODUCTION INDUSTRY.

A staple of craft, mentorship and on-the-job training have given rise to some of production's greatest contributors and biggest icons. Pressures of an industry being forced to do more with less (time, talent and money) have rendered mentorship scarce, and that is impeding progress and succession. Despite these pressures—or in fact, because of them—mentoring talent is essential to the future of the business. It is an exercise in reciprocity that facilitates an exchange of mastery, ensuring that essential traditions are upheld while new ones are adopted.

“*The world of agency production in particular is becoming smaller and smaller. There are fewer opportunities for entry-level people because no one wants to train them. The most billable type of producer is a senior producer; that's what everybody wants. We need more junior people—people who would not normally have the chance to succeed in this business.*”

Production Leader  
Nucleus Interviews, February to April 2024

## A Chance Encounter

**Survival of the fittest in commercial production plays out rather simply: Those who meet the advertisers' need for emotional connections that perform win the business.**

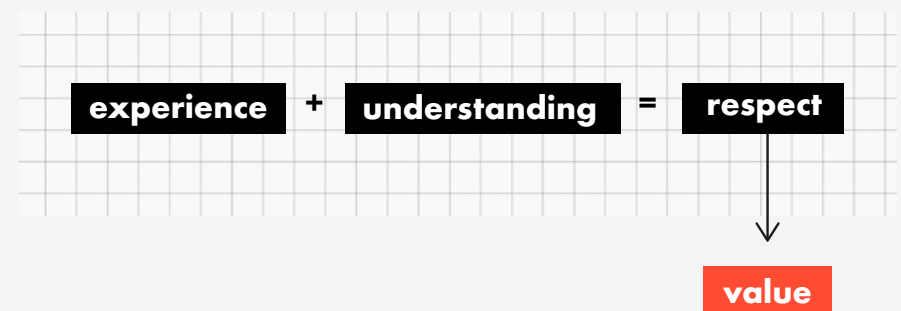
The arrival of new talent creates urgency for sharing and opportunities for learning. Though seemingly competitors, purists and tourists share a vested interest in seeing the industry thrive, and by working together, can ensure their mutual success.

Digital natives—who grew up with cut cords and were fed a daily serving of algorithmic sameness—have less of grasp on what advertising was or can be. Those who now steward brands and assume leadership positions at agencies have a different understanding of the true power and process of story and craft, given their upbringing.

The lack of experience and understanding results in a deficit of respect, which leads to a depreciation of value. Less experienced colleagues pose a challenge to efficiency and quality; however, they also carry with them invaluable insights into contemporary culture and expertise in responsive and resonant communications. This age-old polemic demonstrates both the problem and the solution for industry veterans—threatening craft as it once was while offering much-needed clarity as to what's required today and into the future.

“Most clients can still seem to identify when something is not up to par, but there is a true growing detachment as to what it takes to do great work, and a deteriorating understanding of the process.”

AICP MEMBERSHIP SURVEY  
April 2024





## Next Is Now

**Complacency can only be pierced with acknowledgement that greatness has changed, new communication styles have emerged, and the future of advertising has arrived.**

There is no doubt that the sea of content sameness has fatigued audiences' palates and forced weary eyes to glaze over. By blending craft and performance, production companies can be the shock to the system that restores sensitivity to both mediocrity and greatness. It is the "surprise of the unfamiliar"<sup>24</sup> that will cultivate taste and hone discernment.

In addition, industries under strict regulatory scrutiny, including finance and pharmaceuticals, must conform to legal guidelines, rendering user-generated content (UGC) out of reach. They still must find ways to connect through a new cultural and aesthetic vernacular.

<sup>24</sup>Kyle Chayka, *Filterworld: How Algorithms Flattened Culture*

“People can already create all the content they want. It doesn't mean that we don't need filters. It doesn't mean that we don't need exceptional content creators. It doesn't mean that we don't need thought and taste leaders.”

