

KEY PERFORMANCE INDICATORS FOR THE CREATIVE INDUSTRY

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Abstract. At present, the economy is developing technologically, and the creative economy makes use of new knowledge, technology and human creativity. The creative economy consists of the creative and cultural industries. Many authors deal with the issue of the creative economy and conclude that the creative industry has the potential to lead the economic sector or the economic level of regions. This paper addresses the issue of key performance indicators in the creative industries. It defines concepts such as creativity, the difference between creative and cultural industries and key performance indicators (KPIs). The research for this paper focused on the world's most awarded agencies for creativity, the world's most awarded brands for creativity and the world's most awarded countries for creativity. KPIs can be used to identify and compare the work of organisations in the creative and cultural industries. If the goals of the organisation are set and selected correctly, KPIs will provide measures of effectiveness in achieving them. The aim of this paper is to define key performance indicators for the creative industries. The method of collecting and processing information was used to collect information and then process the information related to the given topic. The method of analysis and synthesis was used to select a number of secondary data from internet sources and to trace the relationships between the chapters. The method of comparison was used to compare the information obtained. The methods of induction and deduction are used to evaluate and draw general conclusions. One of the main sources of data for the piece was the WARC Rankings 2023: Creative 100, which represents the most awarded campaigns and companies in the world. The KPIs were developed in six areas: financial, client, project, people, sales and website. Financial KPIs are the most important and reflect the performance of the creative agency as a whole. Customer KPIs show performance for the customer domain, track cost per customer and track the customer satisfaction index. Project KPIs focus on the moving parts of the project, regardless of the project management methodology. People KPIs include specific and quantifiable metrics to measure people performance, effectiveness and productivity. In sales, monthly sales growth, sales target attainment, cost as a percentage of sales and shopping basket abandonment rates are monitored. Performance monitoring should be important to all business units because it shows and reflects performance that is important to the achievement of goals or the survival of the business or institution.

Keywords: creativity, creative industry, creative agencies, cultural industry, key performance indicators.

JEL Classification: L10, L82, M37

1. Introduction

Today, in order for a company or other business unit to thrive and move in the right direction, it is important to ask oneself whether it is efficient. Performance depends on the goals set by the business unit. KPIs therefore help to show and focus on those aspects of performance that are most important to the present and future of the business. KPIs should also be used in creative organisations such as creative

agencies. The right choice of performance indicators will alert the institution to many imperfections or deviations from the set goals. Through continuous monitoring, agencies can avoid possible inefficient performance or help to improve efficiency, work organisation and unnecessary waste of money.

Creativity is associated with the creative industry, which is an integral part of the sector. Creativity or creativity is an important term that is studied not

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only in psychology, but also in various fields. For example, in economics, management, art, pedagogy, science theory, and others. The concept of creativity is defined in different ways, depending on individual relationships and contexts (Kloudkova et al., 2010; Mikulastik, 2010).

Creativity is defined as the art of seeking, adopting and creating unconventional procedures, new ideas and original solutions. It is a personality trait and part of the personality structure (Mikulastik, 2010).

Creativity is among the traits that include divergent thinking, intelligence and immersion in a problem, autonomy, risk-taking, a sense of humour, openness or non-conformity (Kloudkova et al., 2010; Mikulastik, 2010).

There are three interrelated types of human creativity (Gasparik, Krammer & Vaclavova, 2017; Efendic, Fritsch, Miskiewicz & Skica, 2022):

- Scientific creativity is concerned with technological or humanistic science. It supports the development of discoveries, inventions and technologies related to thinking, creating and promoting individuality.
- Economic creativity is associated with entrepreneurship and new procedures in enterprise development, with the support of new business ideas and their application in the enterprise, as well as with sustainability and flexibility.
- Artistic creation is a sphere focused on economic value. Art becomes an aesthetic and a requirement for the environment.

The individual definitions of the selected authors show that creativity has a complex nature, and it should be perceived from an economic, environmental, political or social point of view (Kloudkova et al., 2010).

The origin of the word indicates an activity or process, while the result of an action is a product. The product of creative activity is characterised by its originality, which makes it an object of copyright. In addition to its uniqueness, it also has a value (Baculakova, 2016).

