



# CEOs in Advertisements

What Happens When the Boss Steps into the  
Spotlight?

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# Executive Summary

CEOs are seated at the helm of an organization, directing strategy, overseeing execution, and communicating to investors. But does a CEO's presence in an advertising campaign benefit to the brand?

The purpose of this study is to utilize the Ace Metrix database to provide hard data to answer the fundamental question: Is putting the CEO in an ad good for my brand?

The results of our analysis show that in general ads featuring CEOs outperformed ads that did not feature CEOs. In addition, the study outlines some key considerations:

## **NOT ALL CEO ADS WORK.**

Those ads in which the CEO is dull, boring, or fails to communicate a positively differentiable ad tend not to connect with consumers. Viewers still respect the guy on top, and are looking for the CEO to be interesting, relevant, and know what consumers want.

## **A "GENUINE" CEO IS CRITICAL TO AN EFFECTIVE CEO AD.**

Generally, direct, trust-inspiring messages communicate a no-nonsense style that gets viewers' attention and delivers on Information, Relevance, and Desire scores. The ads work best when the CEO is perceived as genuine and authentic.

## **COMMITMENT IS THE KEY.**

Most brands use the CEO concept sparingly, dedicating most of their advertising portfolio to non-CEO ads. There is good reason for this: CEO ads are risky. Notable exceptions are Papa John's and Samuel Adams/Sam Adams Light, who have fully committed to the "CEO as front-man" strategy where the CEO is the campaign. But CEO's who just do a "fly-by" often miss the mark, and result in a confusing fit with other campaigns.

## **KNOW THE CEO.**

Not all CEO's are born communicators. Let's face it: some CEOs are more camera-ready than others. Personal charisma and the ability to communicate authenticity and relevance vary widely. Make sure your CEO is up to the task.

## **TEST THE ADS, TEST THE MESSAGE.**

Many of the CEO spots that failed could have been prevented. Let the data decide. If the ads perform poorly, find alternative means to get the message across. In the case of CEO ads, there is a lot more at risk because it is not only the ad that could fail, but also the CEO's image and reputation that could be irreparably tarnished. Make sure you test the ads and the message.

# Introduction

At the most fundamental level, television advertisers are faced with a simple objective: make an impression on viewers that distinguishes the brand. In a media environment where viewers are bombarded with countless messages on a daily basis, this goal can prove challenging. Whether a brand is unveiling a new product-line, attempting to move itself in a new direction, trying to recover from negative publicity, or merely reaffirming its presence with consumers, there are a multitude of choices, tactics, strategies, and over-arching philosophies that can guide creative development.

One particularly interesting strategy is the ad that stars the company CEO. Whether this strategy brings forth mental images of Lee Iacocca vouching for the superiority of the Chrysler LeBaron, Frank Perdue guaranteeing the freshness of Perdue chickens, or Dave Thomas unveiling the latest combo-meal at Wendy's, ads featuring CEOs are not a new concept. Agencies are often put in the difficult position when a client CEO pushes to be in ads, whether or not the agency believes it to be an effective strategy for the brand. The purpose of this study is to utilize the Ace Metrix database to provide hard data to answer the fundamental question: Is putting the CEO in an ad good for my brand?

While the strategy of "CEO as front-man" has been adopted by numerous brands in the past thirty years, it's not entirely clear whether this strategy is effective. A 2009 article in Ad Age entitled "Ten Things To Think Hard About Before Featuring The Chairman In Advertising," warned about the drawbacks of featuring CEOs in advertisements (Parekh, 2009). The biggest concerns, from an advertising effectiveness standpoint, are: (1) failure by the CEO to come across as authentic; and (2) the inability of the brand to "stick-with" the campaign for a period of time long enough to bring about success—which, in turn, can bring about a perceived sense of lack of authenticity. Thus, lack of authenticity is a key problem in failed CEO ads. The Ad Age article, which surveyed numerous advertising professionals, warned that common wisdom mandates "letting the executive featured in the ad be him or herself and have their own personality" while noting that "if you're doing this kind of campaign, make it for the long run; a one-off might not be perceived as believable" (Parekh, 2009).

Also, it is worth mentioning that it is common for a corporate crisis to initiate a brand to produce ads that feature their CEO. Whether it is an apology for causing a natural disaster (BP), or an inability to honor coupons (KFC), or a disruption in service (United Airlines), the CEO's act of contrition is yet another reason for featuring a CEO in an advertisement.<sup>1</sup>

Although formal evidence is scant surrounding the question about whether featuring a CEO in an ad is effective, anecdotal accounts from advertising professionals equate the approach to something akin to "shooting the moon" in the card-game Hearts. That is, the common view is that ads featuring CEOs frequently do not perform well, but have the capacity—if properly executed—to be tremendously successful. Thus, most believe that there is a real risk associated with the "CEO as front-man" approach. More formally, expectations have it that there should be relatively few ads that feature CEOs because it is a risky proposition. Additionally, when ads do feature CEOs they ought to vary considerably in performance where successful ads are perceived both as authentic and part of a long-term commitment by the brand to the "CEO as front-man" strategy.

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<sup>1</sup> Like the crises that lead to public apologies by CEOs on behalf of the company, ads featuring CEOs attempting to "crisis-manage" are infrequent. As one might expect, when such ads do occur our data indicates that they typically do not perform well. In most cases, one cannot blame the CEO for the poor ad receptivity; rather the circumstance and context are typically too much to overcome even with the most affable personality and communicative style.

Given the lack of quantitative evidence surrounding this question, we scoured the Ace Metrix database for advertisements that featured CEOs in an attempt to better understand how frequently this occurred, whether such an advertising practice is generally effective, and under what conditions it was and was not an advisable method for successfully distinguishing one's brand from the competition.

Since 2009, Ace Metrix has captured and tested every nationally breaking advertisement that aired in the United States. Each ad is evaluated by a random sample of at least 500 respondents whose evaluations are measured using the exact, same metrics, methodology, and analytics. As a result, we provide a complete landscape view of the world of advertising and offer a service that emphasizes relative comparison and benchmarking—the cornerstones of effective measurement.

**The results of our analysis show that in general ads featuring CEOs outperformed ads that did not feature CEOs.**

Across every metric we measure, ads featuring CEOs had slightly higher average scores vs. other ads in the same category. However, this is **not to say** that ads featuring CEOs **always** perform well.

