

# **LEAD TO COMPETE**

*How leaders in marketing and advertising agencies can help clients achieve external success  
through internal alignment*

Student Name: Tómas Atli Björnsson  
Student Number: 746125

Supervisor: Dr. Sven-Ove Horst

Master Media & Business  
Erasmus School of History, Culture and Communication  
Erasmus University Rotterdam

Master's Thesis  
*June 2025*

Word Count: 19.051

## **LEAD TO COMPETE**

*How leaders in marketing and advertising agencies can help clients achieve external success through internal alignment*

### **ABSTRACT**

This research explores how marketing managers and agency leaders in Iceland employ leadership strategies to gain differentiation and distinction for clients. The focus is on how these strategies impact organizational culture by investigating how internal dynamics can influence desired external outcomes. The research is guided by the following research question:

*How do marketing managers in Iceland employ leadership strategies to maintain brand competitiveness and distinction for a client in their market and how do these leadership strategies impact their employees?*

This research is grounded in two key theoretical frameworks, one of which is transformational leadership, emphasizing vision, inspiration and motivation in leadership strategy. The other is leadership-as-practice (L-A-P) which views leadership as a collective process embedded in daily interactions. These frameworks are relevant in the agile and fast-paced environment of Icelandic marketing and advertising agencies due to the homogenous nature of Icelandic creative industries.

A qualitative analysis was employed, using semi-structured in-depth interviews with leaders at agencies as well as their staff, to provide a reflection on the organizational culture. An additional reflective interview was conducted to reflect on themes that had emerged. A thematic analysis approach (TA) helped to inductively code and identify the following themes emerging from the data: leadership practice, culture, creativity, and branding practice.

The study found a relationship between leadership style and the emergent organizational culture, which provided the basis for fostering a creative environment through strategic processes set by the leadership. This led to consistent and distinctive branding practices for clients of the agencies. Branding therefore emerged as an outcome of internal alignment and not as an isolated function.

The findings therefore suggest that embracing and intertwining transformational leadership and leadership-as-practice strategies can assist leaders in aligning internal cultures

to achieve desired external goals for themselves as well as clients. Offering valuable insight for practitioners to keep in mind when seeking a healthy client-relationship.

Some limitations are due to a limited number of participants in Icelandic agencies, and the qualitative scope of the research. The findings may not be generalizable globally or to larger organizational settings. Future research could incorporate a multinational approach or explore leadership strategies and their effect on organizational culture quantitatively to triangulate the findings.

**KEYWORDS:** Leadership, (Creative) Agencies, (Organizational) Culture, Creativity, Differentiation.

## Table of Contents

<b>1</b>	<b>Introduction.....</b>	<b>6</b>
1.1	Relevance of context .....	6
1.2	Theoretical relevance.....	7
1.3	Social and societal relevance .....	8
1.4	Practical relevance .....	8
<b>2</b>	<b>Theoretical framework.....</b>	<b>10</b>
2.1	Understanding Leadership-As-Practice.....	10
2.2	Understanding Transformational Leadership .....	11
2.3	Marketing firms in the Icelandic environment .....	13
2.4	Leadership intentions in the context of marketing firms .....	15
2.4.1	Fostering creativity .....	15
2.4.2	Understanding and managing challenges.....	17
2.4.3	How fostering creativity and managing challenges lead to brand competitiveness and distinction.....	18
2.5	Concept table.....	19
<b>3</b>	<b>Methodology .....</b>	<b>21</b>
3.1	Data collection and sampling strategy .....	22
3.2	Operationalization .....	23
3.3	Limitations.....	25
3.4	Analysis .....	26
<b>4</b>	<b>Results .....</b>	<b>30</b>
4.1	Leadership practice .....	31
4.1.1	Visionary leadership .....	31
4.1.2	Inspirational leadership.....	33
4.1.3	Human-centered leadership .....	35
4.1.4	Values-driven leadership .....	36
4.2	Culture .....	37
4.2.1	Proactive mindset.....	38
4.2.2	Flexible roles.....	39
4.2.3	Open dialogue .....	40
4.2.4	Shared success .....	42
4.3	Creativity .....	43
4.3.1	Creativity as a differentiator .....	43
4.3.2	Creativity as a strategic driver .....	45
4.3.3	Creativity as a core value .....	46

<b>4.4</b>	<b>Branding practice.....</b>	<b>47</b>
4.4.1	Strategic branding .....	48
4.4.2	Brand investment .....	50
<b>4.5</b>	<b>Differentiation and distinction.....</b>	<b>51</b>
<b>5</b>	<b>Discussion .....</b>	<b>53</b>
<b>5.1</b>	<b>Leadership practice .....</b>	<b>53</b>
5.1.1	Visionary leadership .....	53
5.1.2	Inspirational leadership.....	53
5.1.3	Human-centered leadership .....	54
5.1.4	Values-driven leadership .....	55
<b>5.2</b>	<b>Culture .....</b>	<b>56</b>
5.2.1	Proactive mindset.....	56
5.2.2	Flexible roles.....	57
5.2.3	Open dialogue .....	58
5.2.4	Shared success .....	58
<b>5.3</b>	<b>Creativity .....</b>	<b>59</b>
5.3.1	Creativity as a differentiator .....	59
5.3.2	Creativity as a strategic driver .....	60
5.3.3	Creativity as a core value .....	60
<b>5.4</b>	<b>Branding practice.....</b>	<b>62</b>
5.4.1	Strategic branding .....	62
5.4.2	Brand investment .....	63
<b>6</b>	<b>Conclusion .....</b>	<b>66</b>
<b>6.1</b>	<b>Key findings.....</b>	<b>66</b>
<b>6.2</b>	<b>Implications for practice .....</b>	<b>67</b>
<b>6.3</b>	<b>Limitations.....</b>	<b>68</b>
<b>6.4</b>	<b>Suggestions for future research .....</b>	<b>68</b>
	<b>References.....</b>	<b>69</b>
	<b>Appendix A: Interview guide.....</b>	<b>74</b>
	<b>Appendix B: Informed consent.....</b>	<b>77</b>
	<b>Appendix C: Coding tree .....</b>	<b>79</b>
	<b>Appendix D: AI declaration.....</b>	<b>80</b>

# 1 Introduction

The focus of this thesis is to better understand leadership practices in the context of Icelandic marketing, marketing agencies, and their clients. Specifically, the intention is to better understand how these practices create the necessary conditions to create and maintain competitiveness in a smaller market, and what the role of personal values are for that. This will be examined through reflecting on value-creation with relevant stakeholders, in this context, practitioners. They range from the head of marketing agencies to staff members of Icelandic marketing and advertising agencies. The application of relevant theories namely transformational leadership and leadership-as-practice provides us with a framework of how we can assess, describe and evaluate marketing managers' approach to „leading their teams and organization” in the quest to sustain and build brand competitiveness and differentiation for their clients through the fostering of their employees.

Here below, the theoretical and societal relevance will be discussed with firstly assessing why Iceland is relevant in this context and study.

## 1.1 Relevance of context

Existing research (Bass & Avolio, 1993; Holzmann & Mazzini, 2020) has mainly viewed the impact of leadership strategies in larger scale markets with smaller markets having received less attention. Iceland, with a population of 387.558 (World Health Organization n.d.) provides a unique perspective on how leadership-as-practice and transformational leadership guides the organizational culture of marketing agencies in smaller markets. In Iceland, most people know each other more or less, meaning that superiors are less likely to be autocratic, creating a friendly and relaxed atmosphere. For this reason, ongoing power struggles within organizations are less likely (Eyjólfsdóttir & Smith, 1997, p. 66). The context also shows how values such as, egalitarianism and informality are so deeply rooted in Icelandic culture that they lead to flatter hierarchies, while also promoting desirable relationships between staff and their superiors (Eyjólfsdóttir & Smith, 1997, p. 65). This can be meaningful for leadership practices because it means that leaders in this context may manage through consensus and/or personal relationships rather than a top-down structure. Icelanders have a strongly intuitive or artistic inclination while also being characterized as restless, fearless, stubborn men of action and enterprise, like the Vikings (Magnússon, 1977, as cited in Eyjólfsdóttir & Smith, 1997, p. 70). These traits allow for a good deal of

originality, adaptability to the environment and the capability to take risks in a daring way (Eyjólfsdóttir & Smith, 1997, p. 70).

Therefore, the tight knit Icelandic community, that does not have direct borders to other markets, provides an interesting insight into how leadership strategies may function in smaller but highly competitive markets. Furthermore, an insight is gained into how Icelandic marketing professionals and their strategies and collaboration patterns compete with each other.

## 1.2 Theoretical relevance

Studying leadership in smaller markets is theoretically relevant because these markets may retain social dynamics and interactions which are more representative of the environments in which the human mind and basic leadership psychologies evolved (Von Rueden & Van Vugt, 2015, p. 978-979). Von Rueden and Van Vugt (2015) state that leadership studies have the tendency to concentrate on larger scale markets with formal hierarchies and clear power dynamics with less information available about leadership in a smaller, homogenous context. Gaining insight into smaller scale markets provides us with unique information on how collective action functions (Glowacki & Von Rueden, 2015, p. 1) allowing for an analysis into how leadership can be distributed across multiple members of the team, sustaining a motivational environment with effective problem resolutions (Von Rueden & Van Vugt, 2015, p. 978). By looking into smaller scale markets we also gather relevant information on how frequent face-to-face interactions help sustain and create a good co-operative environment (Glowacki & Von Rueden, 2015, p. 1).

By examining smaller scale markets we gain a grasp of what the main qualities are that smaller communities value in leaders (Von Rueden & Van Vugt, 2015, p. 983). This helps to understand how leaders in small scale markets manage conflicts and which methods and characteristics serve as effective conflict mediators to support better organizational culture, ultimately benefiting all parties involved (Glowacki & Von Rueden, 2015, p. 1).

Leadership in small scale markets revolves around coalition and highlights the importance of how leaders in this context maintain and build support (Von Rueden & Van Vugt, 2015, p. 983). This relates to the formation of campaigns and brand identity for clients where an emphasis to display coalition in the marketing team is critical (Von Rueden & Van Vugt, 2015, p. 984).

Effectively leading us to the main research question of this study, presented below:

*How do marketing managers in Iceland employ leadership strategies to maintain brand competitiveness and distinction for a client in their market and how do these leadership strategies impact their employees?*

### 1.3 Social and societal relevance

The social and societal relevance revolves around the fact that Iceland is a small market where knowledge of smaller markets can help practitioners within this context understand trends and patterns of shared development better. Specifically due to the fact that successful marketing strategies have profound implications on purchasing behaviour, company growth and the public's perception (Zhang, 2024, p. 32). Managing a marketing agency entails much responsibility, as the objective of your work is to ensure success of your own company and brand, but also having to maintain a consistent and successful approach to managing a client's brand and identity (Keegan, Rowley, & Tonge, 2017, p. 1198). It has been shown that identification of struggles and various factors that may create wedges from within, in this case, the Icelandic marketing management industry is necessary for agencies to continue competing in their respective markets, especially with increased influence of social networks and customer empowerment (Šalkovska, Batraga & Ogsta, 2022, p. 178). Managers of marketing agencies and their leadership strategies are decisive in identifying such issues and the way they lead has a significant impact on their staff and organizational development (Priya, Rameshkumar, Premkumar, Krishnan & Jyothi, 2024, p. 5). It's therefore relevant to examine how leaders in small markets such as Iceland can create the necessary conditions to create the desired outcome for clients, such as differentiation. This is because brand differentiation is an effective strategy for brands to achieve success against competitors where distinguishing the brand on a meaningful attribute makes the customer believe it is providing extra value (Carpenter & Glazer, 1994, p. 339-340).

### 1.4 Practical relevance

If Icelandic marketing managers understand their actions and practices better, they can make reflective decisions that enable better use of resources, increase client support as well as the support for their team and ultimately creating more value in a shared manner.

Both theoretical discussions, Burn's transformational leadership style (1978), conceptualized by Bass (1985) and Joe Raelin's leadership-as-practice (2011), are frames to understand how marketing manager's leadership strategies in a small market like Iceland play a crucial role in ensuring staff motivation, client satisfaction, decision-making, values and their impact on the local context. Better understanding these conditions helps to support leaders in smaller markets with competent responses to various situations and leverage their capabilities.

The findings of this study will aim to provide a better understanding of how leadership strategies in smaller scale markets will impact staff with a more personal approach in less hierarchical, more agile agencies and firms. Furthermore, they inform on how to inspire creativity to influence competitiveness, optimize output and brand differentiation for clients, as differentiation does not only get you ahead of competition, but makes you stay there (Shocker, Srivastava & Ruekert, 1994, p. 149-150). Better understanding the connection between staff satisfaction and optimizing external output, through leadership strategies will further ensure practical relevance.

## 2 Theoretical framework

To better understand leadership-as-practice and its synergy with transformational leadership, this chapter defines the styles and examines their application in the Icelandic marketing/advertising environment. Highlighting their role in inspiring creativity through the fostering of organizational culture, while also dealing with and managing challenges.

### 2.1 Understanding Leadership-As-Practice

The uniqueness about the theory of leadership-as-practice is embedded in the fact that it reverts from traditional ideas of leadership as a role-driven relationship as well as moving away from the notion of pre-established leadership roles (Raelin, 2011, p. 199). Leadership-as-practice does not rely on what a singular leader thinks, it rather focuses on what people can achieve together (Raelin, 2011, p. 196). L-A-P highlights that leadership emerges through regular, daily experiences with the people as a collective, affecting all people across the organizational hierarchies, even individuals in the collective that would be seen as „outside of the leadership circle“ (Raelin, 2011, p. 199). Thus, it seeks to understand leadership practices in whatever form they appear, and the contributions and reflections of many people contribute to that. This challenges our traditional view of leadership, by not relying on attributes, individuals, or leader-follower relationships (Raelin, 2017, p. 216).

L-A-P privileges the value of social interaction and connectedness, where people adopt self-empowerment, with the practice of leadership not being dependent on one person to mobilize action on everyone's behalf. The effort is done collectively, with the parties involved engaging in genuine and semiotic discourses, committing to one another and displaying an interest in listening to each other (Raelin, 2017, p. 217). This ties into the transformational leadership style presented by Burns (1978), rejecting the ideas of leadership being confined to positional authority, with leaders and followers sharing mutual interests (Bass & Avolio, 1993, p. 116).

Leadership-as-practice provides an alternative discourse to the mainstream personality approach of leadership which upholds the leader as a beacon of righteousness and morality (Raelin, 2017, p. 217). L-A-P strives to achieve a collective effort and a joint recognition of insights based on the appreciation of making choices in a deliberate decision-making process with a team (Raelin, 2017, p. 219), This collective effort aligns with transformational leadership's emphasis on sharing a vision and mutual influence, where a leader inspires rather

commands (Bass & Avolio, 1993, p. 113). Highlighting a synergy how leadership emerges from relational practice as well as inspirational vision.

Leadership-as-practice can be viewed as a lens, which examines how the outcomes of leadership style are sustained within the practices of an organization while transformational leadership describes the characteristics of a leader as one constructing a culture capable of following, inspiring and supporting the organization's vision (Bass & Avolio, 1993, p. 112). Leadership-as-practice can complement transformational leadership by providing a framework to understanding the collective, and underpinning the dynamics by looking at leadership occurring as a practice, better understanding what people can accomplish cooperatively (Raelin, 2011, p. 196). Together, they form the basis for better understanding marketing managers' leadership actions and support a qualitative approach that focuses on understanding, reflection, and contextual meaning-making.