*With paper and literature, anybody can write, anybody can publish. That doesn't mean that everyone's a bestselling author. I think the same is true from a music perspective. Anybody can write, sing, and upload a song, but that doesn't stop you from having Beyoncé.”*

Brand Leader  
Nucleus Interviews, February to April 2024

**When excellence in the eyes of the industry matches excellence in the eyes of the buyer, all-around demand for excellence will increase, both in the immediate and extended future.**



Production companies well-versed in tightly scripted narratives can continue to play and even take on a more pivotal advisory role, supporting these kinds of clients in embracing resonant and modern aesthetics while maintaining necessary control of the storytelling.

Helping the brand, the agency, or the consumer to distinguish between bad and good, better and best, first requires the industry to align on the definition of those standards. Awards become a critical vehicle for intra-industry learning and a catalyst for progress when they objectively take into account how greatness has evolved and how it is currently measured.

A great commercial today doesn't look or act like the great commercials of yesterday, and a great YouTube commercial may differ dramatically from a great Super Bowl commercial. When excellence in the eyes of the industry matches excellence in the eyes of the buyer, all-around demand for excellence will increase, both in the immediate and extended future.

# Establish Guardrails

**IN A TUMULTUOUS, CHANGING LANDSCAPE, IT IS CRUCIAL THAT THE PRODUCTION COMMUNITY COME TOGETHER TO UPHOLD WHAT MAKES ITS INDUSTRY SPECIAL.**

"There is much fear out there that people will lose jobs. I've been in this business for 40 years and have evolved with the changes. Some changes ended careers but started new ones. No putting this genie back in the bottle, may as well embrace it."

**AICP MEMBERSHIP SURVEY**

April 2024

As new tools and technologies emerge, as the media landscape changes, and as attitudes and perspectives evolve, they inevitably disrupt traditional ways of working. Returning to the way things were simply isn't an option nor should industry insiders view the past through rose-colored glasses.

As a community dedicated to being the professional problem-solvers of advertising, it is essential to simultaneously embrace what is new, while preserving everything that makes the production industry great: the people, craft, integrity, skill, and art. It is essential to come together as a cultural force to develop new ways of working and define what is acceptable in usage and in application, and what is not.

Achieving cultural consensus among all parties, both buyers and sellers, is a necessary step to being a community that can then signal its ideals, ethics, and values to others.

# Redefine Foundational Principles

**Truly moving the production industry forward, equipped with tools to face the future, necessitates outlining standards and parameters for what it values and what it repudiates.**

Safeguarding both the past and the future of the industry in the present requires understanding that tradition and progress are not mutually exclusive. The advent of new tools and ways of working will certainly call into question fundamental principles, that were once immutable underpinnings of the industry. These fundamental principles have historically allowed the industry to operate in ways that create mutual value, ways that are fair and appropriately competitive, and that protect from unfair advantages.

These emerging tools and trends don't come with rule books or manuals, yet they are changing the contours of professional relationships and the nature of production work. The industry's fundamental principles need to be reconsidered and revisited to be brought up to speed.

The wealth of experience and working knowledge of processes that production companies possess can be channeled into establishing new norms and protocols that protect the industry without prohibiting advancement, growth, and competition. This is not about upholding the status quo, but moving the industry forward.

"I think you should have to disclose it if you've used AI in anything. I saw it for the first time in bid specs last week, which was wild. It's kind of amazing that I hadn't seen it prior to that because it's been so buzzy!"

**POST-PRODUCTION LEADER**

Nucleus Interviews  
February to April 2024



# Credentialize to Reject Commoditization

**Building a branded industry presence and identity elevates independent commercial production, establishing a discernible difference in quality, credentials, and craft.**

"We're all outbidding each other to figure out ways to do things for cheaper, and then we set precedents that we realize are not sustainable. I think that's what we've done as a community. We are the people who solve problems and we have solved ourselves out of profitability for a lot of the people in the production community!"