Averages are averages and certain brands—two in particular—were more successful than others at producing effective “CEO as front-man” advertisements. In particular, ads that featured CEOs had considerably higher “Desire,” “Relevance,” and “Information” scores than ads that did not feature CEOs. These three metrics measure the extent to which viewers want a product (Desire), can relate to the message of the advertisement (Relevance), and felt they learned something new from the ad (Information). All three are critical components of the Ace Metrix Persuasion score.

Beyond this, from an occurrence standpoint, we quickly learned that Restaurants & QSRs is the industry where the “CEO as front-man” strategy most frequently occurred. Almost three quarters of all ads in our database that featured a CEO were from brands in the Restaurants & QSRs industries.<sup>2</sup> A substantial reason for this was due to Papa John's who dwarfed all other brands with 47 ads that featured their CEO.<sup>3</sup> In addition, Papa John's was very successful at producing high performing ads that featured CEO John Schnatter. Not only did these ads perform well quantitatively, but qualitative “verbatim” responses provided further insight as to why they performed the way that they did. When examining those open-ended responses, we found that these successful ads—as conventional wisdom predicts—were perceived as authentic, genuine appeals.

The other big success in terms of CEO ads is Samuel Adams and Sam Adams Light both produced by the Boston Beer Company. There is no question that these brands fully adopted the “CEO as front-man” strategy as every ad we measured for them in the past three years featured CEO Jim Koch.

What's more interesting is that the effectiveness of these ads is hard to question: Samuel Adams tops the list of beer advertisers with an average score twenty five points above the next best brand (Miller High Life). In addition, like Papa John's, open-ended comments about Samuel Adams and Sam Adams Light ads indicated that viewers were impressed with the brands' “real-world”, informative appeals. Moreover, CEO Jim Koch's commentary and tour of the beer brewing process (a feature of many Samuel Adams and Sam Adams Light ads) resonated well with viewers.

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<sup>2</sup> Even after removing *Papa John's* from the list of ads that featured a CEO, Restaurants & QSRs still tops the list of industries with the largest number of ads featuring a CEO with 24 percent.

<sup>3</sup> *Papa John's* also fielded 7 ads that did not feature their CEO.

It is also interesting to note that most brands that featured CEOs in ads did not fully commit to the “CEO as front-man” strategy. Whether “Papa John” or Jim Koch deserves to be considered alongside the likes of Iacocca, Perdue, or Thomas still remains to be determined. What is clear is that more so than any other modern-day brand attempting the approach, Papa John’s and Samuel Adams/Sam Adams Light have succeeded in enacting the “CEO as front-man” advertising strategy.

## Methodology

Ace Metrix began collecting advertising effectiveness scores in January 2009. As of this writing<sup>4</sup>, we have collected data assessing the performance of more than 13,000 ads. Among these titles, we found 76 ads that featured CEOs across 12 brands<sup>5</sup>.

All ads were tested within 48 hours of airing nationally. Subsequent to airing, each advertisement was electronically captured and shown alongside a series of other breaking ads (“a flight”) as an online survey. Survey respondents were asked to view and evaluate each ad monadically. Respondents were recruited from an online panel with each ad test exhibiting sample sizes of at least 500 respondents. After respondent scores were collected, Ace Scores and Ace Metrix component scores were computed and assigned to each ad. The Ace Score and Ace Metrix component scores are standardized metrics that allow comparisons to be made between ads. Ace Scores and Ace Metrix component scores range between 1 and 950. Scores are normally distributed and approximately centered around 535.

Ace Metrix employs a proprietary algorithm that allows for benchmarking and comparative ad testing.<sup>6</sup> Since our inception, Ace Metrix has consistently used the same methodology to measure the effectiveness of every ad we have tested. As a result, we are in a unique position in the field of advertising effectiveness to assess relative advertising performance between **any** competitive set of ads imaginable, both across different industries and different time periods.

To be clear, the decisive benefit of the Ace Metrix methodology is that it provides advertisers with a metric of relative comparison. Unlike other measures of advertising effectiveness, Ace Scores allow advertisers to evaluate the performance of an ad in a variety of competitive settings: (i) compared with another ad; (ii) compared with the average of all ads in our database; (iii) compared with an ad’s competitive set; or (iv) compared with some other configuration of ads. While custom research studies are limited in their ability to assess relative performance, Ace Scores provide an opportunity for advertisers to place their ad in any context they choose. Consequently, advertisers gain a substantial advantage over the competition by being able to compare and contrast their ad with any other ad or group of ads. The effect of this is that it eliminates the classic apples-to-oranges problem frequently observed as limitation of custom research.

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<sup>4</sup> As of December 31, 2011 we have collected data for 13,444 ads

<sup>5</sup> Ads featuring a CEO are listed in the Appendix

<sup>6</sup> See <http://www.acemetrix.com> for detailed information discussing the Ace Score

## Findings

In our database, which includes advertising effectiveness scores for more than 13,000 ads, we identified seventy-six advertisements that featured a CEO. Across every metric, we found that those ads that featured a CEO outperformed ads that did not feature a CEO. Table 1 depicts the average Ace Scores and Ace Metrix component scores for ads that feature CEOs and ads that did not.

Ad Type	Ace Score	Persuasion	Watchability	Desire	Relevance	Change	Attention	Information	Likeability
CEO Ad	556	610	593	625	596	617	634	602	625
Not CEO Ad	512	573	566	553	559	589	624	553	605

Table 1: Overall Scores Comparing Ads Featuring a CEO and Those That Do Not

In addition to overall scores, we found the same pattern held across gender and age groups (see Appendix I for a list of tables depicting results by each demographic).

The results depicted in Table 1 defied our initial expectations in that we did not expect ads featuring CEOs to perform as well as they did. That is, popular belief has it that these ads should—in general—perform at a sub-par level. Moreover, when we examined the results metric-by-metric we observed that CEO ads performed particularly well in terms of “Desire”, “Relevance”, and “Information.” When reviewing these ads, it became clear that most ads featuring a CEO are straight-to-the-point, direct (“Relevance”), and replete with factual details about services and product offerings (“Information”)—thus, they were more informative and seemingly relevant to viewers with any level of baseline interest.

This can be contrasted with other advertising strategies where greater artistic expression, abstract messaging, and ‘softer’ approaches are used. What’s more is that high “Desire”<sup>7</sup> scores tend to indicate receptivity to the product and correlate well with common behavioral intention metrics like ‘Purchase Intent’—a particularly good sign that the ad messaging will translate to effectiveness in the marketplace.