Successful creativity is when an initial idea is transformed with the help of actors into a product or service and brings social benefit. The term 'creative industry' has an ambiguous definition, with different authors describing it from different perspectives – political or academic (Gasparik, Krammer & Vaclavova, 2017).

The aim of this paper is to identify key performance indicators for the creative industry. This publication is organised as follows. Firstly, the introduction provides an introduction to the topic. It deals with the definition of creativity and leads to the second part. The second part presents a review of the scientific literature, including the theory of the creative industry and models that allow for a systematic understanding of the concept and structural characteristics of the creative industries, leading to the identification of key performance indicators (KPIs). The following section

highlights the research methodology, including the purpose of the study, research design, methods and sources used. It then presents the key performance indicators for the creative industries and the main findings. The article concludes with a discussion of the results, their implications for life and science, and further research directions.

2. Review of the Scientific Literature

The concept of the creative industry first appeared in the nineties in Australia. At the same time, it was also supported in the UK, where the Ministry of Culture, Media and Sport was created thanks to its activities (Gasparik, Krammer & Vaclavova, 2017).

The creative industry is based on individual creativity, ability and talent and can create wealth and jobs through the development of intellectual property. Creative activities do not include science and educational institutions (Kloudkova et al., 2010).

In terms of intellectual property rights, the cultural industry is divided into four sectors: copyright, patents, design and trademarks (Howkins, 2001).

The creative industry is a term that refers to activities that generate economic value based on individual creative contributions or artistic talent, based on the valuation of intellectual property. This industry includes creative activities such as architecture, design, film, music, computer games or advertising (Hanson, 2012; MK SR, 2020).

According to Demir (2014) and Jobst (2018), several models have been developed to systematically understand the concept and structural characteristics of creative industries:

- The model used by the Department of Culture, Media and Sport in the UK requires creative industries to have characteristics such as creativity, skill and talent, where the intellectual property of workers is used. The model covers thirteen sectors: advertising, architecture, art and antiques, crafts, design, fashion, film and video, music, performing arts, publishing, software, television and radio, and video and computer games (Gasparik, Krammer & Vaclavova, 2017).
- The symbolic texts model is based on the traditions of cultural studies in Europe. The model understands culture as the prerogative of the political and social elite and focuses on popular culture. The processes that shape culture are depicted in the model through industrial production and disseminated through symbolic texts or messages transmitted through various media, such as film, radio, or print. The creative industry is divided into mainstream cultural spheres (advertising, film, internet, music, publishing, video and computer games), peripheral cultural spheres (creative arts) and borderline cultural spheres (consumer electronics, fashion, software, sports) (HSR SR, 2011; Gasparik, Krammer & Vaclavova, 2017).

– The concentric circles model of the creative industry is characterised by a basic specification – the cultural value of goods and services. Creative ideas emerge through sounds, texts and images and spread in concentric circles, gradually moving from the critical, creative arts to the wider cultural and related sectors (Kloudkova et al., 2010; Gasparik, Krammer & Vaclavova, 2017).

The World Intellectual Property Organisation (WIPO) model includes sectors involved in the creation, production, transmission and distribution of copyrighted works. The model distinguishes between aspects of the individual sectors – an element that has intellectual property and a second aspect where products distribute intellectual property. In the private sector, copyright accounts for only a small part (Miller, 2012; Gasparik, Krammer & Vaclavova, 2017).

Based on the above models, the creative industry is a carrier of cultural and artistic products. A product of the creative industry is a creative product, which can be, for example, a sculpture, film, painting, music, advertising or even a patent (Kloudkova et al., 2010).

Difference between cultural and creative industries

The terms cultural industry and creative industry are practically interchangeable. Cultural industries are associated with cultural heritage and traditional forms of creativity. In contrast, creative industries include applied artistic practices, innovation, profit generation and job creation through the design of intellectual property (Culture & Creativity, 2017).

Figure 1 shows which industries fall under the core cultural industries that are critical to the creative and related industries. The figure shows that the cultural and creative industries are interlinked and that the specific industries that fall under the creative and cultural industries are not clearly defined.