## 2.2 Understanding Transformational Leadership

Understanding leadership can imply better understanding the „styles“ of leadership. While transformational leadership is often referred to as a „style“ and L-A-P as a „process“ this research dives into how these theories may intersect. Particularly in the Icelandic context where leadership has a low power distance and is experienced in influence (Eyjólfsdóttir & Smith, 1997, p. 65-66) and day-to-day practice. Therefore, the older leadership theory about „transformational leadership“ presented by Burns (1978) and later refined by Bass (1985) will serve as a guiding light alongside leadership-as-practice to assessing leadership of marketing managers within agencies in Iceland. This will allow us to gain insight into how leaders effectively deal with the challenge of managing organizational culture and conveying their identity internally to ensure a positive outcome externally. Which in turn, fosters creativity, signalling effort and brand ability (Dahlén, Rosengren & Törn, 2008, p. 394). Originally, Burns introduced two main leadership styles, transformational and transactional. The latter is based on the following: adhering to existing norms and rules, not necessarily acting for collective interests, serving as a method offering rewards to aid individuals interest and growth, where they are seeking their own advancement (Burns, 2012). Therefore, this research explores the role of transformational leadership style as an applicable approach in this study to complement L-A-P, due to the emphasis on collective culture found in the transformational leadership style (Walumbwa, Wang, Lawler, & Shi, 2010, p. 516) which can be attributed to creative industries (Paris & Ben Mahmoud-Jouini, 2019, p. 403).

Bass (1985) later refined Burns' ideas about transformational leadership by categorizing leaders into four separate components consisting of; *idealized influence*, describing leaders as role models to their followers, typically displaying high ethical standards consistent with their values (Gill, Levine, & Pitt, 1999, p. 54); *Inspirational motivation*, describing leaders as a figure inspiring and motivating followers by communicating a clear and rational vision (Gill, Levine, & Pitt, 1999, p. 53); *Intellectual stimulation*, described as stimulating and inspiring imagination and creativity by questioning the status quo (Gill, Levine, & Pitt, 1999, p. 53); and lastly, *individualized consideration*, consisting of leaders who actively pay attention and listen to a followers need for growth, allowing and making time for each individual in the collective (Gill, Levine, & Pitt, 1999, p. 53). Bass & Avolio (1993), state that transformational leaders integrate feelings, energy and creative insight to lead and shape the culture. They also show that there is constant interplay between culture and leadership, with organizational culture being shaped by the leader and that transformational leadership provides better performance by inspiring and sharing their vision with their team (Bass & Avolio, 1993, p. 113). Using this type of leadership, leaders can effectively 'market' their own brand within their organization. Colin (2002) states that marketing internally is equally as important as marketing outside of the organization. That is because internal stakeholders have an impact on value creation and coherent and credible internal marketing creates a sense of identity, positively impacting external output (Mitchell, 2002, p. 1). Therefore, maintaining good organizational culture has its direct implications on creating positive brand identity and value creation for clients.

Leadership-as-practice underpins these ideas by asserting the importance of having values within an organization. Such as the value of social connectedness (Raelin, 2017, p. 217), and inclusive dialogue, emphasizing norms that embody factors such as a safe space, deep listening and a recognition of diverse perspectives (Raelin, 2012, p. 819). Such values are also core to transformational leadership and found within the four I's of the transformational leadership style. *Intellectual stimulation* fosters open and inclusive dialogue, by challenging assumptions and seeking new ideas from their followers, and *inspirational motivation* creates social connectedness through inspiring a vision and giving meaning to the organization's work. In a satisfying organizational culture, we are likely to see leaders that exhibit a sense of vision, and build on assumptions that people are trustworthy and purposeful, while having the power to make unique contributions. (Gill, Levine, & Pitt, 1999, p. 53; Bass & Avolio, 1993, p. 113). Such a foundation supports the values of social

connectedness and inclusive dialogue. Underlining that both theories strive for environments that foster psychological safety and creativity and that they can jointly account for how leaders foster a desirable organizational culture.

The idea of transformational leadership put forth by Bass (1985) demonstrates that leaders have the ability to motivate their culture to go beyond expectations is also supported in more recent research, by illustrating and supporting consistent positive relationships between transformational leadership and desirable outcomes (Jujumaya & Torres, 2023, p. 36). Transformational leadership boosts job recognition and the quality of relationships while decreasing physical, cognitive and emotional demands by applying more autonomous motivation, therefore having an effect on performance (Fernet et al., 2015, p. 11 – 12). Supporting a key evolution in transformational theory that work engagement has a partial effect on the relationship between transformational leadership and creative performance (Jujumaya & Torres, 2023, p. 34). The evolution of transformational leadership theory has in recent years been applied to specific contexts, examining the theory in the context of creative industries. Where analysis has shown that transformational style has a significant positive correlation with direct organizational and business success (Holzmann & Mazzini, 2020, p. 10), and labelling the transformational leadership as the more preferable style in creative industries (Holzmann & Mazzini, 2020, p. 1), as it is more effective in encouraging and influencing employees in fostering creativity (Hardiani & Tafsir, 2021. p. 447-449). This shows that the practice of leadership in creative industries may employ transformational leadership style practices to achieve shared success.

Agencies in Iceland may opt to identify locally rather than appealing to a global scale. While theories such as transformational leadership are normally applied in larger contexts than in the Icelandic market. Therefore, leaders must personalize their style, with hierarchy being viewed differently in smaller communities (Feinman, 2011, p. 47). Leading this research to testing the flexibility of the leadership theories.

### 2.3 Marketing firms in the Icelandic environment

Exploring these leadership styles in Icelandic marketing/brand agencies, is challenging because it is a small-scale market which presents unique challenges for leaders in leading their team to optimize external output by adapting to quick shifts attributed to the

marketing environment. Šalkovska, Batraga & Ogsta (2022) present that contemporary marketing management faces challenges comprised of shifts in communication, rising impact of social media influence and the growth of global competition. While presenting these challenges, they explain that traits such as adaptability and responsiveness to ever changing environments remain highly important to stay ahead of competition. These traits are visible in the transformational leadership style, more specifically, embedded in two of the four I's?? such as; *intellectual stimulation*, that motivates followers to think creatively and inspires innovative solutions, while *inspirational motivation* articulates an inspiring vision for followers to embrace change (Gill, Levine, & Pitt, 1999, p. 53). While L-A-P, focuses on meaning making, rather than being concerned with expertise, allowing for more flexible and agile adaptations (Raelin, 2020, p. 481). In employing the lens of LAP one may understand that it is not „traits“ as such, but how the perception of traits relates to context and actions by a variety of people in the Icelandic firms. It is about how they construct the perception of shared success and good leadership. Therefore, both theories complement each other well.

Transformational leaders foster a culture of creative growth and change rather than a culture that maintains the norm (Bass & Avolio, 1993, p. 113). That can be done by remaining proactive, rather than reactive to potential shifts in the landscape and challenges. (Šalkovska, Batraga & Ogsta, 2022, p. 178-179). This effectively ties in with the element from leadership-as-practice that leadership is proactive, as it unfolds through day-to-day experiences (Raelin, 2017, p. 216). In support of that Shocker, Srivastava & Ruekert (1994) acknowledged, that marketing managers must guide their actions through knowledge and dare to be different (Shocker, Srivastava & Ruekert, 1994, p.149-150). In example by drawing on creative insight, leaders can cultivate and support innovative ways of problem solving and risk-taking by regarding creativity as desirable, with leaders acting as role models and promoting an environment that empowers employees through creative actions and helps them take on local challenges (Fillis & Rentschler, 2010, p. 10). Such actions are applicable to one of the four I's in transformational leadership, where *idealized influence* recognizes the leader as a role model (Gill, Levine, & Pitt, 1999, p. 54).

The leaders in the current study are those responsible for creating seamless marketing journeys for brands within an agency, i.e. the CEO's, founders, marketing managers or directors, and the way they lead has an impact on their staff culture. Smaller market firms, like those found in Iceland, are often more flexible and closer to customers, thus not always

complying to the ideologies of traditional frameworks, rather relying on creative solutions, facilitated by creative managerial judgement (Fillis, 2002, p. 136). Smaller scale societies are historically proven to have a more spontaneous nature of leader-follower interactions; therefore, leadership influence is often directly felt (Von Rueden & Van Vugt, 2015, p. 979), and potentially, indirectly supports an environment that allows creativity to flourish (Von Rueden & Van Vugt, 2015, p. 978). This information gives an idea of determining the value of creativity in the landscape that is being researched.

## 2.4 Leadership intentions in the context of marketing firms

At this stage of the literature review, two intentions of leadership are broadly visible. These are methods of fostering creativity and managing challenges.

### 2.4.1 *Fostering creativity*

Branding practices and contemporary struggles enforce leaders to react in a proactive manner (Šalkovska et al., 2022, p. 178-179) knowing that good organizational culture and clear internal strategies and identity, maximize external outcomes (Bass et al., 1993, p. 121) while at the same time, fostering creativity. Creativity is the ultimate tool for differentiation to competition, resulting in a successful collaboration between brands and the marketing agency.

To compete and drive distinction, you need a collective that works well together and feels inspired by their manager/leader. It is known that leaders who are concerned about organizational culture seek to maintain and foster their collective's creative ideas (Bass & Avolio, 1993, p. 115). Creativity, as mentioned by Dahlén, Rosengren & Törn (2008), can help make established brands interesting again as well as differentiating brands, helping them stand out (Dahlén et al., 2008, p. 394). Such agency work should be beneficial to the Icelandic market as many established brands tend to dominate due to little breathing room for new, especially small, competitors. Research conducted by Holzmann & Mazzini (2020), indicates that transformational leadership style effectively manages creativity and has a positive correlation with project success (Holzmann & Mazzini, 2020, p. 1). This is further underlined by Hermida, Clem & Güss (2019), where it is examined how good organizational culture, implemented with supportive leadership, which can be directly attributed to

transformational leadership and leadership-as-practice, positively affects creativity (Hermida, Clem, & Güss, 2019, p. 2). Although transformational leadership encourages creativity (Hermida et al., 2019, p. 2) and innovation, operating in smaller markets may interfere with a leader's vision and the creativity of his individual staff. This is a limitation to keep in mind, being mindful of the organizational culture and not to micro-manage. This emphasis on collaborative work illustrates L-A-P's emphasis on collective decision-making (Raelin, 2011, p. 195), while also setting a vision through the lens of transformational leadership (Bass & Avolio, 1993, p. 112). With the theories combining to construct a clear picture of creative leadership in practice.

To be able to foster creativity within a collective, leaders must understand how their approach can contribute to a supportive or dynamic work environment where creative ideas can emerge and prove to be valuable. This is because, within such an environment, there is a foundational importance of creativity, as it is the core of the advertising and marketing profession, providing competitive advantages for brands (Li, Dou, Wang & Zhou, 2008, p. 109). This ties into the fact that transformational leadership is partially characterized by *intellectual stimulation*, epitomized by followers gaining new perspectives, where their imagination is stimulated (Gill, Levine, & Pitt, 1999, p. 53). Motivating them to come up with creative concepts and think 'outside the box' (Dahlén, Rosengren & Törn, 2008, p. 394).

Within the context of creativity, it is also worth mentioning the importance of open dialogue, it is a powerful element in leadership-as-practice (Raelin, 2020, p. 489). Open dialogue facilitates open and supportive feedback within teams and therefore fosters creative imagination among multiple and contradictory voices, all providing reason and feedback to one another, leading to unique and innovative solutions (Raelin, 2012, p. 827). These two approaches can be linked by viewing the transformational leader as the visionary for a creative agency, inspiring and motivating his team (Bass & Avolio, 1993, p. 112). Whilst L-A-P provides the framework for aligning the daily practices and interactions, ensuring that they support the leaders creative vision and systematically privilege the co-creation of community within the company through shared engagement and freedom (Raelin, 2011, p. 195). In essence, integrating creative insight through transformational leadership, with a focus on how creative work is organized and accomplished through leadership-as-practice, can help leaders within agencies move from desiring these creative conditions to actively practicing them and making them flourish.

#### *2.4.2 Understanding and managing challenges*

An important challenge to understand in marketing and advertising is managing organizational creativity alongside risk aversion for a client. While marketing agencies and creatives want to produce original work, clients are often risk-averse and less likely to support a risky, creative narrative (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 203). This challenge creates a unique tension for advertising firms and their managers to navigate. Creativity in advertising pushes the message into viewers' minds and industry creatives will continuously search for new and untried ways, often involving risk (El-Murad & West, 2003, p. 657-658). Due to this risk factor, advertisers and their teams may lean towards more cautious approaches as they are directly responsible for spending large sums of the client's money. This can result in missed creative opportunities and a potentially significant loss in positioning in an intense market competition, where advantages and differentiation can be copied by competitors (El-Murad & West, 2003, p. 658). When creatives perceive pressure to adhere to their client's conservative values, it can impact originality and creative output (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 203).

Leaders in advertising agencies need to understand these challenges and provide responses to them. Marketing agencies are filled with creative individuals that value highly original work and innovation (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 203) with the internal culture created by the leader who encourages divergent thinking and an experimental attitude, helping their staff develop ideas that they deem strategically appropriate (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 211). However, these values may not always align with their clients. They are typically more focused on a specific marketing objective and far less likely to accept original work deeming it too risky or not in alignment with their understanding of the brand (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 205). This can lead to some tension due to divergent objectives and goals (Vejnovic, Purchase, Tarabashkina, 2024, p. 465). This compels leaders to bridge the gap between their cultures creative vision and their client's strategic goals, recognizing that creative ideas must also meet the client's expectations (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 204). Leaders should be able to help their creative teams understand the client's constraints, perspective and strategic alignment (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 211). Such actions taken by leaders and managers will result in a strong relationship with their clients who will feel

their needs are being met, these strong client-agency relationships are typically seen as positive. However, as put forward by Koslow, Sameti, van Noort, Smit, and Sasser (2022) they can eventually paradoxically lead to a ‘dark-side’ resulting in agencies being less willing to challenge their client’s perspectives and take creative risks, due to the fear of compromising a good relationship. On the contrary, when agencies have a perception that the quality of their client relationship is low, it results in the development of original, strategic and creative work. However, good relationships can also increase intrinsic motivation within agency staff, leading to increased passion for the work and offsetting the ‘dark-side’ problems (Koslow, Sameti, van Noort, Smit, and Sasser, 2022, p. 385). The issues of good, long-standing relationships are supported in research conducted by O’Connor, Kilgour, Koslow, & Sasser (2018). When agencies indulge themselves in safer creative work, making sure to avoid disrupting the brand positioning can ultimately result in less originality and proactiveness regarding environmental changes. Thus past successes often stifle originality and cause agencies to think more narrowly (O’Connor, Kilgour, Koslow, & Sasser, 2018, p. 206). Agencies that choose the easy path of providing less original work and won’t raise concerns about strategic weaknesses for the sake of the relationship, are acting opportunistically. However, it’s worth noting that such behavior may not be a conscious effort (Koslow, Sameti, van Noort, Smit, and Sasser, 2022, p. 402). Leaders within agencies need to find ways to realize this and counteract this tendency by remaining proactive, which is an integral part of the job. This can be done by taking the responsibility to promote strategic, creative, and potentially risky work, necessary for brand renewal and adaptation to the environment. Rather than remaining comfortable in a perceived stable relationship (Koslow, Sameti, van Noort, Smit, and Sasser, 2022, p. 402).

#### *2.4.3 How fostering creativity and managing challenges lead to brand competitiveness and distinction*

Creative advertising is considered a core element in the marketing/advertising profession and a key driver for differentiation through providing a competitive edge for a brand. Adding to its value and giving it an advantage over rivals operating in the same market. Agency creativity is thus an integral part to advertising creativity (Li, Dou, Wang & Zhou, 2008, p. 109), proving instrumental to enhancing sales and making a product stand out from the crowd (Li, Dou, Wang & Zhou, 2008, p. 111), in competitive markets. Investing in creative advertising can build brand equity, where marketing agencies develop a unique

positioning strategy to form a brand shield against competitive influences (Li, Dou, Wang & Zhou, 2008, p. 112). For established brands, creative advertising helps get rid of predictability and stagnation, preventing consumer disinterest, and instead continuously reinventing themselves while also challenging expectations (Dahlén, Rosengren & Törn, 2008, p. 394).

As previously mentioned, creative advertising can impose challenges, such as managing a client's risk-aversion. However, marketing agencies are experts in this, as they manage to balance creative idea generation while meeting a client's strategic demands and evaluation (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 203). Such balance can be achieved by the appropriate leader where transformational leaders are described to encourage and inspire creativity while also creating consistent brand experiences through service encounters with a client (Xiong, 2023, p. 335). Transformational leaders empower their team and urge them to take greater responsibility to achieve a vision (Bass & Avolio, 1993, p. 113). Such distributed agency can be beneficial in managing various challenges that marketing agencies are faced with in their environment.