While this finding is initially interesting, it is even more compelling to examine the distribution of scores both in general and by brand. As mentioned earlier, advertising professionals view ads that feature CEOs as risky. Consequently, we expected that most companies would **not** choose to engage in the “CEO as front-man” approach. In addition, among those brands that did engage in this strategy, we suspected that the distribution of advertising effectiveness scores ought to exhibit considerable volatility.

Our investigation of the ads in our database confirmed these expectations. Among the few ads (76 of more than 13,000) that featured a CEO in the last three years, the lowest scoring ad was “Roger Eaton Apologizes” for KFC (Ace Score = 368) while the highest scoring ad was “Rate My Chicken” for Domino’s Pizza (Ace Score = 629), a range of 268 points<sup>8</sup>. That is, there was considerable variation in

<sup>7</sup> Desire is measured in our survey as “I want that! (whatever you think the ad is about)”

<sup>8</sup> An alternative metric typically used to assess variation is “standard deviation.” In this case,  $\sigma = 48.1$ .



performance among ads that feature CEOs. In particular, one can observe that there are quite a few ads featuring CEOs that performed poorly, below average (556). Figure 1 depicts the distribution of ads featuring a CEO.<sup>9</sup>

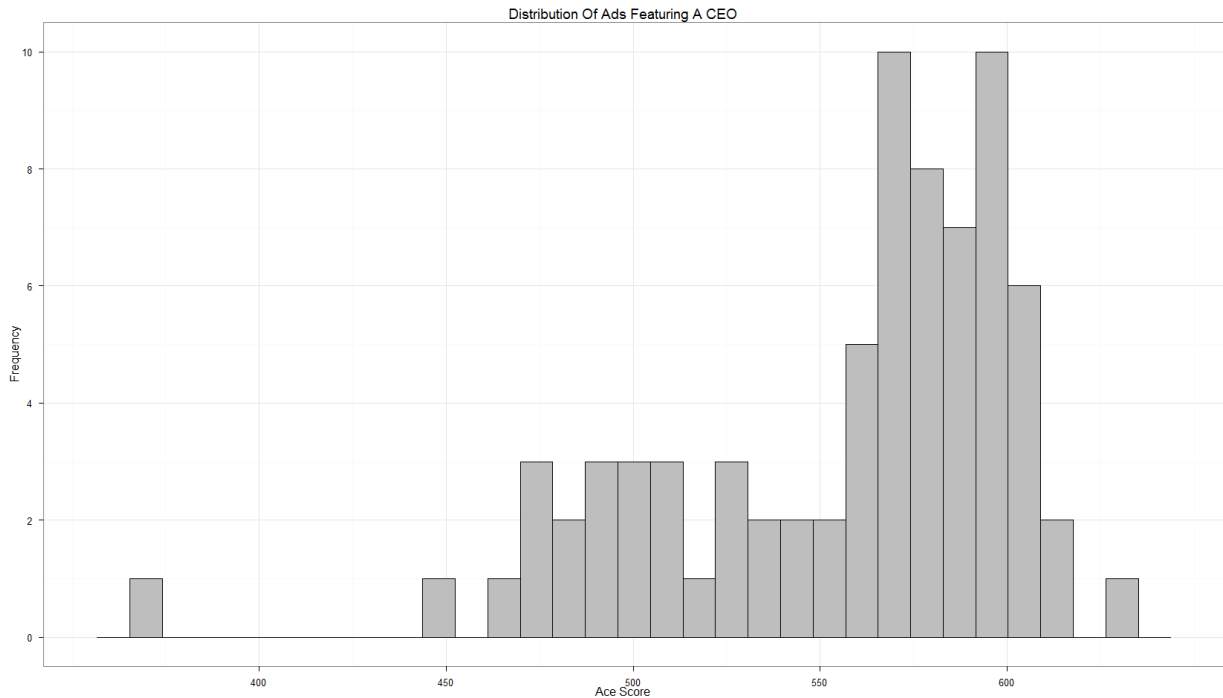


Figure 1: Distribution of Ads Featuring CEOs

While the distribution shows that not all ads that featured a CEO performed equally well, one begins to learn more about why some ads performed better than others by viewing the frequency distribution by brand. Figure 2 depicts the difference between ads featuring a CEO and ads that did not by each brand.

What’s clear from looking at this data is that only Papa John’s and Samuel Adams/Sam Adams Light fully committed to the concept of “CEO as front-man.” We tested 47 ads Papa John’s featuring CEO John Schnatter and 7 ads without him; whereas each of the 10 ads we tested for Samuel Adams/Sam Adams Light featured Jim Koch.

<sup>9</sup> The low scoring outlier (“Roger Eaton Apologizes”) featured the CEO of *KFC* temporarily renegeing on a coupon deal for free grilled chicken. It’s noteworthy that Eaton’s performance was considerably worse than *BP* CEO’s Tony Hayward’s “Tragedy That Never Should Have Happened” apologizing for the Gulf spill (Ace Scores = 368 vs. 526)