However, the cultural and creative industries are considered to be the forerunners of new dynamic

forms of economic activity. With the transition of society from industrial to intellectual, a creative approach to solving tasks becomes an essential factor of competitiveness (Culture & Creativity, 2017; Adamikova & Corejova, 2021).

Division of the cultural and creative industry branches

The definitional framework used by the European Commission in the 2006 Cultural Economy Study (KEA) divides the creative industries into the creative and cultural industries. The cultural economy includes the field of traditional arts and the field of cultural industries. Traditional arts include visual arts, performing arts and cultural heritage. The cultural industry includes film, audiovisual, television and radio broadcasting, computer games, music and publishing. The creative industries comprise the creative industries and related fields. Creative industries include design, architecture and advertising. Related sectors include software development and hardware manufacturing – PCs, players and phones (Demir, 2014; Fabus, Kremenova & Kvasnicova, 2015).

Key performance indicators

Several models have been developed to systematically understand the concept of the structural characteristics of the creative industries. Individual models show that the creative industry is the bearer of cultural and artistic output. Output means a creative product such as a sculpture, film, painting, music, advertisement or even a patent. The creative industry also includes the advertising industry.

Key Performance Indicators (KPIs) are a set of indicators that focus on those aspects of organisational performance that are most important to the organisation's present and future. KPIs should relate to a specific achievable business outcome in terms of performance. To set KPIs correctly, it is necessary to answer basic questions beforehand. What is the desired outcome? Why is this outcome important?

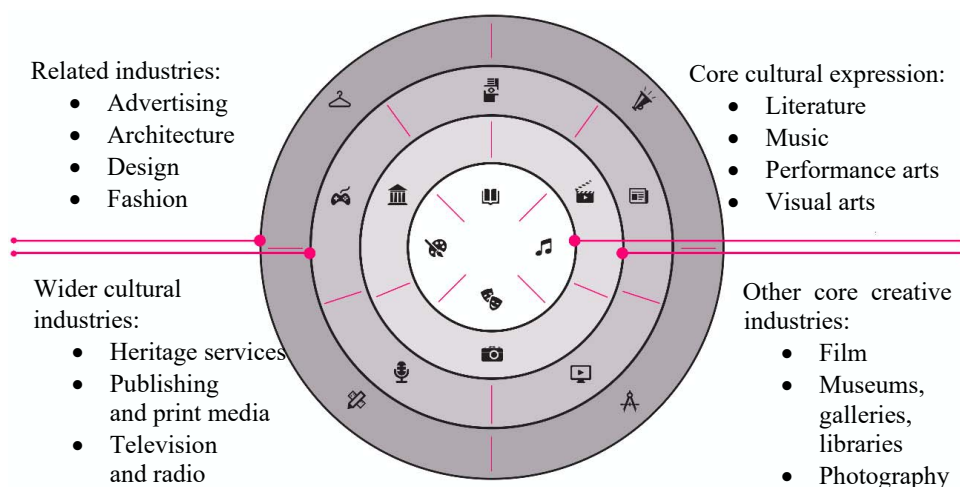


Figure 1. Division of cultural and creative industries

Source: (Culture & Creativity, 2017)

How will it be measured? What will be measured? How can it be influenced? How often is it estimated? If key performance indicators are set up correctly in the organisation, they will ultimately provide objective evidence of progress towards the desired goal (Klipfolio, 2001–2023).

One way to measure KPIs is to use the SMART model. The acronym SMART describes several simple, easy-to-remember principles for determining key performance indicators (Klipfolio, 2001–2023; Gasova, Kovacikova & Stofkova Repkova, 2017):

- Specific – must be clear and precise.
- Measurable – specified in units.
- Achievable – the goal must be set so that it is achievable.
- Relevant – must be correctly applied and relevant to the organisation.
- Time-bound – KPIs make sense only when they are time bound.

In general, KPIs should be evaluated on an ongoing basis to determine whether the targets set are achievable and whether the choice of KPIs is on the right track (Klipfolio, 2001–2023).