The application of transformational leadership and leadership-as-practice provides us with a framework of how we can assess marketing managers in Iceland approach to managing these challenges and inspiring creativity to obtain brand competitiveness and differentiation for clients through their leadership style and fostering of their employees.

Both leadership-as-practice and transformational leadership offer compatible but distinct lenses to explore leadership in the context of Icelandic firms. Using L-A-P to ground the inspirational and visionary aspects of transformational leadership in everyday practices, the theories will be adjusted to keep in mind more agile, personal and less hierarchical management attributed to smaller markets such as Iceland. By doing this, the thesis aims to address the research gap of transformational leadership and leadership-as-practice being applied in a smaller scale markets for examining marketing agencies.

## 2.5 Concept table

This chapter will conclude with an overview of relevant concepts mentioned in the framework above, alongside their definitions.

Concept	Definition	Sources
Leadership-as-Practice (L-A-P)	Understanding how and when leadership activity takes place, by focusing on the relational dynamics of a collective embedded in day-to-day practices of organizational culture.	(Raelin, 2011; 2012, 2017; 2020)
Transformational leadership	A process focused on driving organizational and cultural change driven by a leaders inspiration and vision to foster collective achievement.	(Bass & Avolio, 1993)
Creativity	Consisting of useful and appropriate ideas, a complex construct based on the interplay of individual characteristics and organizational environment	(Dahlén, Rosengren & Törn, 2008)
Creativity as a differentiator	In the applied field, appropriateness, uniqueness and relevance is critical in providing a competitive edge	(Dahlén, Rosengren & Törn, 2008)
Organizational culture	An environment shaped by structure, leadership and interactions of it's members	(Bass & Avolio, 1993)
Open dialogue	Inclusive and deliberate process aimed to aid mutual learning and collaborative action. Core element of L-A-P.	(Raelin, 2011; 2012, 2017; 2020)
Employee motivation	Rooted in employees' connection to the culture, their work, purpose and the leadership they experience	(Koslow, Sameti, van Noort, Smit, and Sasser, 2022)
Risk-aversion	A factor influencing creative outcomes in advertising, lead by client's tendency to a cautious approach	(Koslow, Sameti, van Noort, Smit, and Sasser, 2022)
Client pressure	Influence and demands from a client that shape the agency's work. Resulting in tension and caution and more strategically safe outcomes.	(Koslow, Sameti, van Noort, Smit, and Sasser, 2022)

Table 1: Key concepts from theoretical framework.

### 3 Methodology

This thesis guided by Burn's transformational leadership style (1978) and Joe Raelin's conceptualization of leadership-as-practice (2011) aims to investigate how marketing manager's leadership strategies in Iceland play a crucial role in ensuring staff motivation and client satisfaction. Capturing the processes of how organizational culture is created and how unity can positively affect the firm's work creatively and impact its client's ad campaigns' creating a clear, positive and differentiated brand identity. To understand how leaders operate in a creative environment like marketing agencies, this study will employ a qualitative methodology.

**Qualitative methodology** is an umbrella concept involving a variety of methods of data collection, with the researcher serving a crucial role (Awasthy, 2019, p. 145). This type of research aims to understand surroundings, feelings, behaviour and capture experiences to make sense of, focusing on contextual data, rather than numerical statistics (Awasthy, 2019, p. 145 - 148). This method aligns with the concepts of leadership-as-practice and transformational leadership, as transformational leaders must have sensitivity to the needs of others (Bass et al., 1993, p. 113). This method of research enables making interpretations of the findings in connection with transformational leadership and leadership-as-practice by exploring manager's perspectives and experiences on how they believe their leadership methods foster creativity, optimize campaigns and contribute to a positive brand identity both within their own organization as well as creating identity for a client.

This thesis used ***semi-structured in-depth interviews for collecting data***. This type of interview is conducted based on predetermined questions which define the research domain, using an interview guide consisting of the topics to be discussed and allowing the interviewer to phrase the questions in a spontaneous manner. This creates a flowing conversation and detailed exploration of topics while allowing emerging questions that arise from the dialogue between the researcher and interviewee (Agarwal, 2019, p. 80). Such frames allow for follow-up questions about interesting things that are mentioned, potentially offering an in-depth insight of perceptions and expectations. This opens for expressions on how marketing managers view their leadership style and their attitude towards their own success as managers which provides the researcher with valuable insight.

By employing this qualitative method, it allows for a comprehensive operationalization of the research questions, allowing to delve into what managers believe helps their team in creating differentiation for clients and dealing with competition. Furthermore, it also allows for insight into what optimizes campaigns and what factors need to be in place to create a positive brand identity for clients. For this method, it is crucial to be properly prepared with well thought-out questions to ensure the best results.

Kvale (1996) outlined *seven method stages of interview investigation*, which consist of the following: *thematizing*, identifying the concept and clarifying the purpose, *designing*, creating an interview guide to obtain desired information, *interviewing*, explaining the purpose, being honest and obtaining consent for participation and recording, *transcribing*, essentially creating a text of the conversation, *analysing*, identifying common themes by critically reviewing the transcripts, *verifying*, checking credibility via various methods, *reporting*, description of the process, results and implications.

To best utilize this method, the researcher shall be mentally and emotionally fit to absorb and comprehend data coming from multiple sources, ensuring that ‘methodiness’ is not compromised by the flexible approach while also being transparent in accepting biases and creating a thick description of the setting, establishing trustworthiness and rigor (Awasthy, 2019, p. 153-156).

### 3.1 Data collection and sampling strategy

The focus of this research is to gather information from marketing and/or agency leaders as well as their staff members. Marketing managers and staff members in agencies in Iceland were contacted via the researcher’s university email with an introductory letter asking for their participation in the study. Once they have agreed to participate, participants were approached with at least three different time slots to arrange a meeting.

To ensure proper conduction and to maintain validity of the results the data was collected through semi-structured interviews lasting a minimum of 45 minutes and a maximum of 90 minutes each.

To adhere to ethical considerations, participants were made to consent to the terms of the interview as well as to being recorded. Within this informed consent, it will be made clear to those involved that the research remains confidential and anonymous, further stating that participants have the right to withdraw from the study at any point in time. For this research, a purposive sampling strategy is employed to select respondents that are most likely to yield appropriate and useful information to the study (Kelly, 2010, p. 317). Selecting managers/agency leaders and staff members from each respective firm, conducting a total of ten interviews, consisting of eleven participants, with one reflective interview conducted with a fellow student, which was an open, reflective discussion on the nature of trends and challenges regarding media agencies and allowed for additional reflection and appreciation of the semi-structured interviews. The intention was to enhance the reflexivity and discuss the learnings from the previous interviews. Sample characteristics consist of marketing agencies or advertising agencies with the requirement that they take on branding/marketing work for clients, so that the interview will be of use to the research and the questions posed. The participant’s characteristics and categories are shown in table two.

<b>PARTICIPANT ALIAS</b>	<b>AGENCY ALIAS</b>	<b>ROLE</b>	<b>CATEGORY</b>
Samantha Jennifer	Theta	EXEC. DIRECTOR CREATIVE DIRECTOR	LEADER STAFF
Peter	Beta	EXEC. DIRECTOR	LEADER
Gary	Delta	FOUNDER	LEADER
Gregory Sylvia	Sigma	FOUNDER CREATIVE DIRECTOR	LEADER STAFF
Bruno	Gamma	STUDENT	INCLUDED FOR REFLECTIVE INSIGHT
Lauren Jarrod	Zeta	CREATIVE DIRECTOR FOUNDER	STAFF LEADER
Drew Mary	Alpha	FOUNDER ACCOUNT MANAGER	LEADER STAFF

*Table 2:* List of participants and their roles

### 3.2 Operationalization

To operationalize the concepts of leadership-as-practice and transformational leadership style, a combination of qualitative data from the interviews conducted with the marketing managers and staff members will be utilized.

Managers were asked to describe their methods of leadership and assess how they believe they lead their team to success, focusing on how they believe they create culture and how they distribute agency amongst their team (Raelin, 2020, p. 489). They will also be asked to identify how they inspire, motivate and foster creativity to innovate, encourage critical thinking and effectively communicate issues with their team (Bass & Avolio, 1993, p. 113).

Additionally, staff members were asked the same questions as the managers, to understand their perception of the culture being created. Transcriptions from the interviews were analysed to identify recurring themes and if they harmonize between positional authority.

To operationalize the concept of driving distinction and competitiveness for their client's. Marketing managers were asked to identify how they utilize their leadership skills to constantly adapt and gain advantage (Shocker, Srivastava & Ruekert, p. 149). How they have used leadership to give a sense of belonging and inspiration to internalize the brand's vision (Xiong, 2023, p. 335). Staff members once again, were asked from the same interview frame to understand their perception in comparison to managers.

Transcriptions from the interviews were analysed to identify recurring themes and if they harmonize between positional authority. Examples of the interview questions are found below and in appendix.

### **Concept: Leading to success and creating culture**

*Can you please describe leadership in your words?*

*What is good leadership to you?*

*What is the role of values in your work?*

### **Concept: Empowering the team, creativity and strategy**

*What is the role or importance of creativity in your context*

*How do you encourage your team to think and be more creative*

*What are the biggest challenges for your clients at the moment?*

### 3.3 Limitations

Conducting a qualitative analysis is a time-consuming method, firstly obtaining access to the interview subjects through active negotiations, then considering that the interviewee may not be available for the desired time, resulting in more than one round of an interview (Awasthy, 2019, p. 158). Transcribing the interviews is also a heavily time-consuming process, as it is estimated that for each hour's worth of a recorded interview, takes approximately six or seven hours to transcribe (Agarwal, 2019, p. 83). The lack of structure and absence of a clear action plan in the flexible nature of this approach is often criticized, as well as researchers needing to bracket their opinions which likely have an impact on their understanding of the context, in addition to this, the approach is emotionally engaging, requiring the researcher to show empathy in his tactics (Awasthy, 2019, p. 158). Qualitative research also has a history of criticism that it does not justify its assertions, leading to scepticism about whether qualitative researchers tend to engage in creative theorizing based on thin evidence they have gathered (Gioia, Corley & Hamilton, p. 18).

To conclude, this flexible and in-depth approach allows for data collection while addressing the research question and applying it to the smaller context of Iceland. Such methodology is applicable for gaining insight into practical approaches of how marketing managers use leadership styles to foster creativity, create a good culture and gain differentiation for their clients as well as a positive brand identity for them.

### 3.4 Analysis

Interview transcripts were analysed to build patterns, relations between concepts and to derive themes from the data gathered during the process. This research employed thematic analysis with an inductive approach, meaning that the patterns arise directly from what is observed in the dataset. This data was collected interactively and specifically for this research, therefore, themes may bear relation to the central questions being posed to participants, allowing them to remain grounded in their own experiences. Inductive analysis is therefore a process of coding the data without fitting it or tying it to a pre-existing theory, meaning that the form of analysis is data-driven (Braun & Clarke, 2006, p. 83). Thematic analysis allows for systematic and accessible procedures to gather codes and themes from qualitative data. Codes are units of analysis utilized to gather interesting data related to the research. They are used as building blocks for deriving themes and finding patterns of meaning used to organize a central concept. These themes are then used to provide a framework for the researcher to report their analytic observations, guided by the research question. The emphasis is on producing rigorous and high-quality analysis (Clarke, & Braun, 2017, p. 297).

The thematic analysis was done through Braun & Clarke's six-phase framework. This method involves familiarization of data through reading and re-reading the interview transcripts, noting down initial ideas, during this phase it is good to mark ideas for a preliminary coding structure, this process is an excellent way to gain an extensive overview and familiarization of the collected data. This is followed by generating the initial codes, by coding interesting and relevant data found throughout the dataset, refining the codes into more polished versions. The next step is to search for themes in the codes that have been collected and seeing if they can be grouped together, this is then succeeded by reviewing the themes that have been gathered, seeing if they work in relation to coded extracts. Then it is important to define and name the themes that have been identified, with ongoing analysis to refine each theme, generating clear definitions and names. Finally, producing the report and compellingly illustrating the story about the data, relating it back to the analysis, going beyond description and making an argument in relation to the research question (Braun & Clarke, 2006, p. 87 – 93).

With the main aim of this research being to explore how leadership strategies and their impact on those enacting them and experiencing them can create differentiation for clients of marketing agencies. The analysis followed an inductive thematic approach as displayed by Braun & Clarke's framework (Braun & Clarke, 2006, p. 87 – 93). With the process of coding being epitomized by reflexive and iterative engagement with the data, involving familiarization of the data, allowing themes to emerge organically rather than following a fixed coding structure. Initial codes were drawn from participant's language and were eventually grouped together to represent a broader meaning. These groups laid the groundwork of theme building and the development of the final coding tree. Presenting the key themes and their codes, as seen in table three.

Initial code	Refined code for theme building	Theme
<ul style="list-style-type: none"> <li>- Inspire a vision</li> <li>- Companies wont succeed without a vision</li> <li>- Leaders need to know who fits what project</li> </ul> <p><i>„Being a leader is of course being the one with the vision, and the capability to help the staff and interested parties understand it“ (Gary)</i></p> <ul style="list-style-type: none"> <li>- Clear goals</li> <li>- Empowerment through autonomy</li> </ul>	<b>Visionary leadership</b>	<b><i>Leadership practice</i></b>
<ul style="list-style-type: none"> <li>- Tackle issues head on</li> <li>- No need for job titles</li> <li>- Leadership is about making difficult decisions</li> <li>- Inspiring the team</li> </ul> <p><i>„We are what we call a success driven agency“ (Peter)</i></p>	<b>Inspirational leadership</b>	
<ul style="list-style-type: none"> <li>- Strategic planning provides clear values</li> <li>- Value alignment</li> <li>- Values are diagnostic tools</li> </ul>	<b>Values-driven leadership</b>	
<ul style="list-style-type: none"> <li>- More involvement in personal affairs</li> </ul>	<b>Human-centered leadership</b>	

- Work-life balance		
- Success is a shared accomplishment  <i>„It is always the [whole] agency that wins the awards" (Lauren)</i>	<b>Shared success</b>	<b>Culture</b>
- Pride of success - Compersion		
- No hierarchy - Inclusion  <i>„This dialogue, it makes everyone a part of the project" (Drew)</i>	<b>Open dialogue</b>	
- Open discussion		
- Flowing role structure - Roles meshing - Adaptability	<b>Flexible roles</b>	
- Being proactive is a main a factor - Achievement through proactiveness - Proactive differentiation  <i>„Our differentiator is being proactive" (Lauren)</i>	<b>Proactive mindset</b>	
- Creative briefs - Contextual creativity - Constrained creativity  <i>„Sometimes, you have to find creativity in a jar" (Peter)</i>	<b>Creativity as strategic driver</b>	<b>Creativity in practice</b>
- Strategic creativity - Differentiating with creativity - Changing perception  <i>„Creativity has the power to shape peoples opinions" (James)</i>	<b>Creativity as a differentiator</b>	
- Competitive creativity - Training creativity - Creative awareness	<b>Creativity as a core value</b>	
- Over-reliance	<b>Strategic branding</b>	

<ul style="list-style-type: none"> <li>- Consistency</li> </ul> <p><i>„We want to be consistent, we're not just doing something" (Sylvia)</i></p> <ul style="list-style-type: none"> <li>- Coherency</li> </ul>		
<ul style="list-style-type: none"> <li>- Investment</li> </ul> <p>Impacted credibility</p> <ul style="list-style-type: none"> <li>- Spending strategically</li> </ul> <p><i>„Bring money to the agency and start doing more" (Peter)</i></p>	<p><b>Brand investment</b></p>	<p><b><i>Branding practice</i></b></p>

*Table 3: Coding tree following Braun & Clarke's six phase framework.*

## 4 Results

After analysing the data, these themes emerged: 1) leadership style is defined by multiple sub-themes, those include an interplay of visionary leadership, values-driven leadership, human-centered leadership and inspirational leadership. These practices directly impact the 2) culture within the company, allowing the organization to embrace shared success, open dialogue, have flexible roles and pride themselves with a proactive mindset. The culture created impacts the 3) creativity of the organization, which is challenged by the influence of client tension, limiting the creative process. Creativity consists of three main components, those being, creativity as a core value, as a strategic driver, and as a differentiator. These creative practices and limitations significantly influence 4) branding practice, which is a strategic practice, that requires time and investment, influenced by agile media shifts. Branding practice leads to differentiation and distinction for the client in their respective markets. An end goal that is ultimately linked back to leadership practice within an organization. These themes will be organized and discussed in detail down below.