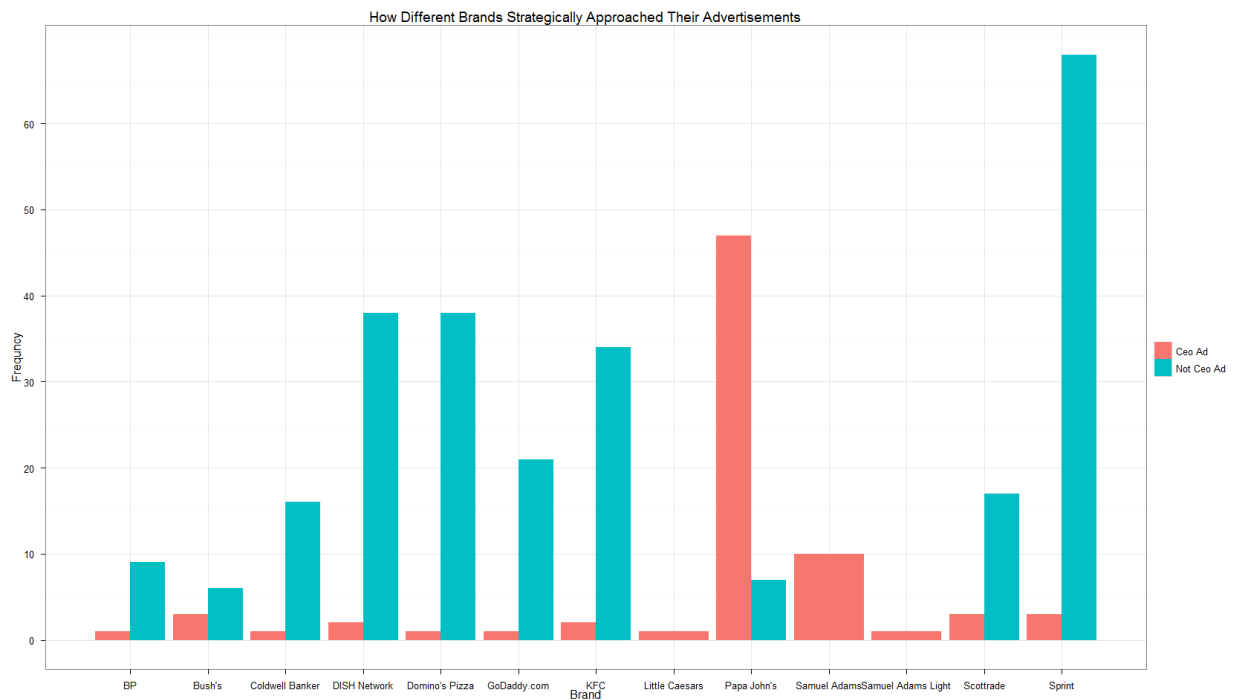


Figure 2: Frequency Of Ads By Brand By Ad Type

While Papa John's and Samuel Adams/Sam Adams Light put considerable advertising muscle behind CEOs John Schnatter and Jim Koch as brand spokespersons, the other brands in this analysis chose to diversify their advertising portfolio<sup>10</sup>. Clearly, these brands recognized the inherent risk in launching a campaign featuring a CEO; thus, they chose to broaden their advertising portfolio.

One might wonder why a brand would reject common industry wisdom about how to run a CEO campaign and opt instead for a diversification strategy. That is, why bother putting the CEO in an ad or two if there is not a long-term commitment to a campaign featuring the CEO? It is clear that the motivation for the diversification approach is based on fear that viewers will become bored. In a March 2009 Wall Street Journal article Sprint CEO Dan Hesse commented about his appearance in ads: "I'll wear out — they'll get tired of seeing that guy."<sup>11</sup> Even though Hesse was featured again in ads for Sprint in both 2010 and 2011, it's noteworthy that Sprint aired more than 20 times as many ads without him than with him. That is, fear of "wear-out" trumped conventional wisdom about fully investing advertising efforts in a long-term commitment to the "CEO as front-man" strategy. Thus, aside from Papa John's and Samuel Adams/Sam Adams Light, all other brands were more cautious about following historic exemplars like Chrysler, Perdue, and Wendy's in the long-term "CEO as front-man" approach.

### A CLOSER LOOK AT PAPA JOHN'S "CEO AS FRONT-MAN" STRATEGY

When comparing advertisements, it is compelling to observe that there is a nearly 60-point difference between Papa John's ads that feature John Schnatter and those that did not. This difference is

<sup>10</sup> One might argue that some of these brands (e.g., BP) did not actually have a "CEO as front-man" strategy; rather the CEO was forced to make a "damage control" appearance in an advertisement.

<sup>11</sup> First quoted in *The Wall Street Journal*

substantial—in fact, no other brand boasts as substantial a difference. Put more directly, without these ads Papa John’s overall ad performance falls below average; whereas with these ads Papa John’s performs at the top of the Pizza Category and above average compared to all other ads in our database. Figure 3 demonstrates that Papa John’s, BP, Dish Network, Scottrade, and Coldwell Banker each found greater success with ads that featured a CEO than ads that did not.<sup>12 13</sup>

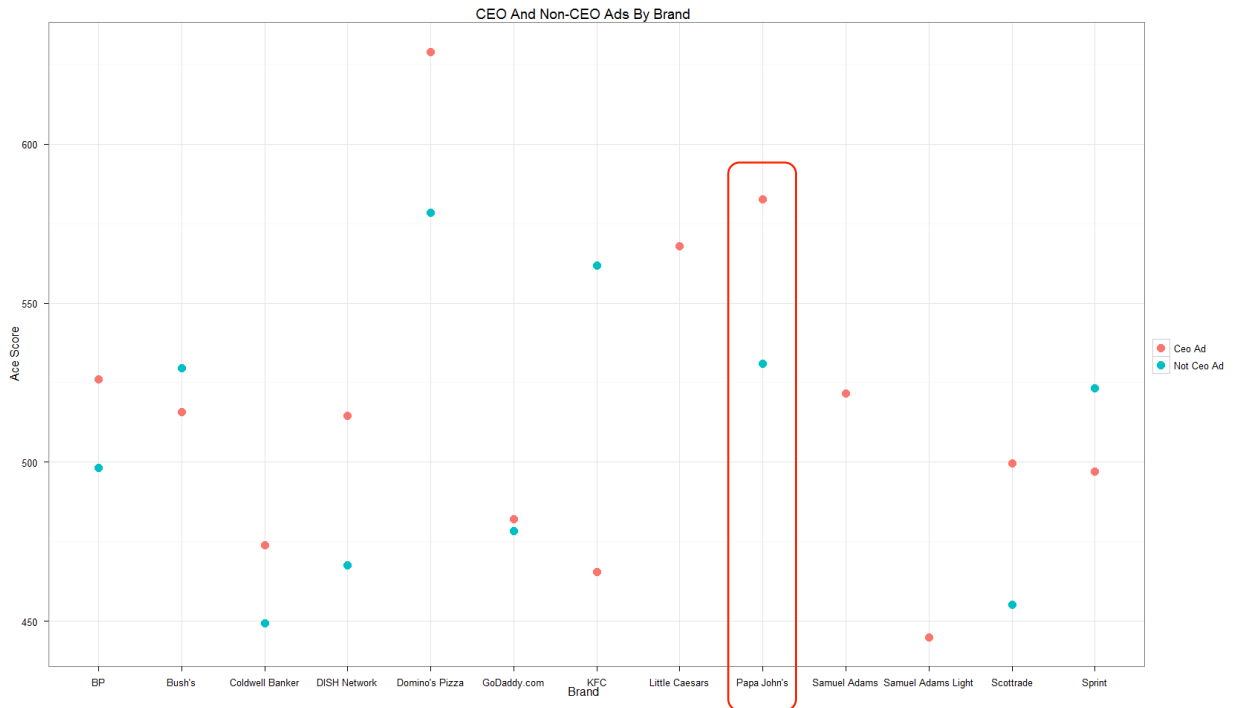


Figure 3: Comparing Two Types Of Ads By Brand

While it’s true that one cannot generalize about CEO ads for BP, Dish Network, Scottrade, and Coldwell Banker because there are too few ads that each brand aired, one can wonder whether these brands would benefit from a stronger commitment to “CEO as front-man” approach. That is, each of these brands ran a considerable number of ads that **did not** feature a CEO (9, 38, 17, and 16 respectively). What is clear is that their non-CEO advertisements typically missed the mark, whereas their ads that featured their CEO did better.