**PRODUCTION  
LEADER**

*Nucleus Interviews  
February to April 2024*

Dialogue is crucial for considering how to move the industry forward—to protect craft and healthy competition. Given the age-old dilemma of good, fast, and cheap, the production industry has always operated with creating "good" content as a first principle. However, with mounting pressure from massive agencies and holding companies on one side, and brands on the other, going for fast and cheap commoditizes the work. Yet being good alone is no longer enough to win the project.

As technology enables and facilitates production, and with tourists, locals, and many other institutions all offering some form of it, aspects of production are increasingly seen as a commodity. In this day and age, the work can't speak for itself; one must show and explain why it matters, how it delivers value, and why it's worth the investment.

**Elevating the work means doing better work, advocating for it, and ensuring credit for craft is received.**

Elevating the work means doing better work, advocating for it, and ensuring credit for craft is received. Doing remarkably preferable production work does set this industry apart, but the world (more specifically, advertisers) has to know what makes it different and why that matters. There had always been orange juice, and then Tropicana came along. There had always been water, but now we have Dasani, Poland Spring, Evian, and Liquid Death.

Through thought leadership, branding, and/or a seal of endorsement, the industry can set itself apart by making good work while educating people (both within and outside the industry) on what good is, what it achieves, why it performs better, and what is required to produce it.

Extraordinary skills paired with the newfound ability to combine performance and craft will make this industry covetable to those who want to participate in it and those who want to invest in a better product.





# Extend Open Invitations

**A COMMUNITY OF INDEPENDENT COMPANIES IS STRONGER TOGETHER THAN APART. ACROSS AGES, BACKGROUNDS, AND SKILLS, THERE IS MUCH TO LEARN FROM ONE ANOTHER, FOR THE BENEFIT OF THE INDUSTRY.**

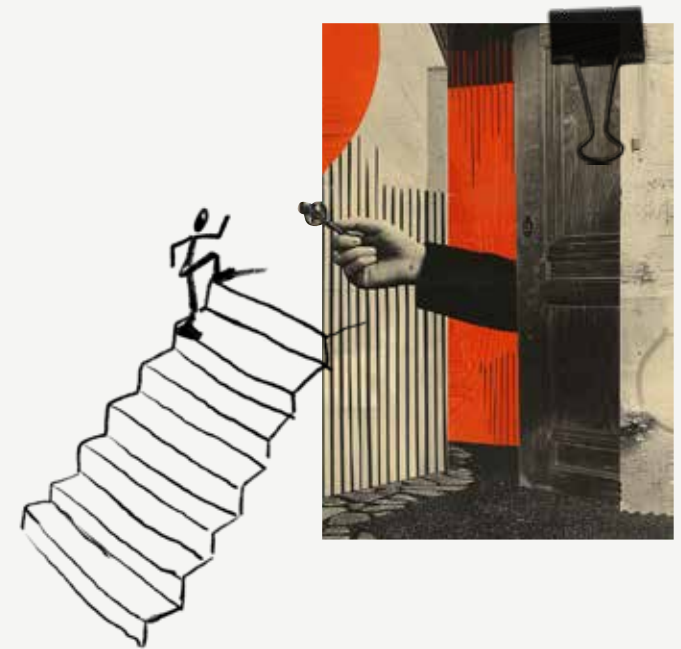
"How you're gonna get ahead is by listening, not talking and blustering. Listen, listen, listen to our elders. Don't make them feel like they're obsolete, because there's way too much of people thinking that they're aged out. That level of expertise and wisdom from folks who have been doing this a long time—we can't lose that. That's craft, too."

**PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

There is a strong sense of community within production that should be nurtured and cultivated with intention. Many are looking for more opportunities to build longer tables and bring more people together across varying ages, functions, backgrounds, and skill sets.

As the definition of the commercial expands to broader content, so too does the role and the nature of the producer. Undermining or dismissing the tourists, microinfluencers, and other neophytes shows shortsightedness. Welcoming them into the fold, with their unconventional wisdom and fresh approaches, enriches the production industry and increases the breadth of its relevance. At the same time, industry veterans shouldn't be dismissed as out of touch or old-fashioned. To remain insular is to impede growth. Industry stalwarts and novices have a lot to learn from each other, to everyone's benefit.