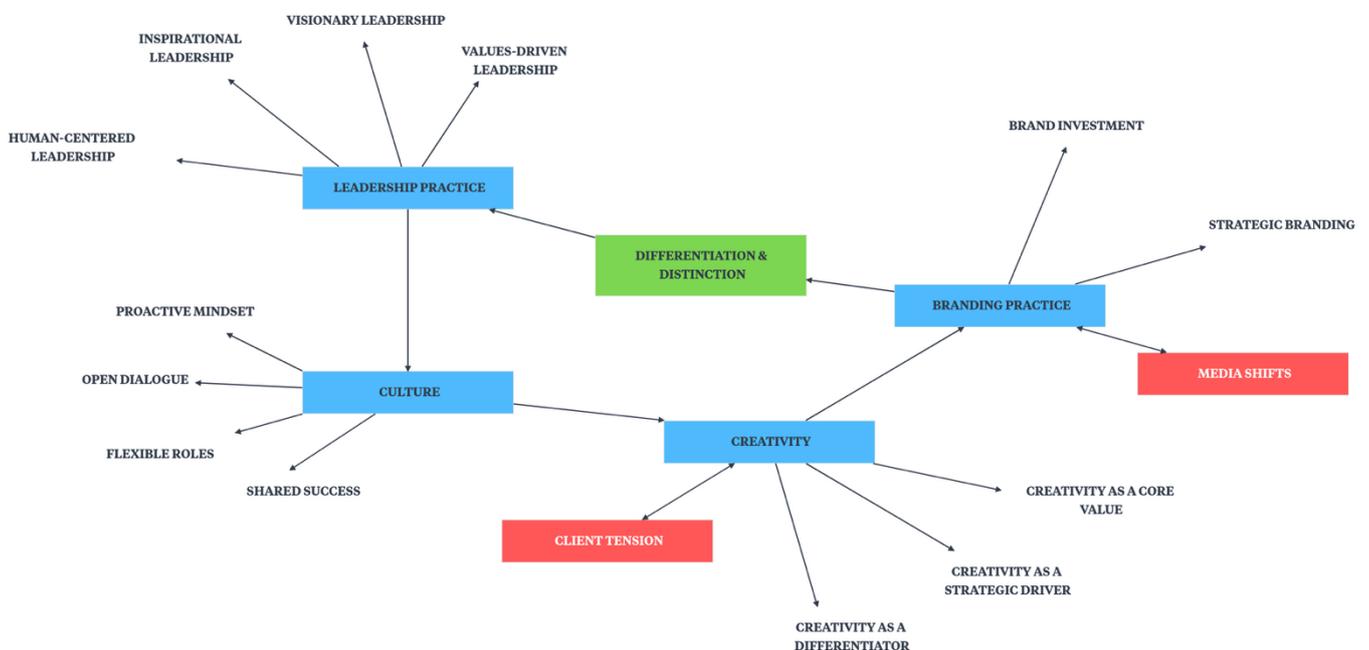


Figure 1: Mind-map of themes and their connections and tensions.

## 4.1 Leadership practice

In an interview frame guided by questions about leadership, leadership practice is a recurring theme amongst the participants. Their view of how leadership should be conducted in this environment sparked a combination of many interesting viewpoints, whether it was spoken by a CEO or a staff member, there are some recurring themes on how to practice leadership within the Icelandic marketing environment.

### 4.1.1 Visionary leadership

This type of leadership aligns with the ideology of transformational leadership, grounded in having followers align with a vision. Setting a vision was evident in many cases but a good summary of what it means to be a leader in this context follows here below:

*“Being a leader is of course being the one with the vision, and the capability to help the staff and interested parties understand it” (Gary, founder)*

*“Those leaders who have always stuck by me, are those have had to make difficult decisions” (Jarrod, founder)*

*“We wan’t to make sure that, the message we create, is a successful one for our client” (Peter, executive director)*

In the quotes found here above, we achieve rich insight into what it means to create a vision, with a shared understanding that visionary leadership is central to setting direction, however, different approaches can be underlined as some leaders frame visionary leadership as a personal responsibility, setting the vision, and others base it off of external success (for the client). However an argument can be made that an interplay between these factors is the ultimate goal. Firstly, helping your staff and interested parties understand what you are trying to achieve as a leader is crucial for organizational culture, it allows everyone to get on board. Second, as highlighted in transformational leadership, making difficult decisions is part of shaping a vision and getting followers to believe in it. Making sure that success is the mission and the visionary leadership shapes the direction the culture wants to go.

To go beyond articulating vision, leaders create the conditions for the vision to emerge through strategically forming teams that align with the company's mission, therefore, they illustrate that they not only know the destination, but can fundamentally assemble the right people to reach it. This is illustrated by the quote below:

*"We figure out which individuals fit each project" (Lauren, creative director)*

These qualities from a leader is what helps a company gain their desired vision internally and externally through collaboration. Figuring out which team members compliment each other on a specific project. Lauren, creative director, was originally approached as staff but her rich insight through cultural leadership, rather than positional authority emerged as beneficial for this research, further underlining that leadership is a day-to-day interactive process, shaped by the culture, as mentioned in Raelin's leadership-as-practice theory. Reinforcing that visionary leadership plays out in everyday context and shaping how people work together towards a shared goal.

In this context, it is also important to mention how leaders address the fact of what happens if they aren't confident in their ability to lead, and the implications such actions bring to a firm's success. This is demonstrated through the quote below.

*"You know, if I'd be really hesitant/doubtful, then no-one would come aboard with me" (Mary, account manager)*

This quote underlines the importance of being confident, because confidence is contagious, as mentioned in transformational leadership, leaders who are able to build satisfying cultures exhibit vision and purpose, empowering others around them (Bass & Avolio, 1993, p. 113). For smaller, agile agencies such as those found in Iceland, this ability is central to the vision. This is also interesting due to Mary's role (account manager) within the organization, showing the fact that all roles within the culture feel the need to express their confidence in leading.

Visionary leadership demonstrates the need for confident leaders, who spread belief, trust and autonomy in their team to achieve their vision. However, working in a creative environment creates the need for inspiration, meaning that visionary leadership and

inspirational leadership need to work together, and also tend to the organization's goals through inspiring, connecting and creating purpose.

#### 4.1.2 *Inspirational leadership*

Leading through inspiring is something that requires emotional intelligence, a valuable trait to have in the friendly atmosphere of the Icelandic environment (Eyjólfsdóttir & Smith, 1997, p. 66). Emotionally connecting with your culture is a good indicator of an inspirational leader. Some need to find the balance between joy and pressure, maintaining the ability to inspire while facing tension.

*“It's so much fun [being a leader], so much fun, but really demanding” (Drew, founder)*

The demanding aspect of inspiring is figuring out how to enable people to become the best version of themselves, some leaders try to make them realize their worth and paint them a picture.

*“It's like that quote from the Dalai Lama, do you think you are too small to have an impact? Then try going to sleep in a room with a mosquito” (Jarrod, founder)*

Imagine you are trying to sleep, and the mosquito constantly keeps buzzing. This can be frustrating. Metaphorically, Jarrod uses this quote because even one person can have a strong impact. He uses this powerful imagery to instill a certain mindset that he wants to see within his staff culture, inspiring his staff.

However, embodying an inspirational leader requires the ability to maintain constant belief and enthusiasm, which can be taxing, underlined in the quotes here below.

*“We [leaders] have to set an example. So that we are not visibly ripping our hair and having a nervous breakdown with bags under our eyes. Because that energy can quickly spread through the room” (Sylvia, founder & creative director)*

*“The leaders are the ones tying the knots [to connect everything], so that others can flourish”  
(Jennifer, creative director)*

Although inspirational leadership can be energizing and fulfilling, it also tests emotional endurance as illustrated above. Having to be confident and motivated at all times is a difficult task to manage, especially in smaller, agile agencies found in Iceland, where the leadership structure is less visible and more informal. Emotional intelligence and leveling with people is therefore a valued trait to possess, leaders in this environment see the structure as egalitarian rather than based on hierarchy.

*“It’s [leadership] also about giving a sort of, what can I call it?... A guiding light!”  
(Samantha, executive director)*

One participant even expressed his lack of belief in job titles. Further underlining a egalitarian environment.

*“I have a torn relationship with job titles, in my email signature it simply says: Clown” (Jarrod, founder)*

*“She [member of staff] wanted her father to meet her boss, and I felt a sharp pain... ‘boss’? I don’t want anyone to refer to me as their boss, I don’t like the idea that someone is in charge and someone is inferior, I don’t like working like that.” (Jarrod, founder)*

The desire to embody these inspirational and egalitarian values is even displayed in a reflective interview with a leadership student.

*“Good leaders are ready to learn from others, they are understanding and forward-thinking”  
(Bruno, student)*

These quotes demonstrate the desire that leaders have to inspire and make their staff feel equal to one another, it is even visible in the fact that, creative directors and account managers, who are approached as staff, speak from a leader’s viewpoint and mirror the opinions of their colleagues.

Inspirational leadership is not without pressures and places emotional demands. This leads to the valuable practice of human-centered leadership which involves creating a healthy environment and cultivating well-being.

### 4.1.3 Human-centered leadership

Evidently, these days, there is more demand for a human approach in leadership practice as well as keeping up to date with personal issues that staff are dealing with. Being well aware of people's emotions and well-being is important. This was mentioned by leaders that have had a long career and overseen organizational change in this aspect.

*“Now there is more trouble around it [being a leader], you simply get involved in people's personal problems” (Gary, founder)*

*“Me, as a creative director, over the past few years, I've suddenly become some sort of an HR manager” (Jennifer, creative director)*

This perspective illustrates the emotional load that leaders have to carry and the unexpectedness that leaders deal with. However, others view this shift not as a complication or as 'trouble' but rather consider human-centered leadership an integral part of being a leader. Embracing their culture and instilling trust within each other. While not only managing productivity, but also being present for employees professionally and personally, helping them in the pursuit of a beneficial career.

*“It [leadership] involves supporting your people, through thick and thin” (Samantha, executive director)*

*“We do not want people to burn out” (Gregory, founder)*

Human-centered leadership is something that leaders have to react to, personal situations can arise very quickly and effectively managing them can be challenging. To leaders, this is a discipline that is worth cultivating, keeping human-centered leadership at the core of their identity and intentionally exploring the dimensions of emotional and relational factors.

*“Firstly, I studied HR, because I found it so intriguing to learn how you get people on board with you and lead them” (Mary, account manager)*

Interestingly, the quote above is from a participant that is not fulfilling a general leadership role based on job description, but their efforts are felt and their personal experience is that they contribute to the culture, and in order to create a good organizational culture, distribution of leadership is essential. This represents a proactive approach to leadership practice, seeing changes in organizational dynamics as an opportunity to grow. Along with this, deliberate commitment to principles shapes ways to lead and helps bring forth a vision. This is by setting personal and organizational values for their culture to embrace.

#### *4.1.4 Values-driven leadership*

Leaders' decision-making is guided by clear principles or values, often grounded in their moral beliefs. Setting values for yourself and a team to work by efficiently contributes to internal trust and interlinks with the visionary leadership of steering people in a certain direction. Ensuring that the vision remains consistent internally. In an agile smaller market, such as Iceland, instilling trust and setting a vision guided through values is heavily relied upon.

*“We have values in place, that we want everyone to live by” (Sylvia, creative director)*

*“Our values are teamwork, responsibility, and success” (Samantha, executive director)*

*“We have strategic planning sessions, where we determine clear values and a clear vision that we work towards” (Gary, founder)*

*“We are constantly imprinting creativity as our main value” (Drew, founder)*

*“We learned about trust, and that’s something I want to identify myself on in the future”  
(Bruno, student)*

Values become a key component to guide individuals professionally. Although the values above are clearly illustrated, other agencies showed that they have not given such practice too much thought.

*“Yes, we probably have some invisible values that we work from” (Jarrod, founder)*

Upon investigating how values drive the internal focus of an agency and provides clarity for the organizational culture, it is worth examining if there is ever tension with aligning them to a client’s set of values. Upon being asked this question, participants were in mutual agreement that they feel no tension and find this task manageable.

*“No, it’s easy doing this [adopting their values] for others” (Gary, founder)*

*“It’s just you know, it’s seperated [The agency’s internal values and client’s external values]” (Peter, executive director)*

An interplay between different modes of leadership play a pivotal role in the organizational culture. Involving the ability to be able to set direction, energize others, foster their trust and give clear instructions. These leadership practices can easily overlap in smaller agile agencies like those found in Iceland, where leadership tends to have a flatter hierarchy (Eyjólfsdóttir & Smith, 1997, p. 66).

These practices do more than just manage a collective. They work towards shaping a culture and conditions for the employees to thrive. The effects of these leadership practices will be examined in the following theme.

## 4.2 Culture

Leadership inevitably shapes the organizational culture, leadership practices that are adopted play a crucial role in staff motivation and their ability to perform. Cultural development can be viewed as a living environment, continuously shaped by the interactions and shared behaviours guided by what leadership focuses on and embodies (Bass & Avolio, 1993, p. 113). This section explores how key aspects, impacted by leadership. Such as a proactive mindset, open dialogue, flexible roles, and shared success contribute to the collaboration within the organization and how it benefits the agency.

#### 4.2.1 Proactive mindset

The ability to think proactively can be trained, a leadership structure that encourages staff to be proactive is beneficial for an agency. Being proactive is about working ahead and giving yourself an advantage, instilling this behaviour is a recurring theme amongst participants.

*“Very, very important [being proactive] it’s the main point” (Gary, founder)*

*“It’s been beneficial to us, being proactive, and it contributes to a better work environment”  
(Gregory, founder)*

*“We try to differentiate ourselves from other agencies, and we do so by being proactive” (Lauren, creative director)*

Being proactive isn’t just about getting ahead, it’s about maintaining it and staying there. These quotes reflect the importance of being proactive, but it doesn’t mention what is being practiced internally to train the staff and help them think proactively. Some participants demonstrate what methods they follow and how it benefits their agency.

*“For example, we always have creative idea meetings that we call Mojo [alias], there we allow ourselves to look at our client list and everyone spit-balls ideas that we can take further and then approach our clients with first hand.” (Lauren, creative director)*

*“And everytime we receive a new project, we ask ourselves, can we use AI?” (Drew, founder)*

These reflections show that a proactive mindset is not left to chance, but rather actively cultivated within the organization. Brainstorming sessions are encouraging employees to challenge their ways of thinking and bringing new ideas forward. Bringing initiative to the client, embedding the proactive mindset as a shared behaviour in the culture.

Being proactive is closely tied to monitoring innovative opportunities, this is evident in the fact that Drew, founder mentions if there is room for AI in every new project.

While proactivity is encouraged, it relies on structure and reinforcement, requiring everyone to always be on their toes for any shifts in the Icelandic marketing environment.

*“Yeah I mean, we always have to be completely ready [for any opportunities]” (Samantha, executive director)*

*“There is a different situation today, compared to how it was one week ago, we have to be able to adapt” (Gary, founder)*

*“You need to be on your toes in this business” (Lauren, creative director)*

These reflections show the ability to react quickly and stay proactive, however, proactivity is complimented by a unique quality in Icelandic marketing agencies, which is the fact that staff members have tendencies to jump into different roles, therefore proactively responding to shifts in the environment by remaining collaborative and assisting their colleagues. The dialogue of flexible roles is a recurring theme in the next section. Where the importance of fluidity and mobility to contribute to an adaptive and proactive culture is underlined. Connecting with recent research that flexibility stimulates employees’ innovation awareness and creativity by allowing them to have greater flexibility and autonomy (Hu, 2024, p. 1661).