Conversely, Papa John’s ran enough ads featuring John Schnatter to allow for a more robust comparative analysis. Additionally, from a competitive perspective, it’s interesting to consider how Papa John’s performance places them atop the pizza category, tied with Pizza Hut and Domino’s Pizza—effectively a result of their ads featuring John Schnatter which accounted for 47 of 54 spots (87%).

<sup>12</sup> It’s noteworthy that because *Samuel Adams/Sam Adams Light* only ran ads that featured their CEO, a contrast is not possible for that brand.

<sup>13</sup> *Little Caesar’s* did not air any national advertisements that did not feature their CEO

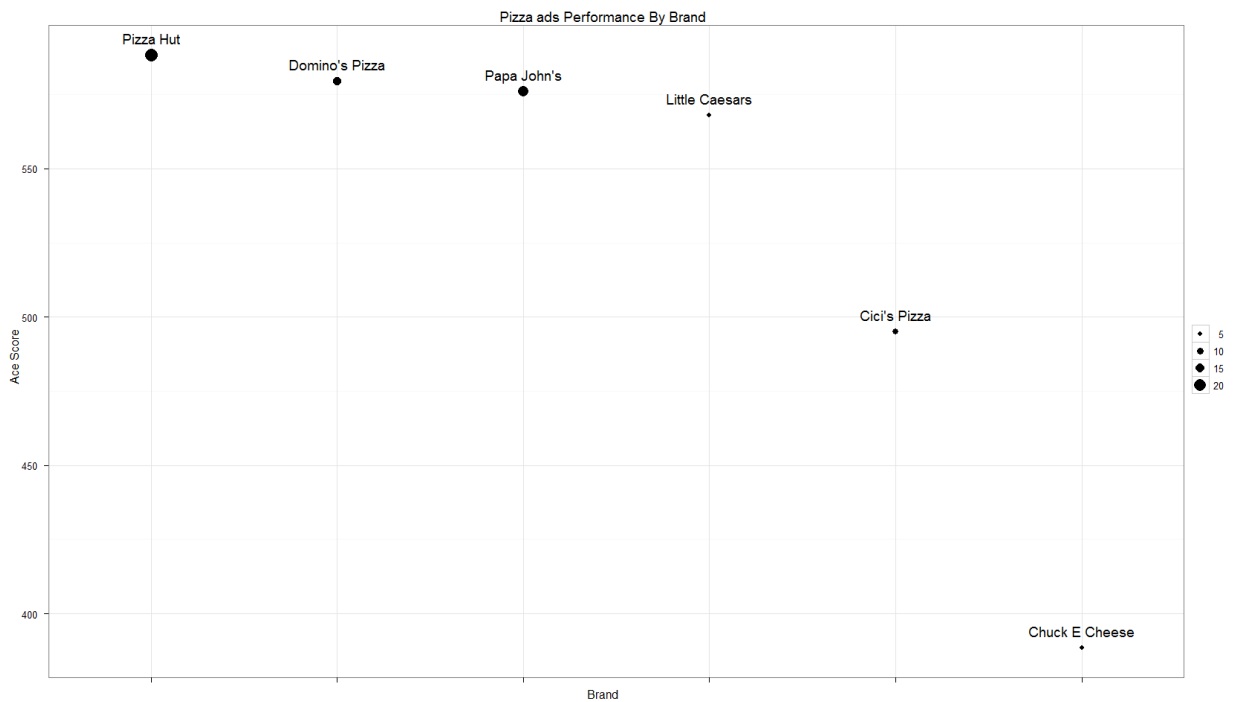


Figure 4: Pizza Performance By Brand; Size Of Point Indicates Number Of Ads

It is also interesting to consider that the other large pizza companies had considerably ‘more-variable’ performances than *Papa John’s*. Table 2 depicts the standard deviation of Ace Scores for the three major pizza companies. What’s interesting is that *Papa John’s* has roughly half the variation of the other brands indicating more uniform agreement in receptivity. In other words, *Papa John’s* seems to have “located the groove,” regularly producing ads that perform well that rarely miss the mark, do not alienate, and generally yield predictable outcomes. While the other brands search for ad copy that sometimes results in success but other times results in failure, *Papa John’s* is more consistent in their performance.

Brand	SD of Ace Score	Number of Ads
Domino's Pizza	52	38
Papa John's	20	54
Pizza Hut	42	66

Table 2: Standard Deviation of Ace Scores

To try and explain why *Papa John’s* performs both consistently and well, we examined the open-ended responses for *Papa John’s* ads in our database. In reading through these “verbatim” we frequently found mentions that emphasized positive personality concepts such as ‘genuine’ and ‘likeable.’ For instance, a female respondent, 21-35 years old, wrote “The spokesman was very down to earth and had a very ‘every man’ relatable quality that made you trust him. He must be endorsing a great pizza.”

Similarly, a woman 36-49 commented about the ad she viewed “It makes me feel that Papa John is a real person who cares about the success of his business.” Likewise, a man aged 36-49, commented, “Papa John seems like a good man. I just don’t understand how in this economy the price of pizza seems to go down not up. It makes me concerned about ingredient quality.” Even a female rejecter,

21-35 years old wrote, “Not a bad ad, he comes across as honest and caring. . .I just don’t care for the pizza.” What these comments indicate is a sense of authenticity. By allowing Papa John to be Papa John, these ads developed a positive, humanized brand image.

### A CLOSER LOOK AT SAMUEL ADAMS & SAM ADAMS LIGHT’S “CEO AS FRONT-MAN” STRATEGY

As previously mentioned, the Boston Beer Company fully committed to the “CEO as front-man” advertising strategy. In the past three years, Ace Metrix measured the advertising effectiveness of 10 ads for Samuel Adams and Sam Adams Light—each of which featured Boston Beer Company CEO Jim Koch. While each advertisement differed by either introducing new beer flavors, company-themed beer glasses, or by showcasing a different perspective of the brewing process, a common theme underlies their general approach. Each ad introduces and focuses on commentary from Jim Koch as well as various company brewers about their jobs and what they do. That is, these ads tend to not only showcase products but they also showcase the personalities of the various members of the Boston Beer Company. Thus, Samuel Adams and Sam Adams Light approach advertising by attempting to humanize their brand—they try to show viewers that they are a “small company,” comprised of real people who “care about the brewing process.”