## Opening Doors

**Diversity, equity, and inclusion initiatives must go beyond lip service to truly bring change to an industry that needs it.**

The industry has a wealth of potential partners, but it must ensure that the right opportunities reach the right people. Structural and systemic support must be given to those who need it the most. Working closely with industry leaders from underrepresented communities can help reshape DEI initiatives that have become more perfunctory than progressive. Inclusive conversations with diverse voices ensure objectivity, while wider doors and more on-ramps welcome fresh eyes, unconventional thinkers, and junior talent.

"We live in a very diverse world. If we're not representing the people that we're advertising to, by using insights and talents and cultural nuances of the world we live in, then it's very narrow-minded. I've seen a tremendous change for good in that regard. But we still have a lot of work to do."

**PRODUCTION LEADER**

*Nucleus Interviews  
February to April 2024*

# Commerce will continue to make the world go round, but craft remains an essential connector—uniting people and interweaving the past, present, and future.

Today's data-obsessed world has posed a significant challenge to experienced production companies: deliver tangible proof that content full of craft provides an equal, if not greater, return of investment than content bereft of it. To tackle this challenge requires the industry to work together, using their combined spirit, skills, and savvy to "come up with incredible problem-solving to make something amazing."<sup>25</sup>

The pinnacle of craft is not slavish replication of what came before, but "reinterpretation of existing knowledge to make it relevant today."<sup>26</sup> Craft must be adapted to fit its context and culture if it is to wield maximum influence. That potential influence should not be underestimated, especially as the line between human and machine continues to dissolve and a

splintered society seeks meaning and purpose around which to gather.

No stranger to adversity and change, the commercial production industry is full of passion and perseverance, generosity and grit. Culture's relentless chasing of the unicorn of good, fast, and cheap has turned these collaborative creators into cutthroat competitors. Restoring morale and rebuilding community requires a mindset shift from mutual exclusivity to coexistence.

With this guide in hand, the problem-solvers and storytakers dedicated to commercial production will continue to make great work that is both timely and timeless, leaving an indelible impression on the industry, the advertisers, and the audience.

“*The ultimate function of craft is community, right?*”

—*Nikolai Haas*  
*Cultured Magazine, May 2024*

<sup>25</sup>Post-Production Leader, Nucleus Interviews, February to April 2024  
<sup>26</sup>The Loewe Foundation Craft Prize. [craftprize.loewe.com](http://craftprize.loewe.com)

EMBRACE COMMERCE TO AMPLIFY  
CRAFT AND ITS IMPORTANCE.