Types of KPIs

There are several key performance indicators that can be used to measure and determine the performance of an organisation. KPIs, which are usually divided into financial and non-financial, should be included in management reports. Types of KPIs include the following (Klipfolio, 2001–2023; MasterClass, 2021; Bondarchuk, Minkovska & Kriuchko, 2022; Gajanova et al., 2023):

- Quantitative indicators – the most direct indicators are quantifiable and represent direct numerical values.
- These can be ratios, percentages, numbers, scales, units of measurement, currencies, etc.
- Qualitative indicators – they are expressed in words, opinions.
- Leading indicators are variables that identify long-term trends and possibly predict successful future outcomes of business processes.
- Benchmarking is a comparison of a company's current performance with past performance in a particular area.
- Cost indicators – track the resources required to achieve an objective, such as funding. Cost indicators show the efficiency of resource use.
- Outcome indicators – measure the results of business activities, such as the number of goods, services, revenue growth or new customers. They are also performance indicators.
- Process indicators – reflect the efficiency of a business process. They show how efficiently a company operates.
- Practical indicators – examine the function of existing processes in the company. They usually involve observations or feedback on the process being measured.

– Directed indicators help determine the company's success compared to its competitors.

Action indicators measure a company's ability to effect change through political or cultural change. Financial indicators measure the financial growth and stability of the organisation. When used in conjunction with other KPIs, financial indicators can provide a clearer picture of the company's financial viability. Performance Indicators – show whether the company is meeting its objectives. They are an indicator from a short- or long-term perspective. Another division of KPIs in terms of area focus is as follows (MasterClass, 2021):

- Customer KPIs show the relationship between the company and its customers. The goal is the concept of converting existing customers into regular customers.
- Operational KPIs help a company measure employee satisfaction. Dissatisfied employees can lead to higher staff turnover, so the company will train new employees more.
- Financial KPIs help a company to measure profitability or financial health. As a result, society is leading to smarter money management.
- Marketing KPIs, such as monthly website traffic and call-to-action conversion rates, show the success of various campaigns being promoted. They can inform the company about the current strategy and ways to improve it.
- Sales KPIs can be an indicator of the effectiveness of the sales funnel and how a potential customer behaves in it. This can give a general idea of the customer and how much money they will spend.

Combining several key indicators in a company is a good idea to show more precise results. The company has an overview of its business activities or practices. It creates room for improvement and reveals shortcomings or gaps (MasterClass, 2021).

3. Research Methodology

The article examines key performance indicators of creative agencies, which include advertising, marketing and digital agencies.

The purpose of the article is to determine the key performance indicators of the creative industry. To achieve this goal, the basic scientific procedures and methods were used.

The method of collecting and processing information was used to collect information and then process the information related to the given topic. The method of analysis and synthesis was used to select a number of secondary data from internet sources and to trace the relationships between the chapters. It was necessary to define which industries fall under the creative industries and then select the area that the authors will deal with in the paper. The method of comparison is used to compare the information obtained. The methods of

induction and deduction are used to evaluate and draw general conclusions.

One of the main sources of data for the piece was the 2023 WARC rankings: Creative 100, which is "the ultimate independent global benchmark celebrating creative excellence in marketing, featuring the most awarded campaigns and companies in the world". The rankings include top agencies, top brands, top advertisers, top networks, top holding companies and top countries. The research for this paper focused on the world's most awarded agencies for creativity, the world's most awarded brands for creativity and the world's most awarded countries for creativity (BrandBerries, 2023; WARC, 2023b).

Another important source of data is Fathom, an international business consulting company. Its experts have divided KPIs for creative agencies into three categories (Lowry, 2019):

- Customer KPIs;
- financial KPIs;
- project KPIs.

The authors were able to select and characterise the most important KPIs for creative agencies and programmatic KPI dashboard platforms from the list compiled by Cheng (2023).

4. Results and Discussion

The most creative agencies in the world

The WARC Creative 100 ranking of creative agencies is compiled annually by WARC, an international marketing information company – the WARC Creative 100 ranks the world's most awarded campaigns and companies for creativity. The 2022 ranking reflects the results of the 2021 awards (JCN Newswire, 2022).

To compile the WARC Creative 100, WARC tracks various creative advertising competitions around the world. Campaigns and the brands and agencies behind them are awarded points, called scores, based on the awards they win in these competitions. The awards are tracked and determined by global industry research in consultation with the WARC

Rankings Advisory Board. For each competition category in which a campaign wins, its award points are multiplied by the weight of the category to produce a score (JCN Newswire, 2022; WARC, 2023a).