What is clear is that this strategy works. Figure 5 depicts that average Ace Scores for each brand in the Beer category. Samuel Adams scores 62 points above average for the Beer category and more than 25 points above the next best performing brand (Miller High Life; Ace Score = 496). Also, it’s interesting to note that Samuel Adams considerably defeats Beer industry giants Budweiser and Bud Light each with average Ace Scores of 486 and 463 respectively.

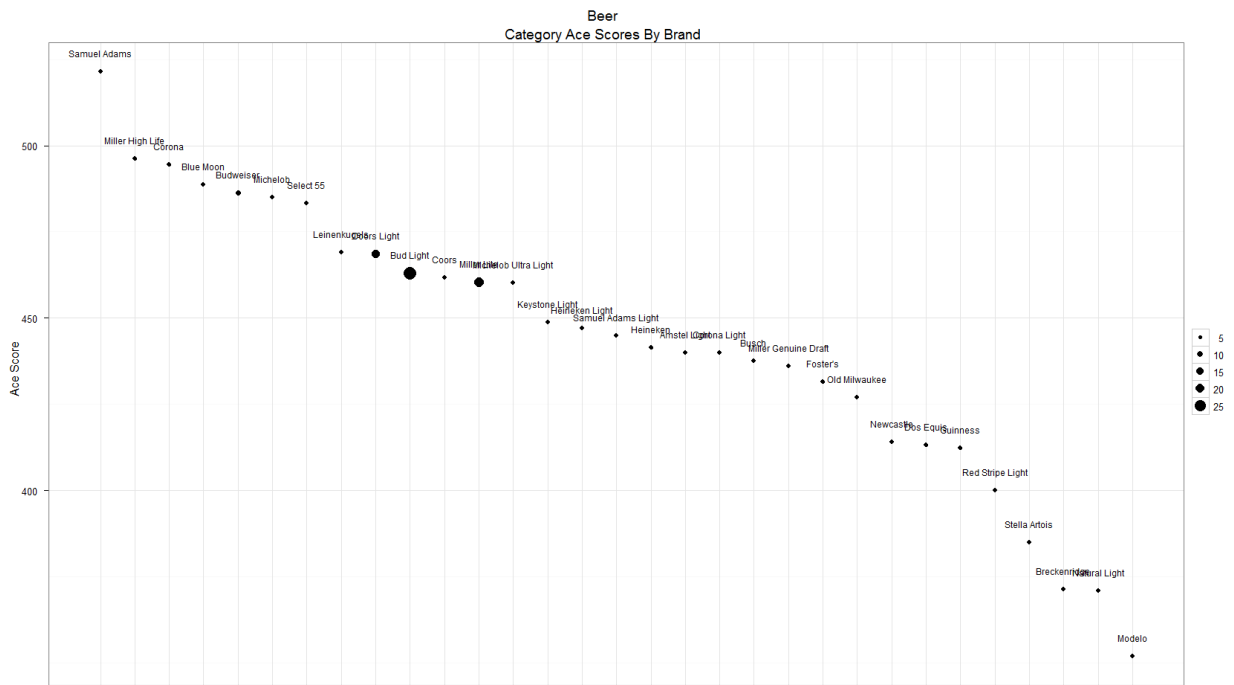


Figure 5: Beer Performance By Brand; Size Of Point Indicates Number Of Ads

Furthermore, it’s worth examining the variation between ads within each brand as a measure of consistent performance. The standard deviations of Ace Scores for each brand in the Beer industry

are depicted in Table 3. Like *Papa John's*, it is interesting to observe that *Samuel Adams* has very low variation between ad scores ( $\sigma = 30$ ). In other words, each *Samuel Adams* ad consistently performed at a certain level: excellent.

Brand	Ace Score Variation
Miller High Life	95
Stella Artois	81
Leinenkugels	70
Heineken	70
Budweiser	69
Bud Light	63
Corona Light	57
Corona	55
Keystone Light	53
Miller Lite	52
Foster's	52
Coors Light	51
Dos Equis	43
Guinness	38
Samuel Adams	30
Coors	27
Busch	26
Select 55	24
Blue Moon	24
Heineken Light	21
Michelob Ultra Light	18
Breckenridge	16
Miller Genuine Draft	14
Amstel Light	NA
Anheuser-Busch	NA
Michelob	NA
Modelo	NA
Natural Light	NA
Newcastle	NA
Old Milwaukee	NA
Red Stripe Light	NA
Samuel Adams Light	NA

Table 3: Standard Deviations of Ace Scores; Brands with only a single ad have been marked as not applicable (NA) to the standard deviation.

In an attempt to better understand what exactly about *Samuel Adams* and *Sam Adams Light* ads resonated with viewers, we turned to open-ended comments in our database. What's particularly interesting is the frequency with which viewers mentioned words like "interesting," or "informative" and indicated an appreciation for the ad's genuine tone. For instance, a 36-49 year old man said "I

really like that the commercial is down to Earth and not some flighty blond trying to get you to buy the beer. It is of real people showing you how and why they make beer.” Likewise, a woman 36-49 years old said “Sam Adams makes me feel like the people who work for the company take great pride in the work they do. The ad makes everyone seem involved, like a family.” Perhaps even more to the point, a woman 21-35 remarked “I loved that they used real managers and brewers. I can’t believe that much goes into making beer.” By demonstrating a genuine care for their product, Jim Koch and the team of brewers at the Boston Beer Company have conveyed a message of realism that is relatable and resonates with viewers.

### CEO ADS THAT COMPLETELY MISSED THE MARK

While it’s clear that Papa John’s and *Samuel Adams/Sam Adams Light* stand alone as the most successful brands to adopt the “CEO as front-man” strategy, it is also interesting to consider the biggest failures among ads that feature CEOs. Table 4 depicts the worst scoring ads that featured a CEO. These ads come from a variety of industries and were produced by different brands. It’s not hard to understand why *KFC* garnered poor receptivity—this purpose of this ad was to make a public apology for not being able to honor coupons for free chicken. In a sense CEO Roger Eaton should not be blamed for the poor performance of this advertisement as its poor showing is likely at least as much a function of delivering bad news about no free chicken as it is an inability to connect with viewers. Likewise, *Scottrade*’s Rodger Riney played a nominal role in “Total Access For Every Trader.” Also, it’s hard to blame Jay Bush’s of *Bush*’s personality as he never spoke during “Jay and Duke Use Facebook,” rather the commercial featured Bush instant messaging with his dog Duke.