#### *4.2.2 Flexible roles*

Following the discussion about proactivity, a recurring theme emerged regarding adaptability in the context of Icelandic marketing agencies. Role flexibility is a valuable trait and a staple in their daily business. An environment where team members are ready and eager to step into different roles on demand. This practice was not seen as a burden, but rather as a normal process in order to adapt quickly to shifting market demands and respond to clients efficiently and creatively. Having roles mesh together as a part of everyday collaboration. One founder put it into words like this.

*“You have to be able to jump [between roles], you know? And it happens everyday, people need to be ready to change hats [take on different roles]” (Gary, founder)*

One account manager supported this view by giving her take on what it means to jump between roles and tend to responsibilities not necessarily in her job description.

*“But you know, it is like this [flexible roles], and I sort of do like to be able to not be confined to doing one thing. I mean, my education, what I’ve done in life, based on that I don’t want to be stuck doing the same thing over and over” (Mary, account manager)*

This point of view seemed to be the general consensus across the board for participants, with them supporting each other’s arguments indirectly through quotes such as these.

*“You have to be prepared to do things that aren’t in your job description” (Peter, executive director)*

*“Here [the agency] we are all the kind of people that enjoy doing many things at once” (Gregory, founder)*

*“There is no reason to have very clearly defined roles or expertise” (Sylvia, creative director)*

However, not clearly defining roles does raise some questions about satisfaction and clarity in the workplace. Creating blurred boundaries and making employees feel uncertain in regards to their responsibilities. Constantly shifting responsibilities may evoke a feeling of stress within some employees.

An important thing to note in these results regarding the context of Icelandic marketing agencies is the nature of their strong communication culture. A clear and concise method of communication can act as a mitigator to the stress of role flexibility and provide clarity at each step of the way.

#### *4.2.3 Open dialogue*

A good way to ground the agency in navigating a fast paced marketing environment is by embracing a good communication structure, supporting open dialogue where important matters can be addressed by anyone at any time. Such dialogue can work as a support beam to collaboration and enhancing trust among members of the culture. Helping the work environment become a place where people can share ideas, express concerns and work towards a shared vision set by the agency. Participants had this to say about the importance of open dialogue.

*“We have an open system, and everybody can see what everybody is doing, people help each other, seek advice amongst themselves and assist one another” (Peter, executive director)*

*“I think the dialogue contributes in including everyone, even when they are not actively working on the project, it’s always beneficial to call someone in and ask their opinion, to get some dialogue rolling” (Drew, founder)*

*“Everyone can comment whatever they like, you know? It’s an open conversation and a flat structure” (Gary, founder)*

Open dialogue is an important contributor to a healthy team culture, it supports a flat structure, known in Iceland and a free method of sharing ideas amongst the team. It also lessens the risk of exclusion and helps the organization realise what projects are at hand and what the next steps are for them as a whole. Open dialogue helps to eliminate assumptions and encourage a more cohesive collective where all the information is at hand. Demonstrated by the quotes here below.

*“It [open dialogue] is to try to stop assumptions and rumours, it’s implemented so everyone speaks freely and knows that they can speak freely” (Drew, founder)*

*“Before [implementing open dialogue] it felt like people were playing some sort of a whisper game, and they were only working with 1/3 of all the information at hand” (Gary, founder)*

It’s important to note that the reflections above are entirely from founders or executive directors, their experience might be tainted by the fact that they are working to implement their own strategies, to critically assess this, it’s valuable to note what members of staff are expressing about the importance of open dialogue. Here are some opinions they illustrated.

*“It can be hard to get people to participate in open dialogue, but when they get there, they can see that everyone in the room is hoping the best for each other” (Jennifer, creative director)*

*“It is a bit like acting school, all ideas get the same answer: Yes” (Mary, account manager)*

*“People in leadership positions within an agency need to have their ears open and listen to what their organization has to say” (Sylvia, creative director)*

Encouraging open dialogue contributes to the collaboration of staff members, the basis of that collaboration is mutual trust and transparency, making sure that the culture feels valued and promotes inclusion. In environments fostering the aforementioned factors, it can be argued that success of the agency isn't viewed as an individual achievement. Requiring the strengths of all members involved and creating a feeling of shared success.

#### *4.2.4 Shared success*

The mindset of seeing agency success as a collaborative effort rather than buried in individualistic traits is evident. Even though some projects can be driven forward on individual brilliance. The notion of shared success is seen as essential to maintain team morale and work towards inclusion. This collaborative environment can be tied back to open dialogue steering the cultural focus towards collective achievement. When asked how participants feel that everyone is a part of the success, they had the following to express.

*“It's always us [the agency] that wins the awards” (Gary, founder)*

*“We want to make society think of us [the agency] as one team” (Samantha, founder)*

Building a culture that reinforces collective efforts takes time and resilience, having faith in the collective to distribute leadership and responsibility while building trust. This habit of framing achievements as a shared success may reduce internal jealousy and encourage more cohesive work. At the same time, it's also worth considering if individuals feel that their work is recognized and their performance and value is accurately reviewed.

*“It's also necessary to give credit when it is due, and it's okay to, you know allow people to have their moment as well” (Jennifer, creative director)*

Strong collaboration plays an important role in the pursuit of a healthy culture which has direct implications on other organizational factors, such as creativity. As expressed

above, individuality should not be suppressed, but accurately addressed, by embedding individual achievement as a part of collective ambition.

It has been explored that culture is shaped by leadership practice and contributes to a dynamic, proactive, flexible and collaborative environment. These cultural foundations influence one of the most essential outcomes in a creative environment, which is creativity.

### 4.3 Creativity

Creativity is a central theme in the context of Icelandic marketing agencies. It also is a differentiating factor that helps agencies stand out in a competitive market. Agency creativity is the outcome of strong leadership and a healthy culture. Creativity is seen as a brainstorming process nurtured by collaborative culture, rather than something spontaneous. The following sections will examine how creativity is fostered, understood, and how challenges in the creative sector are tackled.

#### 4.3.1 *Creativity as a differentiator*

Creative processes are fostered internally to gain an advantage externally. The creative touch is what sets agencies apart in the eyes of a client. In a competitive market like the environment in question, where everyone offers similar technical services and efficient ways to spread the image of a brand. Creativity is a differentiating factor. The ability to bring to light original and bold ideas is a key element in giving a firm an edge over their competitors.

*“It’s what sets us apart from other agencies, our creativity and excellent service” (Drew, founder)*

*“Creativity is everything, and it’s what people pay us money for” (Peter, executive director)*

It’s evident that clients value an agencies ability to be creative. Client’s often have their own marketing departments, but their operation can differ to the ones of marketing agencies in a way that they might not have the same processes. Like those mentioned below.

*“It motivates people [brainstorm sessions], someone came up with three ideas, and you only had one, it makes you go harder” (Jarrod, founder)*

*“When we get together [as a group], we collect ideas into an idea soup. Everyone has to come with their idea. Then we take it from there” (Sylvia, creative director)*

*“We have a fifteen minute meeting every morning, we try to always complete the meeting in under six minutes” (Drew, founder)*

These processes show different ideas of fostering and nurturing creativity. For example, having fifteen minute meetings confined to only six minutes urges people to find the most creative ways in bringing their ideas forth in the least amount of time, therefore stimulating their creative thought process.

The mention of lighting a competitive drive also places people in the mindset where you have to create to compete. These methods all unconsciously portray creativity as something to practice and to train through stimulus. Because it is not reliable for these agencies to wait for spontaneous ideas or individual brilliance.

*“Creativity, it’s like a muscle that you need to train” (Jarrod, founder)*

Creativity is actively trained and nurtured within Icelandic marketing agencies, this factor is however, impacted by outside influences. Which stems from client expectations and their tendency to be risk-averse. Often restricting agencies from bringing forth bold ideas in an attempt to help the brand differentiate and rather opting for a safer route to their objective. Tension between creativity and a client’s approval can cause friction, shaping how creative ideas are expressed.

#### *4.3.1.1 Client tension*

Client tension naturally occurs when managing a client relationship. Some clients have the tendency to make unclear briefs, which can lead to creative projects going down an undesired path. This creates tension and is underlined in the quotes here below.

*“Then [when misunderstandings occur] the relationship between the account manager and the client becomes toxic” (Lauren, creative director)*

*“We may have reached a certain destination [in the creative process], but then they suddenly say, wait, no, we wanted this direction. Then a lot of time and money that was invested goes to waste, something that the client might not be willing to pay for” (Jennifer, creative director)*

*“We can say that there is pressure [from clients] everyday” (Samantha, executive director)*

These tensions have an effect on the creative process of agencies. Some firms however, take precautionary methods to try and work against tensions like this and ensure a smooth and co-operative business relationship, either through proactivity or other ways of committing to the business.

*“When clients approach us for a pitch, it works both ways. We sit down with them and we ask them questions, we try to make sure we are a good match” (Drew, founder)*

*“Our big idea was keeping the client involved in the creative process the whole time” (Gary, founder)*

*“It encourages a healthier relationship if we proactively come forth with ideas of our own” (Jarrod, founder)*

Client tensions can strain the creative process, but it can also guide it into a strategic frame. Clients have certain brand ideologies that they want to work by. This urges agencies to use creativity as a differentiator in a strategic process that allows their clients brand to flourish.

#### *4.3.2 Creativity as a strategic driver*

Working with client pressure requires agencies to design processes that allow them to think within a frame of mind that the client is looking for. This entails being able to understand the brand you are working for and how to continue their story. Creativity as we saw earlier helps you differentiate and position the brand. However, creativity is also used in strategy, treated as a reliable tool rather alongside flair. Agencies find ways to utilize their creative powers strategically.

*“Maybe sometimes, you have to find the creativity in a jar” (Peter, executive director)*

*“We have all kinds of boxes that we need to work within” (Samantha, executive director)*

Creativity can be used as a navigational tool. Working within the confinements of ‘boxes’ or ‘jars’, in contrary to the popular saying of ‘thinking outside of the box’. It seems to be just as valid to think inside of the box in this case. Not relying on the individualistic traits of creative individuals, but rather creating a culture where these processes can thrive and maintain successful business relationships. The need for structure and the understanding of a brand is further underlined by the following quotes.

*“People can push an emotional narrative and utilize brand momentum, or they can use structure and form to successfully drive [brand image] it” (Sylvia, creative director)*

*“Creativity isn’t always some brilliant idea. It can be research on how to present things correctly [for a brand]” (Peter, executive director)*

To summarize, Creativity isn’t solely reliant on brilliance or individual flair. Creating an effective structure that helps to reinforce creative ideas is an important part of the culture. This culture is empowered by the leadership, and creativity is a result of culture and leadership, valuing reliability and stability. Recognizing creative worth was evident along with the fact that some agencies keep it as the core value to their operation.

#### *4.3.3 Creativity as a core value*

Creativity is essential to firm operation as well as being viewed as a core value. Whether it is by strategically creating processes to maximize creative potential or simply by instilling it in the mindset of the culture. Some reflections on the essence of creativity can be found here below.

*“It [creativity] is the X-factor” (Gary, founder)*

*“Creativity has the power to change people’s perception” (Jarrod, founder)*

*“It’s so important, it’s the most important, it all starts with the idea. You have to be creative”  
(Mary, account manager)*

*“If we lost our creativity, we will have lost our core” (Samantha, executive director)*

To foster a creative culture, there needs to be a creative environment. Firms find possibilities to stimulate creativity through a certain mindset or simply by surrounding themselves with other creatives. How this can be achieved is mentioned here below.

*“Something happens when you surround yourself with creatives, just going for a coffee and hearing what they have going on can be...it can be very beneficial” (Drew, founder)*

*“Thinking creatively is like having antennas [coming out of your head] which are gathering all the relevant data [to bring a creative idea]” (Jarrod, founder)*

Creativity is not only valued for its external outcomes, but also for the mindset it creates. Participants in the Icelandic marketing context illustrate that creativity does not rely on any flashes of inspiration, but rather cultivating an environment and a culture that helps creativity become a dependable tool to achieve success for clients. In Drew’s case, his agency is located among other creatives such as film directors, artists and photographers. He mentions the need to surround yourself in the right environment to sustain creative culture. Whether it is through conversations or shared ideas, his culture benefits from being in an environment that allows them to learn, grow and thrive.

By instilling creativity as strategic practice and a cultural mindset, it creates the necessary conditions for maximizing external output. Those are the branding practices that agencies employ for their clients, which is the ultimate result from which internal culture, leadership and creative values are translated into market distinction for clients. Creating differentiation for clients and maintaining their brand image is a strategic practice fueled by the conditions created beforehand. The next section views how these conditions can generate an advantage in the context of the Icelandic marketing landscape.

#### 4.4 Branding practice

A client's brand is their single most important asset. The brand is the image that society has of a product or service, and creating a long lasting positive image is the mission. Agencies must use their expertise and strategic processes to make sure the brand aligns with the client's identity and their aspirations. Branding is a strategic practice going beyond pretty visuals and agencies must find ways to contribute to long-term success for their client.

#### 4.4.1 Strategic branding

To succeed, brands need an identity. Identity can be created through long-term strategic planning and by finding a voice or a style that the brand can distinguish themselves by. How participants describe this process can vary. The reflections are found below.

*“There needs to be a voice for the brand, there needs to be something the brand can identify themselves by” (Lauren, creative director)*

*“All advertising, all conceptual work is done to reflect the brand [they work for]” (Peter, executive director)*

*“If you have a brand, which is known for being proper, and it suddenly starts speaking like a ‘cool kid’ then all credibility vanishes” (Samantha, executive director)*

*“If you have a known brand, a valuable brand, you always need to make sure that the market knows who is speaking, no matter how whacky the content is. It always need to find it's way home” (Gregory, founder)*

The notion of creating an identity is underlined in the first quote from Lauren, this concept is then supported by the quotes of Samantha and Gregory, stating that credibility needs to be maintained for a brand and that the market needs to know who is speaking to them. With recent media shifts and the prominence of TikTok, participants were asked to give their opinion on influencer marketing in the Icelandic marketing environment, with it in mind that it strays away from traditional practices. This is what they had to say.

*“In some cases, it's useful, given that they [influencer] has credibility. Which they usually tend to destroy themselves” (Gary, founder)*

*“I’m judgemental of it when it comes down to it [same influencers representing many brands at once]” (Lauren, creative director)*

*“This is something we’ve been preaching to clients, do not get tied to one face, and be prepared if the collaboration discontinues” (Peter, executive director)*

This method of branding represents how media may be shifting and strategy needs to adapt. Participants were asked how they acknowledge media shifts in branding and what methods they utilize to take on this challenge and navigate the uncertainty.

#### *4.4.1.1 Media shifts*

The marketing environment is constantly evolving, the ability to notice changes and adapt is necessary to maintain relevance. Participants discussed these issues and reflected on how they can respond and predict these changes through the quotes below.

*“We need to hire more motion designers, everything needs to include motion now”  
(Samantha, executive director)*

*“When it comes to AI, I think every agency says the same, it’s a unique tool that is here to stay” (Drew, founder)*

*“AI is something that is going to change everything” (Lauren, creative director)*

Participants however did not believe that the barriers of entry have vanished with recent advancements and media shifts, with one participant plainly putting it like this.

*“People think they can do it themselves cheaper, because they have a nephew that’s good with computers. Be my guest and let your nephew have a crack at it” (Jarrod, founder)*

With another participant contradicting this statement and expressing the fact that the playing field has in fact become more even.

*“Today, anyone can do amazing things, even though they don’t know anything” (Gary, founder)*

Differing perspectives can reveal that there is uncertainty with how the media landscape will continue to evolve. Therefore agencies might need to determine how they will prove to be valuable beyond shifting media dynamics. Participants realized that at this moment in time, AI is only able to replicate what has been done before, and it can not create anything brand new.

#### 4.4.2 Brand investment

Brand building isn't just about following trends. Marketing agencies can help clients understand that by underlining the importance of long-term strategic planning and creating and identity. This identity will enforce brand recall. Here's how participants reflect on brand investment.