In the WARC Rankings Creative 100, the award categories are the best campaigns, agencies, brands and countries. The top agencies are divided into three sub-categories – top agencies, top agency networks and top holding companies. Table 1 shows the ranking of the world's top ten agencies according to the calculated score for individual creative agencies for the year 2022 (JCN Newswire, 2022).

Most of the awards were won by American agencies operating in the North American region, but creative agencies based in Europe also took the top spots. Table 2 shows the world's top ten most awarded brands for creativity.

Creative agencies operating in the American market took five out of ten places. The most creative countries in the world are shown in Table 3.

The most creative country in the world, as measured by the number of points scored, is by far the USA, with the UK in second place, followed by France, Brazil, Australia, Germany, India, Canada, Spain and Italy.

KPIs for creative agencies

Creative agencies have different focuses. Creative agencies include advertising agencies, marketing agencies, digital marketing agencies and creative strategists. The difference between an agency and a company is that an agency offers a wide range of services (Lowry, 2019).

Advertising agencies create advertisements and plan how, when and where to deliver them to the client. Advertising agencies have their own group of experts in specific fields that help companies or organisations reach their target customers (Management Study Guide, 2015).

Marketing agencies are external companies that work with clients to identify and implement strategic marketing initiatives to help the business achieve its goals (Agency Jet, 2023).

Table 1

Top ten world's most awarded agencies for creativity

Rank	Agency	Points
#1	Publicis Milan	792.8
#2	Area 23 New York	682.1
#3	BETC Paris	587.7
#4	Le Pub Amsterdam	474.3
#5	GUT Miami	471.3
#6	Ogilvy London	451.6
#7	FCB Chicago	422.1
#8	We Believers New York	419.5
#9	Impact BBDO Dubai	395.1
#10	DAVID Madrid	383.8

Source: WARC, 2023; BrandBerries, 2023

Table 2

Top ten world's most awarded brands for creativity

Rank	Brand	Points
#1	Burger King	728.2
#2	Heineken	668.8
#3	Google	439.1
#4	Corona	415.7
#5	Heinz	408.1
#6	Samsung	393.2
#7	IKEA	384.3
#8	Dove	356.4
#9	Apple	338
#10	Cadbury	282.7

Source: WARC, 2023; BrandBerries, 2023

Table 3

Top ten world's most awarded countries for creativity

Rank	Country	Points
#1	USA	7235.1
#2	France	2397.2
#3	UK	2342.5
#4	Canada	1806.2
#5	Brazil	1714.5
#6	Australia	1649.2
#7	Germany	1235.9
#8	India	1211.6
#9	Mexico	1119.7
#10	Argentina	1100.9

Source: WARC, 2023; BrandBerries, 2023

Digital marketing agencies focus primarily on marketing the client's business, products and services in the digital world. They deliver their services through website design and development, search engine optimisation (SEO), content marketing, paid online advertising, social media, email marketing and other services (DePino, 2023; Nadanyiova, Gajanova & Majerova, 2023).

The creative agency sector is becoming increasingly competitive, with new start-ups using technology to extend their reach to potential clients. In addition, large consultancies such as Accenture Interactive and Deloitte Digital are entering the market (Management Study Guide, 2015).

A creative agency is an organisation or company that sells creative services. This can include marketing, design, advertising, market research, product development, branding, campaign creation, public relations and more. Creative agencies, like any other business, need to track their key performance indicators (KPIs) to ensure they are on track for success (Management Study Guide, 2015).

For the first category of key performance indicators, the following fundamental indicators can be used (Management Study Guide, 2015):

Customer Acquisition Cost (CAC)

$CAC = (\text{marketing cost}) / (\text{number of customers acquired in a given period})$

CAC allows the agency to measure the marketing spend per customer acquired to gauge the effectiveness of marketing campaigns. It is essential for budgeting purposes to know how much the agency needs to spend to achieve its overall revenue target for the year. It can also provide insight into which marketing channels are generating more qualified leads and better ROI for the business. Reducing CAC can also pave the way for reinvestment in the company's sales team (Management Study Guide, 2015; DePino, 2023).