Industry	Brand	Ad Title	Ace Score
Packaged Foods	Bush’s	Jay & Duke Use Facebook	474
Financial	Coldwell Banker	Home Listing Report: Jim Gillespie	474
Telecommunications	Sprint	Dan Hesse: The Sprint Free Guarantee	471
Financial	Scottrade	Total Access For Every Trader	469
Restaurants & QSR	KFC	Roger Eaton Apologizes	368

Table 4: Top 5 Worst Performing Ads Featuring a CEO

The other CEOs on the worst performing list are not so easily forgiven. Dan Hesse of *Sprint* who expressed a fear of boring viewers in a *Wall Street Journal* article two years prior was not off-base with his concern. Fifteen percent of respondents who left an open-ended comment used at least one of the words “boring”, “tedious”, “dull” or “uninteresting” to describe their reaction to Hesse’s ad “The Sprint Free Guarantee.” Likewise, *Coldwell Banker*’s Jim Gillespie earned a “boring” comment from 14 percent of respondents for his “Home Listing Report.” In both cases, Hesse and Gillespie spent a considerable proportion talking during the ads; Hesse promised to refund the money of any new *Sprint* customer who developed buyer’s remorse, while Gillespie unveiled an online tool that allowed customers to better appraise the value of their homes.

## Conclusion

In examining ads that feature CEOs, the evidence suggests that this approach is not effective for every brand that attempts the strategy. As industry professionals have hypothesized, authenticity in the form of “letting the executive be him or herself” is a critical component of the CEO advertisement. Whether boredom becomes a factor may very well be a chicken-or-egg question: that is, is the ad boring because the CEO fails to engage viewers or does the method of infrequently using the CEO create an awkward, contrived context that stacks-the-deck against ad effectiveness? Likewise, do brands that stay-the-course benefit from staying the course or did they stay-the-course because they saw immediate benefits from the “CEO as front-man” strategy? So what does this mean for your brand?

1) **CEO ads actually do work if done right:** generally, direct, trust-inspiring messages communicate a no-nonsense style that gets viewers’ attention and delivers on Information, Relevance and Desire scores. The ads work best when the CEO is perceived as genuine.

2) **But, not all CEO ads work.** Those ads where the CEO is dull, boring, or fails to communicate a positively differentiable ad tend not to connect with consumers. Viewers still respect the guy on top, and are looking for the CEO to be interesting, relevant, and know what consumers want.

3) **Most brands use the CEO concept sparingly,** dedicating most of their advertising portfolio to non-CEO ads. There is good reason for this: CEO ads are risky. Notable exceptions are *Papa John’s* and *Samuel Adams/Sam Adams Light*, who have fully committed to the “CEO as front-man” strategy where the CEO is the campaign.

4) **Not all CEO’s are born communicators.** Let’s face it: some CEOs are more camera-ready than others. Personal charisma and the ability to communicate authenticity and relevance vary widely. Make sure your CEO is up to the task.

5) **Make sure you test the ads and the message.** Many of the CEO spots that failed could have been prevented. Let the data decide, if the ads perform poorly, find alternative means to get the message across. In the case of CEO ads, there is a lot more at risk because it is not only the ad that could fail, but the CEO’s image and reputation could be irreparably tarnished as well.



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Sharma, A. (2009). For Sprint CEO, No More Sitting On A Cold, Hard Slab. <http://www.wsj.com>

What's noteworthy about ads that feature CEOs is that they seem to be hit-or-miss. That is, for every Orville Redenbacher there is a Todd Davis or Jim McCann.<sup>14</sup> In other words, there are some CEOs whose personality and message connects with viewers, while others quickly disappear into the dustbin of television advertising history. Additionally, it is clear that some brands fully adopt the "CEO as front-man" advertising strategy while others "test the waters" and move on to some other approach even if the CEO does a good job representing the brand in the advertisement. As a result, there is a limited number of "all-star CEOs" that are forever associated with their brand alongside a larger set of less-successful CEOs whose brands sought alternative advertising spokespersons.

When it comes to persuasion, ads featuring CEOs attempt to "humanize" brands by relying on the CEO to make a connection with viewers. Generally, these ads attempt to accomplish two goals: First, the advertiser tries to showcase the personality of the CEO. As with any spokesperson, the aim here is to introduce the CEO as a real human being who provides a face, life story, and personality that viewers can associate with the brand. This can be particularly relevant for brands that do **not** have emotional ties with consumers. By personifying the brand, advertisers are attempting to contrast a revised view of the brand with what otherwise might be an abstract, cold, impression of a corporate entity.

In addition, the tone and messaging of ads featuring CEOs generally takes a straightforward, no-nonsense, communication style where the CEO publicly endorses the product and personally vouches for it. That is, the CEO aligns his or her reputation with the product. By standing behind the product, advertisers bet that viewers will be responsive to such a bold, assured display of confidence.

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<sup>14</sup> Todd Davis appeared in ads as CEO for *Lifelock*; Jim McCann appeared for *1-800-FLOWERS*

## APPENDIX 1: AD PERFORMANCE BY DEMOGRAPHIC TABLES

Ad Type	Ace Score (M)	Persuasion (M)	Watchability (M)	Desire (M)	Relevance (M)	Change (M)	Attention (M)	Information (M)	Likeability (M)
CEO Ad	561	612	601	633	603	611	633	600	627
Not CEO Ad	509	567	567	550	555	581	615	549	597

Table A1: Male Scores

Ad Type	Ace Score (F)	Persuasion (F)	Watchability (F)	Desire (F)	Relevance (F)	Change (F)	Attention (F)	Information (F)	Likeability (F)
CEO Ad	550	608	585	618	589	624	634	603	624
Not CEO Ad	515	579	566	556	564	597	634	557	612

Table A2: Female Scores

Ad Type	Ace Score	Persuasion	Watchability	Desire	Relevance	Change	Attention	Information	Likeability
CEO Ad	592	634	623	680	610	647	656	608	651
Not CEO Ad	559	603	606	612	573	622	660	571	641

Table A3: 16-20 Year Old Scores

Ad Type	Ace Score	Persuasion	Watchability	Desire	Relevance	Change	Attention	Information	Likeability
CEO Ad	552	605	594	625	592	611	627	600	620
Not CEO Ad	515	573	575	559	558	587	624	554	607