*“Building a brand requires positioning yourself, and that’s not done in one night”*

*(Samantha, executive director)*

*“You can use SEO and gain results, but that isn’t brand building. That is something that requires investment” (Gary, founder)*

*“One advertisement doesn’t do anything, it’s like a drop in the ocean. It’s just there once. But, if you continue with this idea for years and build an identity, then you have maybe reached your desired position” (Gregory, founder)*

Agencies take on the role of brand custodians, helping clients recognize that aligned messaging and moving the brand in the right consistent direction reinforces an agencies strategic value. Underlined by the quotes below.

*“Best thing is to ignore trends and create something that lives longer than a trend” (Jarrod, founder)*

*“We need to align with their [client] vision, for many years and make a return on their investment” (Peter, executive director)*

*“It’s not a sprint, it’s a marathon, and the marathon matters the most” (Sylvia, creative director)*

Creating an identity and positioning a brand is a time consuming practice that requires the right investment. Participants mention brands that they are familiar with, which have adopted the same concept for over twenty years. Never needing to change because the brand recall is very strong. This brand will not be revealed due to agreement on anonymity. However, such brand positioning is a desired point of differentiation that enables clients to seek the agencies expertise.

Aligning with a client, adapting and employing long-term strategic branding all works towards the ultimate goal of creating differentiation and distinction. With it being a result of everything that has come before. From leadership all the way to the strategic aspects of branding. Navigating this successfully can help clients achieve the differentiation and distinction further underlined here in the next section.

#### 4.5 Differentiation and distinction

The findings suggest that leadership empowers culture, which in turn fosters creativity, which impacts branding practices necessary to create conditions to thrive and achieve the ultimate goal for clients, differentiation and distinction. Differentiation is not framed as ambition, but as a result of strategic processes within an agency that include brand strategy and creative adaptability, guided by cultural norms. Differentiation helps clients carve out a unique position in their market. Simply put like this.

*“You [agency] need differentiation and distinction to be able to sell something” (Gary, founder)*

This quote captures the importance of differentiation to a client’s growth. The strategic processes put in place by an organizations’ culture nurtures this ability by maintaining coherence and consistency. Reflected in the quote below.

*“It’s a long process, positioning a brand, finding that differentiation and then maintaining it” (Samantha, executive director)*

The process of creating differentiation and maintaining that process is supported by internal alignment of leadership, nurturing culture, fostering creativity and using those

conditions for strategic branding, therefore, achieving a desired outcome for the clients' brand by distinguishing and differentiating it from its competitors in the Icelandic marketing environment.

## 5 Discussion

The discussion chapter will take the findings from the results and compare them to prior research.

### 5.1 Leadership practice

The first theme to be discussed is leadership practice. The results highlighted four key leadership sub-themes, they are as follows: *visionary leadership*, *inspirational leadership*, *human-centered leadership*, and *values-guided leadership*. To critically interpret the data, these practices will be analysed in the light of the theoretical frameworks of leadership-as-practice (Raelin, 2011, 2012, 2017, 2019) and transformational leadership (Burns, 1978; Bass & Avolio, 1993).

#### 5.1.1 Visionary leadership

The ability to convey a clear vision for followers is a key factor. This ideology can be linked to a component of transformational leadership identified as inspirational motivation, where leaders manage to communicate a clear and rational vision (Gill, Levine, & Pitt, 1999, p. 53). Along with supporting what Bass & Avolio (1993) said, where they state that transformational leadership provides better performance through sharing a vision with their team (Bass & Avolio, 1993, p. 113). Having a clear vision allows leaders to convey their identity internally and push for a positive outcome externally (Dahlén, Rosengren & Törn, 2008, p. 394). Leaders serve as role models articulating a clear sense of direction. Visionary leadership can be viewed as aligning internal culture for optimal external success, however, Raelin (2011) does warn that over reliance on an individual, can marginalize or suppress the collective potential (Raelin, 2011, p. 199). Therefore, requiring a balance of explicit and inclusive practices, and a culture that values participation in leaderful practice (Raelin, 2011, p. 204).

#### 5.1.2 Inspirational leadership

Visionary and inspirational leadership are interlinked in a way that they reflect similar areas of leadership. Firstly noting that inspirational leadership can be directly attributed to inspirational motivation, similarly to visionary leadership, grounded in inspiring and motivating followers. Inspirational leadership is also connected to intellectual stimulation, through stimulating and inspiring followers (Gill, Levine, & Pitt, 1999, p. 53). Although inspiration is positioned as positive, and aims to create a sense of community, it's impact is moderated by the employee's perception of the brand promise. Leading to the fact that if employees believe the promise to be inaccurate or inconsistent, they experience cognitive dissonance (Xiong, 2023, p. 337).

Within the Icelandic marketing context, it is a valuable trait to be able to inspire and motivate others through belief in the shared journey. Having the ability to motivate others through empowering and putting things in perspective is a valuable trait. Aligning with the fact that leadership-as-practice privileges assisting followers in adopting self-empowerment (Raelin, 2017, p. 217). Emphasizing meaning making over individual authority (Raelin, 2011, p. 196). Underlining the notion from leadership-as-practice that individuals in the collective are placed inside the leadership circle rather than outside of it (Raelin, 2011, p. 199). Illustrating that inspirational leadership is something that challenges hierarchy and embraces a flat-structure through shared goals. In smaller firms, who work in close proximity, inspiration should be visible to maintain credibility.

### *5.1.3 Human-centered leadership*

A recurring theme that wasn't covered in the theoretical framework was the need for a human approach in leadership, attributed to organizational changes that have evolved in recent years.

Firstly, Jennifer, was categorized as staff before conducting the interviews, but she answered her questions from a leader's perspective, reinforcing the idea of the fluid and egalitarian approach of leadership-as-practice emerging through daily experiences and interactions (Raelin, 2011, p. 199). With the effort of leadership being practiced collectively (Raelin, 2017, p. 217). Ultimately, tying into Burn's (1978) ideology, rejecting the ideas of leadership being confined to positional authority. Recent research also supports this, stating that leadership approaches are evolving into participatory and collaborative structures due to technological advances and changing social views. Where equality and decision-making

involvement is emphasized (Jayanagara, 2024, p. 68). Additionally, there is a growing need to tend to employee's well-being. Therefore leaders require emotional intelligence, this approach, can be found within a component of transformational leadership, individualized consideration, where leaders actively pay attention and listen to followers' need for growth, making time for each individual (Gill, Levine, & Pitt, 1999, p. 153). Displaying that transformational leaders to integrate feelings into their culture.

It is worth considering if this shift towards a more HR based approach is an aspect that requires more structural support through the collaboration or integration of an HR department. This role is also embraced through the lens of individualized consideration (Gill, Levine, & Pitt, 1999, p. 153). Some seem surprised at their obligation to fulfil this role. This illustrates that leadership in this context is relational, grounded in connection. Reinforcing the relevance of leadership-as-practice where parties engage in genuine and semiotic discourses, committing to one another and displaying interest in listening (Raelin, 2017, p. 217).i

#### *5.1.4 Values-driven leadership*

The findings illustrate that practitioners in the Icelandic marketing context guide their work through deeply rooted values as foundational tools to provide an identity internally and externally. Aligning with leadership-as-practice privileging the use of values such as social interaction and connectedness (Raelin, 2017, p. 217) and emphasizing norms that embody a safe space and a recognition of diverse perspectives (Raelin, 2012, p. 819).

Strategic planning guides the creation of values for everyday practice. Aligned with the collaborative nature of leadership-as-practice. Particularly underlining when Sylvia mentions that she wants everyone to live by their (the firm's) values. Creating an experience where the collective is unified. Connecting with Raelin's (2011) research that leadership emerges through experiences with people as a collective (Raelin, 2011, p. 199). This also plays into the fact that values assist in identity creation, implying that successful internal marketing creates a sense of identity, guided by the values set in place. Potentially having a positive impact on external output as well (Mitchell, 2002, p.1).

This theme overall reinforces the findings that and supports the literature by Eyjólfsdóttir & Smith (1997) that smaller, more agile environments such as those found in Iceland are guided through cultural alignment and less through formal hierarchy, also aligning with theory that leadership occurs through collective practice among participants of the culture (Raelin, 2011, p. 195). Utilizing values to shape an internal identity and direction.

## 5.2 Culture

The organizational culture relies on the interplay between leadership practices. How leaders carry themselves and inspire will have a significant effect on how their culture operates. This is evident in transformational leadership theory, where it states that there is constant interplay between culture and leadership. With the organizational culture shaped by its leader (Bass & Avolio, 1993, p. 113). Themes that relate to organizational development are displayed here below.

### 5.2.1 Proactive mindset

A central theme that emerged when examining organizational culture was the need to stay proactive to quick shifts in the Icelandic marketing environment. This presents leaders with the challenge to sustain a culture that reacts to change quickly. Trying to instil a mindset of being proactive. Therefore supporting the fact that traits such as adaptability and responsiveness to ever changing environments remain important to stay ahead of the competition (Šalkovska, Batraga, & Ogsta, 2022, p. 178-179).

*“There is a different situation today, compared to how it was one week ago, we have to be able to adapt” (Gary, founder)*

This reflection fits in with the components of intellectual stimulation and inspirational motivation found in transformational theory, inspiring creative solutions and supporting followers to embrace change (Gill, Levine, & Pitt, 1999, p. 53).

Gregory spoke on how being proactive has helped their firm regarding client expectations and improving cultural conditions. Rather than waiting for clients to notice a drop in production, the agency proposes ideas based on emerging opportunities. He spoke of how their organization employs strategic weekly meetings where the staff brainstorms potential ideas for their clients. Promoting an environment that empowers employees through creative action (Shocker, Srivastava, & Ruekert, 1994, p. 149-150) and creative growth, fostering a culture that promotes change, rather than maintaining the norm (Bass & Avolio, 1993, p. 113). Aligning with the focus on meaning making in L-A-P, allowing for agile adaptations to the environment surrounding the firm (Raelin, 2020, p. 481).

### 5.2.2 *Flexible roles*

Practitioners in this field embrace the need to be flexible. Dismissing the traditional rigid roles, avoiding confinement. Supporting that smaller market firms like those found in Iceland don't always comply to the ideologies of traditional frameworks (Fillis, 2002, p. 136).

Mary, account manager is at a firm with less than 15 employees. She was approached as a staff member, but answers questions from a leaders viewpoint. Her mindset reflects the culture that has been created within her organization. Supporting that smaller firms are not suited to follow formal conventions, rather stating that the process is chaotic and non-linear (Fillis, 2002, p. 136). This environment supports more fluid and flexible roles, contrasting with traditional hierarchical structures. To support this, Henry Mintzberg (1980) coined the term adhocracy. Where instead of relying on managerial control, Mintzberg asserted that adhocracy is co-ordinated mutual adjustment among well trained specialists working in multidisciplinary teams, utilizing shared sense-making and focusing on collective learning (Mintzberg, 1980, as cited in Raelin, 2011, p. 199).

In a play on words, Simpson et al. (2018) suggests that the prevailing property in L-A-P is 'in-flow-ence' rather than influence. Because it differs from traditional ideas, and is more typified by recursiveness rather than being concerned with expertise, therefore, focusing on collaborative learning (Simpson et al., 2018, as cited in Raelin, 2020, p. 481).

Leaders shape the organizational culture by accepting flexible roles and setting the tone for a collaborative working environment, where employees may feel the benefits of trust. Aligning with Raelin's (2011) concept of distributed leadership shaped by shared understanding (Raelin, 2011, p. 203).

However, even though participants spoke positively about flexible roles, it's worth questioning whether participants are hesitant to critique their agency, as this way of working requires them to go beyond their job description. Research suggests that clear boundaries are needed to decrease structural tension (Vejnovic, Purchase, Tarabashkina, 2024, p. 463).

In contrast, it may also reflect how human-centered leadership is more visible than before. Underlining the need to be emotionally available to the collective and ready to deal with such structural tensions.

### 5.2.3 *Open dialogue*

Open dialogue underlines the importance of facilitating open and supportive feedback among teams. Especially if roles are flexible. Leadership-as-practice highlights open dialogue as an important factor contributing to the fostering of a creative culture through multiple and contradictory voices (Raelin, 2020, p. 489), where parties can have a mutually constructive exchange (Raelin, 2012, p. 819). Drew brought to light that open dialogue can assist in building a more cohesive culture. Minimizing rumours and assumptions, which are often attributed to jealousy. Supporting the idea that the facilitator of dialogue brings all relevant stakeholders together to respect the coherence of other's views, temporarily suspending preconceptions. Inviting people to advance their ideas in an uncompromising manner, but being open to critical inquiry. With the tone being one of trust and empathy to produce interpersonal outcomes of patience, empathy and commitment to learning (Raelin, 2012, p. 827).

Open dialogue exists in this environment to help leaders model a culture of transparency and reinforcing trust.

### 5.2.4 *Shared success*

The findings shed a light on an interesting perspective within the Icelandic marketing environment. The ability to focus on shared success rather than individualistic traits. This idea is grounded in the theory of L-A-P, where leadership occurs cooperatively among participants. Stating that leadership is less what one person thinks or does, and more about what people may accomplish together (Raelin, 2011, p. 196). Transformational leaders place an emphasis on the collective outcome of job behavior. Through emphasizing collaboration, and the value of belonging to something larger than individualistic success (Xiong, 2023, p. 334). Additionally, theories such as L-A-P tend to move away from the traits of individuals. Shifting from the individual as the primary unit of analysis, and turning the focus on a collective achievement (Raelin, 2011, p. 196). Although effective collaboration was visible. There was also a call to recognize the individual actor.

It's not that leaders in this environment do not value individualistic traits. It's rather the fact that they focus on embedding them in a larger context. For example, a valuable asset

such as creativity is discussed as a psychological trait, but in order for it to thrive, it needs the necessary environment for the stimulation of better and newer ideas (Fillis, 2002, p. 141).

Therefore, the findings and reflections can be tied to the fact that leadership involves harnessing the capabilities of others to serve goals that lie beyond the individual, helping others see their potential in actualizing their own agency (Spender, 2008, as cited in Raelin, 2011, p. 199). With research suggesting that valuing on-going group relations may lead individuals to hold back dissenting views to avoid tension, as activities would eventually typically align (Vejnovic, Purchase, Tarabashkina, 2024, p. 463).

### 5.3 Creativity

Holzmann & Mazzini indicated that transformational leadership style is beneficial for creativity and project success (Holzmann & Mazzini, 2020, p. 1), supported by Hermida, Clem & Güss (2019), that good organizational culture positively affects creativity (Hermida, Clem & Güss, 2019, p. 2).

A main predictor of external success in the Icelandic marketing environment is the ability to create. The reflections divided this theme into sub-themes, alongside a factor that provides tension on creative freedom.

#### 5.3.1 *Creativity as a differentiator*

In this context, creativity can be viewed as a set of strategic processes that the culture creates to gain the ability to uniquely position a brand, using creativity as strategic differentiator. Creativity ties back to the cultural impact of open dialogue, where open and supportive feedback among teams fosters creative imagination, inspiring unique solutions (Raelin, 2012, p. 827). Leadership-as-practice provides the framework for daily practices that support leaders' creative vision by cultivating environments where shared engagement is deliberately encouraged (Raelin, 2011, p. 195). The findings revealed that agencies have systems in place to capture the ideas of the collective and different creative ideas to harness them. Whether it is through proactively approaching a client or by stimulating a creative environment, tapping into intellectual stimulation, where followers' imaginations are stimulated (Gill, Levine, & Pitt, 1999, p. 53).

Although creativity is generally beneficial, there is something that is called excessive creativity, creating advertisements that are too novel or original, which score better in recalls but not in likability (Li, Dou, Wang & Zhou, 2008, p. 111), perhaps not hitting home with the brand.

These practices that are put in place suggest that practitioners must recognize the strategic importance of creativity, how it can function as a powerful marketing signal that increases brand interest, perception and quality (Dahlén, Rosengren & Törn, 2008, p. 394). In a thoughtful manner.