Customer Churn Rate (CCR)

$CCR = (((\text{number of customers at the beginning of the month} - \text{number of customers at the end of the month})) / (\text{number of customers at the beginning of the month}))$

CCR measures the average length of time a client stays with an agency. The churn rate is difficult to measure, especially if the agency is focused on individual projects rather than working within client agreements, or a combination of both.

Conversion Rate (CR)

$CR = ((\text{number of new customers}) / (\text{number of leads})) \times 100$

CR shows how many leads are converted into customers. It can show how a change in process results in a change in conversion rate. It can also help determine if the agency's services are appropriate for the market or if there is a need to change the way the client is approached.

Upsell Rate (UR)

$UR = ((\text{number of customers who purchase additional services}) / (\text{total number of customers})) \times 100$

UR shows how much customers increase their spending from period to period. If their spending decreases, they must find ways to attract more customers to cover the losses. If spending increases, so does revenue. After the cost of acquiring these customers, it is best to convince them to buy further product enhancements.

The following indicators can be used for the second category of financial KPIs:

Operating Cash Flow (OCF)

$OCF = (\text{net income} + \text{non-cash expenses}) - \text{increase in working capital}$

Every business should monitor its cash flow to ensure it remains solvent, and this applies to agencies too. The use of a business plan and subsequent budget is critical to measuring cash flow. It is essential for any business to ensure that it knows its target, has it, knows how to measure it and is making progress at the end of each month. Operating cash flow measures the cash generated by a company's normal operations. It shows whether the company can generate enough positive cash flow to maintain and grow its business.

Accounts Receivable Days (ARD)

$ARD = ((\text{account receivables}) / (\text{annual revenues})) \times \text{number of days in the year}$

ARDs are related to cash flow because it is best to keep days sales outstanding as low as possible. This means that cash is generated faster and can be used for reinvestment. Reducing days sales outstanding is the easiest way to free up cash in an agency. Mark Probert, CEO of Cact.us and co-author of Agency nomics, advises that 45 days or less is a competitive target for digital agencies. Netsuite's Brainyard backs this up.

Gross Profit Margin (GPM)

$GPM = ((\text{revenues} - \text{costs of goods sold}) / \text{revenues}) \times 100$

Tracking margins is critical to the survival of any business. Revenue tracking is in place, but if costs are outstripping income, resulting in a loss, it can mean troubled times for the agency.

Gross profit margin is one of the most important things to track in a creative agency. Gross profit margin answers the question: Are the services provided to the customers profitable?

The third category is the key performance indicators of the project. These can be, for example:

Lead Time Per Project

Knowing the current lead time is critical to managing client expectations and understanding the agency's workload for the coming quarter. A longer lead time is not necessarily a bad thing, as it allows more time for planning and can create a greater sense of demand.

Estimated vs Actual Project Time (ETC)

$ETC = ((\text{forecasted project hours}) / (\text{actual project hours})) \times 100$

If the accuracy of estimates is not monitored in terms of time, the correct prices may not be set. Measuring the time spent against the estimated time will provide a better overview.

Estimated vs Actual Project Cost (EPC)

$EPC = ((\text{estimated project costs}) / (\text{actual project costs})) \times 100$

Similar to the metrics mentioned above, the agency may lose additional money if the variance between actual and estimated project expenditures is not tracked. The estimate covers the cost of resources and all other project costs.

Every creative agency should have clear metrics and an evaluation process to monitor KPIs on a regular basis. By measuring what matters, agencies can improve, meet their strategic goals and prepare their business for growth. To make it easier to collect and measure metrics, most agencies choose a suite of software tools to help them track their KPIs (Management Study Guide, 2015).

Top platforms for KPI indicators

It is best to use KPI tracking and analysis platforms to easily capture individual measurable data. KPI software, also known as dashboard software, is a program that combines data from multiple sources to provide a visual summary of a company's performance. Modern tools can measure virtually anything, so there are countless metrics that can be calculated within an organisation. Intelligent KPI software allows to select and measure key performance indicators. KPIs are specific, measurable metrics that show whether or not an organisation is meeting key business objectives. Organisations use KPIs to measure and track their performance against their strategic goals (Management Study Guide, 2015; Cheng, 2023).