Table A4: 21-35 Year Old Scores

Ad Type	Ace Score	Persuasion	Watchability	Desire	Relevance	Change	Attention	Information	Likeability
CEO Ad	549	609	582	617	605	609	630	601	620
Not CEO Ad	510	573	562	548	564	588	620	554	601

Table A5: 36-49 Year Old Scores

Ad Type	Ace Score	Persuasion	Watchability	Desire	Relevance	Change	Attention	Information	Likeability
CEO Ad	502	569	549	521	543	594	614	591	601
Not CEO Ad	484	556	537	516	545	576	610	539	586

Table A6: 50+ Year Old Scores

## APPENDIX 2: LIST OF ADS FEATURING A CEO

Industry	Brand	Ad Title
Restaurants & QSR	Papa John's	Earn Double Points All Weekend
Restaurants & QSR	Papa John's	The Clock Is Running Out
Restaurants & QSR	Papa John's	We Powered Up The Works
Restaurants & QSR	Papa John's	Limited Time Offer \$11 Pizza
Telecommunications	Sprint	Any Mobile Any Time
Restaurants & QSR	KFC	Roger Eaton Apologizes
Telecommunications	Sprint	Dan Hesse: The Sprint Free Guarantee
Restaurants & QSR	Papa John's	Earn Double Points Every Day
Restaurants & QSR	Papa John's	Quality Is Number One
Restaurants & QSR	Papa John's	\$11 Sausage Sensation
Restaurants & QSR	Papa John's	Last Chance For 1st & \$10
Restaurants & QSR	Papa John's	Go For Two This NFL Season
Restaurants & QSR	Papa John's	Slogan Is A Way Of Life
Restaurants & QSR	Papa John's	New Summer Special
Restaurants & QSR	Papa John's	The New \$10 Buzzer Beater
Restaurants & QSR	Papa John's	Double Bacon Six Cheese Pizza
Restaurants & QSR	Papa John's	Large Pizzas For Just \$10
Restaurants & QSR	Papa John's	Time To Score Double Points
Restaurants & QSR	Papa John's	You Can Taste The Difference
Restaurants & QSR	Papa John's	\$5 Off Madden 12 With Online Purchase
Restaurants & QSR	Papa John's	Pizza With Spinach & Alfredo For \$11
Restaurants & QSR	KFC	Roger Eaton: One Piece Of Grilled Chicken Free
Packaged Foods	Bush's	Duke Jay Instant Message
Beverages - Alcoholic	Samuel Adams	Chapter 7: Growing Up Small
Automotive Services	BP	Tragedy That Never Should Have Happened
Restaurants & QSR	Papa John's	Good Football Deserves Great Pizza
Restaurants & QSR	Papa John's	Papa Rewards
Beverages - Alcoholic	Samuel Adams	Chapter 7: The Perfect Pair
Restaurants & QSR	Papa John's	John's Favorite Pizza Just \$11
Beverages - Alcoholic	Samuel Adams	Glass Enhances The Flavor
Beverages - Alcoholic	Samuel Adams Light	Not Light On Flavor
Beverages - Alcoholic	Samuel Adams	Seasonal Beers All Over The World
Restaurants & QSR	Papa John's	Dan Snyder & Jerry Jones: Football & Pizza
Technology	GoDaddy.com	Sponsoring Bowl And Giving Scholarships
Restaurants & QSR	Papa John's	Superbowl XLV Win Free Pizza
Beverages - Alcoholic	Samuel Adams	Float Or Sink?
Restaurants & QSR	Papa John's	Jerry Jones: Sunday Night Football
Restaurants & QSR	Papa John's	The Best Make It To The Super Bowl
Beverages - Alcoholic	Samuel Adams	Chapter 7: Love A Challenge

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Beverages - Alcoholic	Samuel Adams	A Match Made In Heaven
Restaurants & QSR	Papa John's	SB 10: Better Pizza
Restaurants & QSR	Papa John's	Zesty Jalapeno And Meat Pizza
Restaurants & QSR	Papa John's	Large Italian Pizza For \$11
Packaged Foods	Bush's	Duke And Jay Bush Deliver To America
Telecommunications	DISH Network	Charlie Ergen: 100% Digital Service
Financial	Scottrade	(AUG) Total Access For Every Trader
Restaurants & QSR	Papa John's	Free Topping NFL Game Day
Restaurants & QSR	Papa John's	Everythings Better When Papa's In The House
Restaurants & QSR	Domino's Pizza	Rate Their Chicken
Restaurants & QSR	Papa John's	Go For Two This NFL Season
Restaurants & QSR	Little Caesars	Dave S. : Pizza Bowl
Restaurants & QSR	Papa John's	Free Topping Football
Restaurants & QSR	Papa John's	Happy Halloween
Restaurants & QSR	Papa John's	Any Large Pizza \$11
Restaurants & QSR	Papa John's	Delivering A Better Pizza Across America
Restaurants & QSR	Papa John's	Free Cheesesticks & Coke Zero
Restaurants & QSR	Papa John's	Double Bacon For \$11
Restaurants & QSR	Papa John's	Fresh Ingredients Make It Taste Better
Restaurants & QSR	Papa John's	Fresh Is Better
Packaged Foods	Bush's	Jay & Duke Use Facebook
Telecommunications	DISH Network	Charlie Ergen: No Extra Charge For HD Ever
Restaurants & QSR	Papa John's	Coming Up With Unique Tasty Creations
Beverages - Alcoholic	Samuel Adams	Timeless Quality Chapter 7
Financial	Scottrade	(AUG) Take Charge Of Investing
Telecommunications	Sprint	Truly Unlimited: Dan Hesse
Financial	Coldwell Banker	Home Listing Report: Jim Gillespie
Beverages - Alcoholic	Samuel Adams	We Protect Our Beer
Restaurants & QSR	Papa John's	We're Celebrating The New Website
Restaurants & QSR	Papa John's	All Large Pizzas \$10
Restaurants & QSR	Papa John's	Game Day Pizza
Restaurants & QSR	Papa John's	John Schnatter: Any Large Pizza Just \$10
Restaurants & QSR	Papa John's	What Puts Them Over The Top
Beverages - Alcoholic	Samuel Adams	Dry Hopping Chapter 7
Financial	Scottrade	(AUG) Founder & CEO: Rodger Riney
Restaurants & QSR	Papa John's	The Pizza With 100% Real Meat
Restaurants & QSR	Papa John's	In The House This Nfl Season

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Table 5 A7: List Of Ads Featuring A CEO

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