EMBRACE NEW TOOLS TO SPOTLIGHT  
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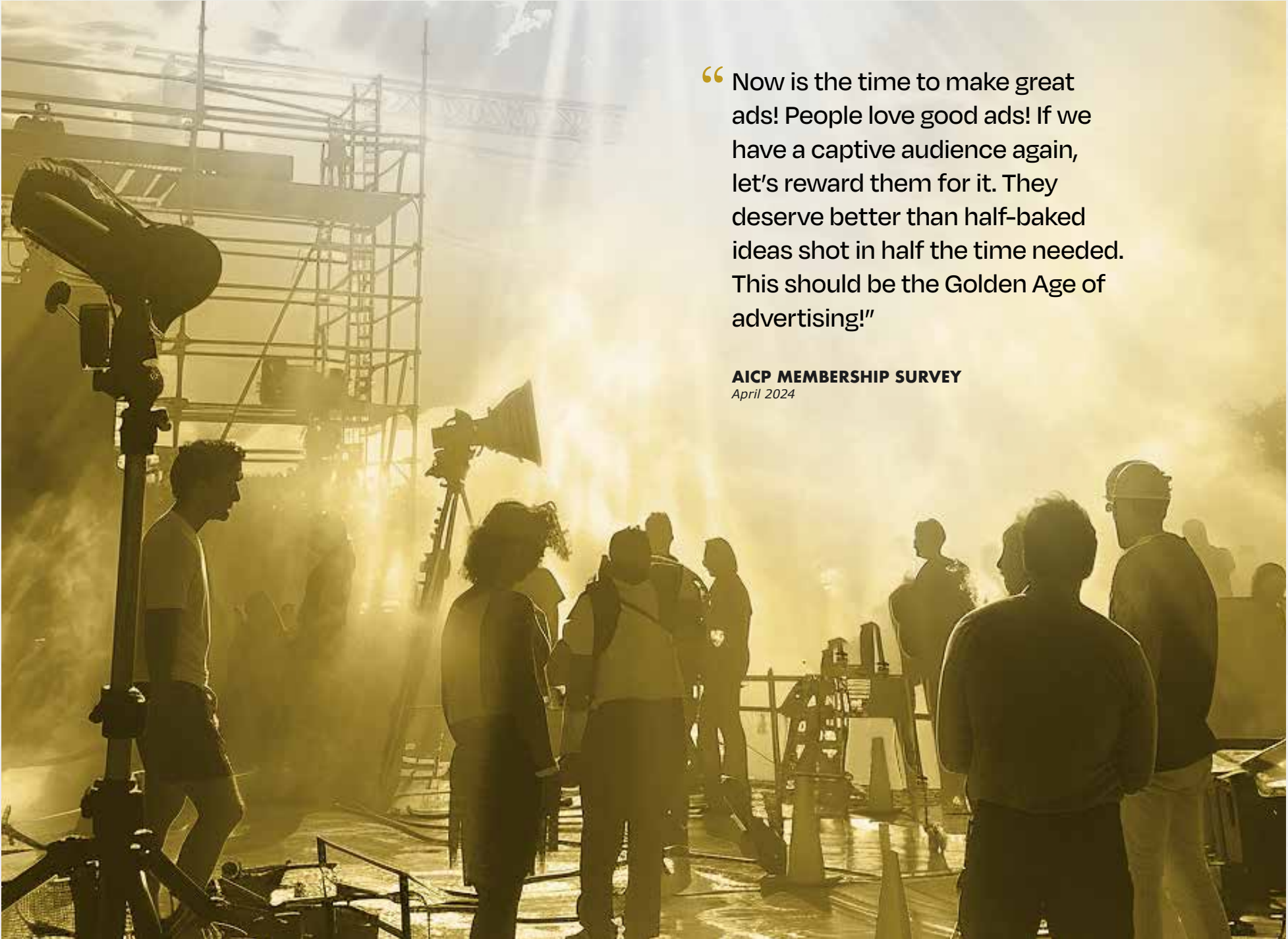
EMBRACE THE COLLECTIVE TO BOLSTER  
INDIVIDUAL STRENGTH, CONFIDENCE,  
AND PURPOSE.

EMBRACE EVOLUTION TO RENEW  
EXCITEMENT AND SHAPE A MORE  
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EMBRACE CONFIDENCE IN KNOWING  
AND CONVEYING THAT COMMERCIAL  
PRODUCTION IS ABSOLUTELY  
ESSENTIAL FOR MARKETING IN THE  
MOTION IMAGE TO THRIVE.





A golden-hour photograph of a film set. The scene is filled with silhouettes of crew members and equipment, including a large studio light on the left and a camera on a tripod in the center. The background shows a building under construction with scaffolding. The lighting is warm and hazy, creating a dramatic atmosphere.

“ Now is the time to make great ads! People love good ads! If we have a captive audience again, let’s reward them for it. They deserve better than half-baked ideas shot in half the time needed. This should be the Golden Age of advertising!”

**AICP MEMBERSHIP SURVEY**

*April 2024*

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A picture is worth a thousand words, and our friend and collaborator, Chelsea Carlson, worked her magic with AI to develop many of the images in this Depth of Field Guide.

Our masterful designer, Ariana Ross, took on the Herculean task of turning 16,000-plus words into a beautiful and readable publication, gracing it with illustrations that we hope made you smile along the way.

## A DEPTH OF FIELD GUIDE

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