### *5.3.2 Creativity as a strategic driver*

Creativity is a set of strategically designed processes to maximize the organizations potential and maintain consistency in their creative ability. Overlapping with theory where the leader helps staff develop ideas that are strategically appropriate (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 211). Assisting their culture in strategically aligning themselves with a client (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 205).

Brainstorming sessions for firms to strategically align themselves to a brand suggest that creativity within their agency can be utilized as a strategic tool to maintain market relevance and their value to clients. Recognizing that creativity is a central competency which results in an advantage for the organization, and developing creative competencies are strategically beneficial for the future (Fillis, 2002, p. 136).

### *5.3.3 Creativity as a core value*

Creativity is valued and embedded in the culture. Both leaders and staff members spoke of its organizational impact. Highlighting the fact that creativity is at the core of the advertising profession, providing a competitive edge for brands, allowing them to stand out (Li, Dou, Wang & Zhou, 2008, p. 109).

The reflections reveal how creativity is viewed within the industry, highlighting that it lies at the core of their profession. These perspectives come from cultures guided by supportive leadership. Creating a desire to create by fostering central elements such as

dialogue (Raelin, 2012, p. 818) and a transformational leadership style to leverage creativity and creative insight (Bass & Avolio, 1993, p. 112).

*“Something happens when you surround yourself with creatives, just going for a coffee and hearing what they have going on can be...it can be very beneficial” (Drew, founder)*

‘Something happens’ when surrounded with creatives, implying that a good organizational and creative environment can be beneficial, aligning with Raelin’s assertion that creativity emerges dynamically through social interactions (Raelin, 2020, p. 481). Also, overlapping with theory on how supportive leadership fosters a climate that creates an environment conducive to creativity, which is crucial for organizational success and market competition (Hermida, Clem & Güss, 2019, p. 2).

#### *5.3.3.1 Client tension and its impact on creativity*

The findings revealed that practitioners sense some tension from their clients, in the form of creative constraints, impacting their creative potential. This is known in theory and overlaps with the findings. That is managing organizational creativity alongside a client’s tendency to be risk averse. Therefore, less likely to support a creative, risky narrative (O’Connor, Kilgour, Koslow, & Sasser, 2018, p. 203). Risk is mentioned because creativity in advertising often involves risk (El-Murad & West, 2003, p. 657-658). This tension can lead to missed marketing opportunities, impacting client – agency relationships.

However, participants demonstrate a proactive mindset to manage these tensions. Doing so by discussing with clients and making sure their values are aligned with the agency from the start. As mentioned in *creativity as a core value*, leaders help their teams understand a client’s constraints, working towards their expectations (O’Connor, Kilgour, Koslow, & Sasser, 2018, p. 204). However, theory implies that this satisfactory relationship can also paradoxically lead to a dark side. Resulting in less original and more generic work (Koslow, Sameti, van Noort, Smit, and Sasser, 2022, p. 385). To manage this, findings revealed that stakeholders have intrinsic motivation set in place through their strategic creative processes to offset these ‘dark-side’ problems, doing so by proactively approaching clients with ideas to encourage a healthier relationship. Further implying that leadership practice and culture building positively affects creative output.

## 5.4 Branding practice

Findings suggested that the precursors of leadership, culture and creativity lead to the practice of branding, revealing sub-themes alongside tensions to manoeuvre in the Icelandic marketing environment. This section covers how the design processes that are set in place can help the culture strategically implement branding practices.

### 5.4.1 Strategic branding

The research's findings revealed that agencies are strategic about creating an identity. Aligning with experts in the industry that claim the balance of creative idea generation and meeting a clients' strategic demands are managed by marketing agencies (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 203). The findings revealed the awareness of maintaining an identity alongside a certain brand positioning, summarized by the quote below.

*"If you have a known brand, a valuable brand, you always need to make sure that the market knows who is speaking, no matter how whacky the content is. It always need to find it's way home"*  
(Gregory, founder)

This reflection aligns with a recent study in the field that claims brand associations are the emotions, perceptions and ideas about a brand, which are shaped by various factors such as advertising (Choudhary & Sahu, 2023, p. 112). Findings suggest a relationship where culture, shaped by leadership values and strategic processes of creativity directly inform branding practice and consistency. Suggesting that branding is not an isolated act but rather a product of organizational alignment, visualized below in figure 2. The quote from Gregory can exemplify how brand identity relies on consistency, which is shaped within a transformational culture by how leaders communicate internal brand values.

However, research also suggests that consistency in healthy client-relationships can limit creativity and innovation, due to perceived decreased originality. Because clients are risk-averse to original options (O'Connor, Kilgour, Koslow, & Sasser, 2018, p. 206). Therefore, leaders need to present a style that emphasizes brand-values but also encourages creativity and brand-consistent experiences (Xiong, 2023, p. 335).



Figure 2: Relationship from leadership values to organizational alignment.

#### 5.4.2 Brand investment

The findings suggest that practitioners in the field encourage their client's to properly invest in their brand. Such investments include advertising, promotions and market research. These investments therefore impact how consumers feel, which influences their purchasing decisions and in turn affects the client's profitability. The agency can produce qualities that exist above and beyond the product or service (Crass, Czarnitzki, & Toole, 2019, p. 4), creating an image that is easily recognizable even without a logo. This aligns with a brand that Peter, an executive director represents, a brand that society recognizes without having to be branded. The findings from the reflective interview imply that this brand has achieved qualities that exist beyond the product, fostered through Peter's agency.

While brand identity and investment strengthen identity and market recognition, as illustrated above. It's worth questioning whether maintaining the identity can create rigidities that hinder necessary adaptability. Resulting in what O'Connor et al. (2018) refer to as an inertia trap, which reduces the tendency to adapt to environmental change (O'Connor et al., 2018, p. 210).

However, navigating leadership, culture and creativity up until the strategic aspects of branding can help clients achieve the differentiation and distinction they seek in their respective markets. The essence of marketing agencies' success lies in their ability to be able to create something for their client. The findings suggest that in transformational cultures, such as those who are found in the Icelandic marketing environment, leaders and followers share mutual interests and a sense of shared fates, overlapping with previous research (Bass & Avolio, 1993, p. 116). With a key mechanism in achieving this process being dialogue (Raelin, 2012, p. 820), a sub-theme to culture, where leaders foster cultural norms and reflect

a brand's personality. (Bass & Avolio, 1993, p. 113). Adopting a client's brand image and nurturing it.

#### *5.4.2.1 Media shifts and implications on branding*

Research findings revealed that practitioners are feeling the effect of media shifts in their landscape. Mentioning factors such as artificial intelligence.

Leaders are forced to act in a proactive manner when there are external struggles (Šalkovska, Batraga, & Ogsta, 2022, p. 178-179). Suggesting that organizational structures and a clear identity, assist in maximizing external outcomes (Bass & Avolio, 1993, p. 121). The findings support this through the reflections from the participants, where they embrace the forthcoming of new technology, spearheaded by being proactive.

It's worth noting that none of the participants seemed concerned over these shifts, and adoption of AI practice, further reflecting the importance of inspirational motivation, where leaders manage to communicate a clear and rational vision (Gill, Levine, & Pitt, 1999, p. 53). Where the absence of concern may imply their confidence to adapt and embrace, or ignorance, to an ever changing media environment.

To conclude the discussion, a visualized diamond shaped management framework is portrayed to give a better understanding on how ideas connect and how they eventually lead to the ultimate goal of differentiation and distinction.



Figure 3: Visualized management framework. The diamond.

## 6 Conclusion

This section will summarize the key findings and takeaways from the conducted research. Ultimately answering the research question and also addressing the studies' implications and its limitations.

### 6.1 Key findings

The aim of this thesis was to better understand the impact that marketing managers have on client success and their own organizational culture. With the research question specifically looking at how their leadership strategies maintain brand competitiveness and distinction for their client, and how those strategies impact their employees. This was examined by integrating well known leadership theories such as *Transformational Leadership* (Burns, 1978; Bass & Avolio, 1993) through the lens of *Leadership-as-Practice* (Raelin, 2011; 2012; 2017; 2020). The findings of this research provide a deeper understanding of how leadership practices within the Icelandic marketing environment materialize and how they affect the culture, fostering creativity. Ultimately helping brands reach the desired goal of differentiation.

The findings demonstrated a clear will from marketing managers to include the culture in everyday leadership decisions. With them not leading in isolation, but collaboratively through everyday interaction, mutual commitment and collective meaning-making, very similar to the ideology of leadership-as-practice. Cultivating inclusive cultures through open dialogue, by having weekly strategical meetings where everyone has the opportunity to chime in and make an impact. Thus promoting an environment of creative thinking, aligning with components of transformational leadership where intellectual stimulation fosters an open and inclusive dialogue, and individualized consideration makes time for each individual in the collective (Gill, Levine, & Pitt, 1999, p. 53).

A central finding in the conducted research was the relationship link between culture and leadership practice. Through reduced hierarchy, flexibility and empowerment, staff members answered their interview questions through the lens of a leader. Therefore, leaders create an environment aligning with transformational leadership. Laying a foundation for creative processes which are instrumental for strategic brand differentiation in the Icelandic marketing environment.

Another finding was the tension between client expectations and the ability to maintain creativity under such pressure. These issues were addressed by leaders in a strategic and proactive way, setting a standard for their organization to work by, aligning with the idealized influence component in transformational leadership. Ultimately allowing the conditions for creative branding strategies to thrive, helping their client create an identity that resonates with the Iceland's agile and competitive landscape.

To answer the research question, marketing managers and agency leaders in Iceland maintain brand competitiveness and distinction for clients by grounding their leadership strategies similar to the ideologies of leadership-as-practice and transformational leadership. Fostering inclusive, collaborative cultures, egalitarian leadership, supporting a proactive approach, in turn, fostering creativity. Laying a foundation to help clients achieve brand distinction and differentiation. These strategies also positively affect employees, instilling them with trust, empowerment, distributed leadership and inspiring them towards a vision, engaging them to co-create value for a client.

## 6.2 Implications for practice

The implications of these findings provide a suggestion for marketing managers and agency leaders to adopt a leadership strategy that employs inclusive dialogue, flexibility and distributed leadership. Agencies may benefit from a leadership-as-practice approach to operations with leadership behaviour emerging through daily interactions, systematically privileging co-creation of organizational culture (Raelin, 2011, p. 195). Pairing this with a transformational leadership approach will allow them to understand the culture at hand, aligning the values and shared assumptions with a new vision (Bass & Avolio, 1993, p. 112). Creating the necessary conditions to foster a culture that is conducive to creativity, flexibility, and can strategically set themselves up for creating brand identity for a client (Bass & Avolio, 1993, p. 115). Additionally, recognizing the tension of the rising responsibility to being emotionally available to staff could be beneficial, integrating sensitivity and intuition to the needs of others (Bass & Avolio, 1993, p. 112). Properly investing in a structure that improves human-centered leadership practices, which can also recognize individual contributions within a culture focused on shared success. Therefore, sustaining team morale and maintaining ambition in organizational culture, especially in small, agile, fast-paced and tight-knit environments like Iceland.

### 6.3 Limitations

The limitations of this research are worth acknowledging, firstly, leadership is a phenomenon which is hard to assess, especially when moving beyond traditional perspectives, and assessing a collective, shared leadership practice (Raelin, 2011, p. 196). The findings relied on the reflections of leaders/managers, and members of their organization/employees. A better balance between the perspectives could have been executed, as there are an unequal amount of managers and employees.

Another limitation worth noting is the research design, more specifically thematic analysis (TA), offering reliability issues based on themes being inductively interpreted through the researcher's active involvement in the research (Braun & Clarke, 2006, p. 83). These reflections may be influenced by desirability. Additionally, the perceived dual role of some participants, who were categorized as staff but answered like leaders may influence results regarding leadership practices. Additionally, the nature of qualitative analysis focuses more on depth over breadth, therefore potentially impacting the meaning-making of the data.

Lastly, a limited sample size must be addressed, consisting of eleven participants, one of those being a student in leadership studies not working in the field of the Icelandic marketing environment. Only interviewed for reflective purposes.

### 6.4 Suggestions for future research

The limitations provide a basis for improved future research. Potentially exploring a broader, more balanced sample that would consist of an equal amount of leaders and employees. Providing rich insights into employee perceptions of leadership across organizational levels. Also, future research could benefit from cross-comparative research between different countries to establish whether the findings are culturally unique to the Icelandic marketing environment or if they are generalizable to other cultural environments. Further validating and adding to research on leadership-as-practice and transformational leadership theories. Given the fact that this research relied on qualitative experiences, future research may incorporate quantitative methods – such as, anonymous surveys to triangulate findings and test hypothesis about organizational morale and leadership practices.

## References

- Agarwal, U. A. (2019). Qualitative Interviewing. In R. N. Subudhi & S. Mishra (Eds.), *Methodological Issues in Management Research: Advances, Challenges, and the Way Ahead* (pp. 79-91). Emerald Publishing Limited. <https://doi.org/10.1108/978-1-78973-973-220191006>
- Awasthy, R. (2019). Nature of Qualitative Research. In R. N. Subudhi & S. Mishra (Eds.), *Methodological Issues in Management Research: Advances, Challenges, and the Way Ahead* (pp. 145-161). Emerald Publishing Limited. <https://doi.org/10.1108/978-1-78973-973-220191010>
- Bass, B. M., & Avolio, B. J. (1993). Transformational leadership and organizational culture. *Public Administration Quarterly*, 17(1), 112-121. <http://www.jstor.org/stable/40862298>
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77-101. <https://doi.org/10.1191/1478088706qp063oa>
- Burns, J. M. (2012). *Leadership*. Open Road Media. (Original work published 1978).
- Carpenter, G., & Glazer, R. (1994). Meaningful Brands from Meaningless Differentiation: The Dependence on Irrelevant Attributes. *Journal of Marketing Research*, 31, <https://doi.org/10.2307/3152221>
- Clarke, V., & Braun, V. (2017). Thematic Analysis. *The Journal of Positive Psychology*, 12(3), 297-298. <https://doi.org/10.1080/17439760.2016.1262613>
- Choudhary, P. K., & Sahu, K. K. (2023). Managing and shaping brand associations to ensure positive alignment with brand image: Narrative synthesis. *International Journal of Physical Education, Sports and Health*, 10(3), 112-117. <https://doi.org/10.22271/kheljournal.2023.v10.i3b.2935>
- Colin, Mitchell. (2002). Selling the brand inside. *Harvard Business Review*. 80.

- Crass, D., Czarnitzki, D., & Toole, A. A. (2019). The dynamic relationship between investments in brand equity and firm profitability: Evidence using trademark registrations. *International Journal of the Economics of Business*, 26(1), 157-176. <https://doi.org/10.1080/13571516.2019.1553292>
- El-Murad, J., & West, D. C. (2003). Risk and creativity in advertising. *Journal of Marketing Management*, 19(5-6), 657-673. <https://doi.org/10.1080/0267257X.2003.9728230>
- Eyjólfsson, H. M., & Smith, P. B. (1997). Icelandic business and management culture. *International Studies of Management & Organization*, 26(3), 61-72. <https://doi.org/10.1080/00208825.1996.11656688>
- Feinman, G. M. (2011). Size, complexity, and organizational variation: A comparative approach. *Cross-Cultural Research*, 45(1), 37-58
- Fernet, C., Trépanier, S., Austin, S., Gagné, M., & Forest, J. (2015). Transformational leadership and optimal functioning at work: On the mediating role of employees' perceived job characteristics and motivation. *Work & Stress*, 29(1), 11-31. <https://doi.org/10.1080/02678373.2014.1003998>
- Fillis, I. (2002). Small Firm Marketing Theory and Practice: Insights From The Outside. *Journal of Research in Marketing and Entrepreneurship*, 4, 134-157.
- Fillis, I., & Rentschler, R. (2010). The role of creativity in entrepreneurship. *Journal of Enterprising Culture*, 18(1), 49-81. <https://doi.org/10.1142/S0218495810000501>
- Gill, R., Levine, N., & Pitt, D.C. (1999). *Leadership and organizations for the new millenium*. The Leadership Trust Foundation.
- Gioia, Dennis & Corley, Kevin & Hamilton, Aimee. (2013). Seeking Qualitative Rigor in Inductive Research. *Organizational Research Methods*. 16(1) 15-31. <https://doi.org/10.1177/1094428112452151>.