Each company has its own important indicators that are measured and evaluated over a different period of time. The advantages of using KPI dashboards are, for example, the following (Cheng, 2023):

- Evaluation and assessment of business performance.
- Getting an accurate picture.
- Measuring and displaying ROI.
- Saving money.
- Optimising the purchase funnel.
- Management and decision-making based on data.

These benefits provide insight into why KPIs are important for every company. The best dashboards used in 2021 are, for example, the following (Cheng, 2023):

- Klipfolio is a lightweight yet powerful business intelligence (BI) platform that helps companies and their teams make smart decisions to grow their business. It allows to track, visualise, understand, and share the key performance indicators that are essential for one's company.
 - Tablo – Tableau Software is a well-known interactive data visualisation company in the BI industry, considered the gold standard in visual data analysis. The platform zooms in on business data so it's easy to see and understand. Tableau is one of the fastest growing business intelligence tools.
 - Zoho Analytics is a business intelligence software and business intelligence platform. This software and KPI visual analysis tool can be used to collect data, analyse it, and create stunning data visualisations. With this software, an organisation gains valuable insights into business performance and progress through open BI dashboards.
 - Qlik Sense is a next-generation comprehensive software for KPI dashboards. It's a flexible data discovery and visualisation tool that helps organisations turn large amounts of data into actionable business insights. It's a cloud-based trading platform with an advanced, customised AI-powered associative analysis tool. Scoro is a comprehensive project management software. It allows organisations and teams to share data, collaborate more effectively, automate invoicing, and simplify pricing. In addition to being an established management software, Scoro is also a KPI dashboard software.
 - Grow has hundreds of 5-star business intelligence software reviews and is ranked among the best software tools for end-to-end business intelligence performance management. The best thing that the software offers is a display of KPIs where the company does not need to deal with complex codes.
 - Transpara Visual KPI is a cloud-based or on-premises KPI software that aggregates real-time data. It is an exciting real-time traffic monitoring and performance management software. It combines thousands of data sources and creates colourful, easy-to-understand visualisations. Visual KPIs for companies allow to make better decisions, eliminate bottlenecks, and keep all teams in the loop from one place.
 - Simple KPI is a cloud-based solution. As the name suggests, Simple KPI aims to simplify complex data. The software is easy to manage, with data visualisation features that even non-technical users can use. The software is quick to understand.
- All of these platforms share several characteristics: they are clear, simple, visual, flexible and valuable to the company.

5. Conclusions

Without KPIs, many companies get stuck, unable to understand the cause of problems. Even when evaluating successes without critical factors, they have no idea what the essence of the result produced was. By defining and monitoring KPIs, it is possible to understand the barriers to achieving business goals and gain an overview of potential business improvements. Businesses use KPIs to influence their business success. They act as a compass on the business journey.

Creative agencies are defined within the advertising industry, for which KPI categories are designed. Matt Lowry from Fathom's UK office has selected the most important KPIs to track in these areas. Creative agencies are also associated with statistics such as the most creative agency in the world, which for 2022 will be held by Publicis, based in Milan, and on the Slovak market by TRIAD.

The paper aimed to define key performance indicators for the creative industry.

Each agency has established different areas for tracking its Key Performance Indicators (KPIs). KPIs are set according to the goals that the agency has learned it wants to achieve and that are relevant for the agency to monitor. It is impossible to determine the most important KPIs to monitor if the goals set are not known. However, it is possible to make a rough guess based on the criteria, problems and objectives that the agency has identified.

The authors proposed key performance indicators in six areas: finance, customers, projects, employees, sales, and website. Financial indicators are the most important and reflect the performance of the creative agency as a whole. Other key indicators are already focused on areas within agencies. Customer KPIs show client performance, tracking cost per client, customer satisfaction index and more. Sales KPIs monitor monthly sales growth, sales target achievement, cost as a percentage of sales and shopping basket abandonment rates. If a creative agency has a website, the conversion rate, organic traffic, bounce rate, click-through rate and potential impact of posts are scanned. In the future, the authors plan to focus on Business Innovation Indicators (BII) for the creative industry.

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