- Glowacki, L., & Von Rueden, C. (2015). Leadership solves collective action problems in small-scale societies. *Philosophical Transactions of the Royal Society B: Biological Sciences*, 370(1669), 20150010. <https://doi.org/10.1098/rstb.2015.0010>
- Hardiani, H., Tafsir, M. (2021). The role of leadership style in fostering creativity in the workplace. *Jurnal Manajemen*, 25(3), 447-462. <https://doi.org/10.24912/jm.v25i3.760>
- Hermida, Y., Clem, W., & Güss, C. D. (2019). The inseparable three: How organization and culture can foster individual creativity. *Frontiers in Psychology*, 10, 2133. <https://doi.org/10.3389/fpsyg.2019.02133>
- Holzmann, V., & Mazzini, L. (2020). Applying Project Management to Creative Industries: The Relationship between Leadership Style and Project Success. *Journal of Organizational Culture, Communications and Conflict*, 24, 1-17.
- Hu, C. (2024). The impact of flexible work systems on employee job satisfaction and productivity. *Journal of Humanities, Arts and Social Science*, 8(7), 1660-1663. <https://doi.org/10.26855/jhass.2024.07.020>
- Jayanagara, O. (2024). The evolution of leadership in the modern professional landscape: Shifting paradigms and their impacts: *Feedforward: Journal of Human Resource*, 4(1). 61-71. Faculty of Economics and Business, Pelita Harapan University. <https://doi.org/10.19166/ff.v4i1.8198>
- Jujumaya, J., & Torres, J. P. (2023) Effects of transformational leadership and work engagement on manager's creative performance. *Baltic Journal of Management*, 18(1), 34-53. <https://doi.org/10.1108/BJM-11-2021-0449>
- Keegan, B.J., Rowley, J.E., & Tonge, J. (2017). Marketing agency – client relationships: towards a research agenda. *European Journal of Marketing*, 51, 1197-1223.
- Kelly, S. (2010). Qualitative interviewing techniques and styles. In I. Bourgeault, R. Dingwall, R. De Vries (Eds.) *Qualitative interviewing techniques and styles* (pp. 307-326). SAGE Publications Ltd. <https://doi.org/10.4135/9781446268247>
- Koslow, S., Sameti, A., van Noort, G., Smit, E. G., & Sasser, S. L. (2022). When bad is good: Do good relationships between marketing clients and their advertising agencies

- challenge creativity? *Journal of advertising*, 51(3), 385-405.  
<https://doi.org/10.1080/00913367.2021.1980469>
- Kvale, S. (1996). The 1,000-page question. *Qualitative Inquiry*, 2(3), 275-284.  
<https://doi.org/10.1177/107780049600200302>
- Li, H., Dou, W., Wang, G., & Zhou, N. (2008). The effect of agency creativity on campaign outcomes: The moderating role of marketing conditions. *Journal of Advertising*, 37(4), 109-120. <https://doi.org/10.2753/JOA0091-3367370409>
- O'Connor, H., Kilgour, M., Koslow, S., & Sasser, S. (2018). Drivers of creativity within advertising agencies: How structural configuration can affect and improve creative development. *Journal of advertising research*, 58(2), 202-217.  
<https://doi.org/10.2501/JAR-2017-015>
- Paris, T., & Ben Mahmoud-Jouini, S. (2019). The process of creation in creative industries: The case of the film industry. *Creativity and Innovation Management*, 28(4), 403-419.  
<https://doi.org/10.1111/caim.12332>
- Priya, K., Rameshkumar, V. P., V, R., Premkumar, B., Krishnan, S. A., & Jyothi, P. (2024). Exploring effective leadership strategies to drive organizational success & foster sustainable growth. *Proceedings of the 2024 Second International Conference on Advances in Information Technology (ICAIT-2024)*, 1-6.  
[10.1109/ICAIT61638.2024.10690843](https://doi.org/10.1109/ICAIT61638.2024.10690843)
- Raelin, J. A. (2011). From leadership-as-practice to leaderful practice. *Leadership* 7(2). 195-211. <https://doi.org/10.1177/1742715010394808>
- Raelin, J. A. (2012). The manager as facilitator of dialogue. *Organization*, 20(6), 818-839.  
<https://doi.org/10.1177/1350508412455085>
- Raelin, J. A. (2017). Leadership-as-practice: Theory and application – An editor's reflection. *Leadership*, 13(2), 215-221. <https://doi.org/10.1177/1742715017702273>
- Raelin, J. A. (2020). Toward a methodology for studying leadership-as-practice. *Leadership*, 16(4), 480-508. <https://doi.org/10.1177/1742715019882831>

- Shocker, A., Srivastava, R. K., & Ruekert, R. W. (1994). Challenges and opportunities facing brand management: An introduction to the special issue. *Journal of Marketing Research*, 31(2), 149-158. <https://doi.org/10.2307/3152190>
- Šalkovska, J., Batraga, A., & Ogsta, E. (2022). Actual problems of enterprises' marketing management. *Regional Formation and Development Studies*, 14(3), 178-188. <https://doi.org/10.15181/rfds.v14i3.874>
- Vejnovic, E., Purchase, S., Tarabashkina, L. (2024). Marketing research agency, creative agency and client relationships: A study of relationship tensions. *Journal of Business & Industrial Marketing*, 39(3), 461-473. <https://doi.org/10.1108/JBIM-07-2022-0327>
- Von Rueden, C., & Van Vugt, M. (2015). Leadership in small-scale societies: some implications for theory, research, and practice. *The Leadership Quarterly*, 26(6), 978-990. <https://doi.org/10.1016/j.leaqua.2015.10.004>
- Walumbwa, F. O., Wang, P., Lawler, J. J., & Shi, K. (2010). The role of collective efficacy in the relations between transformational leadership and work outcomes. *Journal of Occupational and Organizational Psychology*, 83(3), 753-768. <https://doi.org/10.1348/0963179042596441>
- World Health Organization (n.d.). *Iceland* [Health data overview]. World Health Organization. <https://data.who.int/countries/352>
- Xiong, L. (2023). It takes a village: Examining how and when brand-specific transformational leadership affects employees in internal brand management. *Journal of Brand Management*, 30(5), 333-346. <https://doi.org/10.1057/s41262-022-00308-3>
- Zhang, J. (2024). From Print to Pixels: Navigating the Evolution of Marketing. *Journal of Innovations*, 2 (5&6), 31-41. <https://doi.org/10.62470/3e243019>.

## Appendix A: Interview guide

### Interview guide for leadership as practice, values and current challenges in marketing/branding agencies

The interview guide is based on Leadership-as-practice and the conceptualization of transformational leadership by Bass as well as integrations of operationalizing the concept of driving distinction through literature from Shocker, Srivastava & Ruekert and Xiong.

#### Leading to success and creating culture

- Can you please describe leadership in your words?
  - Geturðu lýst því fyrir mér hvað það er að vera leiðtogi?
  
- What is good leadership to you?
  - Hvað einkennir góða leiðtogahæfni fyrir þér?
  
- What do good leaders do?
  - Af þinni upplifun, hvað gera góðir leiðtogar?
  
- What do bad leaders do?
  - Hvað gera slæmir leiðtogar?
  
- How can you recognize the difference?
  - Hvernig getur þú greint muninn á góðri og slæmri leiðtogahæfni og haft það að leiðarljósi í þínu starfi?
  
- What is the role of values in your work?
  - Hvaða hlutverki gegna gildi í þínu starfi?
  
- What is the role of values in leadership?
  - Hvers vegna skipta gildi máli fyrir þá sem stýra?
  
- What values do you hope to see in your team?
  - Hvaða gildi viltu sjá í starfsteyminu þínu?

- How are these values lived in your daily work?
  - Hvernig myndir þú telja þessi gildi birtast í daglegri starfsemi.
- How do these values and your team culture impact project outcomes?
  - Hvaða áhrif hafa þau gildi á menningu innan fyrirtækisins og telur þú þau hafa áhrif á útkomu verkefna sem þið vinnið?
- What do you do to sustain these value?
  - Hvernig vinnurðu að því að viðhalda þessum gildum?

## **Empowering the team, creativity and strategy**

- What is the role or importance of creativity in your context (marketing agencies)?
  - Hvert er hlutverk, eða mikilvægi sköpunarmáttar í ykkar umhverfi?
- How do you encourage your team to think and be more creative (broadly and deeply to generate useful ideas)?
  - Hvernig hveturðu teymið áfram í að hugsa út fyrir boxið og koma með hugmyndir sem gætu talist óhefðbundnar en gagnlegar?
- How does that work for a specific project?
  - Hvernig lýsir þessi teymisvinna sér þegar unnið er að nýju verkefni?
  - Hvernig spretta fram hugmyndir?
  - Hvernig eru þær teknar áfram?
- Hefur þú einhvern tímann verið smeyk/smeykur um útkomu verkefnis, aðallega vegna þess að þið eruð að prófa eitthvað nýtt?
- How do you handle the influence of client pressure or constraints on your team?
  - Setja kúnnar pressu á verkefni?
  - Ef svo er, hvernig ráðið þið við slíka pressu á teymið?
- What is the role of external forces, market developments for your work?

- Hvert er hlutverk utanaðkomandi þátta eins og markaðsþróana, í þínu starfi?
- How would you do you support or learn with your team to use these changes to their advantage?
  - Hvernig styðurðu teymið þitt og lærir með þeim að nýta nýlegar þróanir?
- What is the role of open dialogue?
  - Hvert er mikilvægi opinnar umræðu. Koma með dæmi.
  - Finnst þér slíkt styrkja samvinnu?
- Are there values that do not fit in a business context? Which are they?
- **What do you think are the biggest challenges right now for your team?**
  - **Hverjar eru stærstu áskoranirnar sem þið eruð að eiga við núna?**
- **What are the biggest challenges for your clients at the moment?**
  - **Hverjar eru stærstu áskoranirnar hjá kúnum?**
- **How can you balance these challenges?**
  - **Hvernig myndið þið jafnvægi milli ykkar áskorana og áskorana sem eru hjá kúnum?**
- Do you feel the competition? Finnurðu fyrir mikilli samkeppni á ykkar markaði?
  - Hvernig eigið þið við hana?
- Where do you see the future of your work heading?
  - Hvernig sérðu fyrir þér framtíð markaðsumhverfisins?
- What do you do to contribute to achieving that?
  - Hvernig myndir þú vilja vinna að því markmiði?

## Appendix B: Informed consent

### CONSENT REQUEST FOR PARTICIPATING IN RESEARCH FOR QUESTIONS ABOUT THE STUDY, CONTACT:

[Tómas Atli Björnsson, 746125tb@eur.nl]

#### DESCRIPTION

You<sup>4</sup> are invited to participate in a research about leadership practice. The purpose of the study is to understand how leaders create an environment to foster creativity within their staff.

Your acceptance to participate in this study means that you accept to be interviewed. In general terms,<sup>5</sup>

- - [in the case of survey/interview/focus group] my questions will be related to leadership practice

Unless you prefer that no recordings are made, I will make an audio recording of the interview.

I will use the material from the interviews and my observation exclusively for academic work, such as further research, academic meetings and publications.

#### RISKS AND BENEFITS [alternatives A and B are presented below, but there may be further variations]

A. As far as I can tell, there are no risks associated with participating in this research. I will not use your name or other identifying information in the study. Participants in the study will only be referred to with pseudonyms, and in terms of general characteristics such as age and gender, etc.

You are always free not to answer any particular question, and/or stop participating at any point.

#### TIME INVOLVEMENT

Your participation in this study will take 45 - 60 minutes. You may interrupt your participation at any time.

There will be no monetary compensation for your participation.

#### DATA COLLECTION AND RETENTION

During the interview, the following personal data will be collected from you: Name, age, gender, ..., audio or visual recordings, occupation, feelings about / opinions about leadership practices.

I also need your email address to send the results of the study to you by email.

Your data will be retained for a minimum of **5 years**. I retain the data so that other researchers have the opportunity to verify that the research was conducted correctly.

## **PARTICIPANTS' RIGHTS**

If you have decided to accept to participate in this project, please understand your participation is voluntary and you have the right to withdraw your consent or discontinue participation at any time without penalty. You have the right to refuse to answer particular questions. If you prefer, your identity will be made known in all written data resulting from the study. Otherwise, your individual privacy will be maintained in all published and written data resulting from the study.

## **CONTACTS AND QUESTIONS**

If you have questions about your rights as a study participant, or are dissatisfied at any time with any aspect of this study, you may contact –anonymously, if you wish— [mediastudies@eshcc.eur.nl](mailto:mediastudies@eshcc.eur.nl).

Do you have a complaint or concerns about your privacy? Please email the [[Tómas Atli Björnsson, 746125tb@eur.nl](mailto:Tomas.Atli.Bjornsson,746125tb@eur.nl)], or visit [www.autoriteitpersoonsgegevens.nl](http://www.autoriteitpersoonsgegevens.nl). (T: 088 - 1805250)

## **SIGNING THE CONSENT FORM**

If you sign this consent form, your signature will be the only documentation of your identity. Thus, you DO NOT NEED to sign this form. In order to minimize risks and protect your identity, you may prefer to consent orally. Your oral consent is sufficient.

I give consent to be recorded during this study:

Name Signature Date:

## Appendix C: Coding tree

Quote	Initial code	Refined code for theme building	Theme
<p>„Being a leader is of course being the one with the vision, and the capability to help the staff and interested parties understand it“ (GARY)</p> <p>„The company wouldn't make it without a vision“ (GARY)</p> <p>„We figure out which individuals fit each project“ (LAUREN)</p> <p>„Our goal is to make the most effective advertisements“ (PETER)</p> <p>„Hardest part is learning to allow people to run into the blocks themselves“ (GARY)</p>	<p>Inspire a vision</p> <p>Companies won't succeed without a vision</p> <p>Leaders need to know who fits what project</p> <p>Clear goals</p> <p>Empowerment through autonomy</p>	<b>Visionary leadership</b>	<b>Leadership style</b>
<p>„What I've learnt is to of course delve into it [issues] head first“ (GARY)</p> <p>„I have a tom relationship with titles“ (JAMES)</p> <p>„Leaders sometimes have to make difficult decisions“ (JAMES)</p> <p>„We are what we call a success driven agency“ (PETER)</p>	<p>Tackle issues head on</p> <p>No need for job titles</p> <p>Leadership is making difficult decisions</p> <p>Inspiring the team</p>	<b>Inspirational leadership</b>	
<p>„We have a clear vision and clear values, which we work from“ (GARY)</p> <p>„Certain sentences determine how we work and what we believe“ (GARY)</p> <p>„Values are diagnostic tools in my eyes“ (GARY)</p>	<p>Strategic planning provides clear values</p> <p>Value alignment</p> <p>Values are diagnostic tools</p>	<b>Values-driven leadership</b>	
<p>„You simply get more caught up in people's personal affairs“ (GARY)</p> <p>„Now there is more work-life balance“ (GARY)</p>	<p>More involvement in personal affairs</p> <p>Work-life balance</p>	<b>Human-centered leadership</b>	
<p>„It is always the [whole] agency that wins the awards“ (LAUREN)</p> <p>„Projects for the agency, are projects for everyone“</p> <p>„Everyone is really focused on being happy for each other“</p>	<p>Success is a shared accomplishment</p> <p>Pride of success</p> <p>Compersion</p>	<b>Shared success</b>	<b>Culture</b>
<p>„Everyone can comment, open dialogue and flat structure“</p> <p>„This dialogue, makes everyone a part of the project“ (DREW)</p> <p>„After lunch on Friday, we have a discussion where everyone brings ideas“ (JAMES)</p>	<p>No hierarchy</p> <p>Inclusion</p> <p>Open discussion</p>	<b>Open dialogue</b>	
<p>„We encourage people to step over those lines [roles]“</p> <p>„I want an advisor to have opinions about design and to bring ideas for text work“</p> <p>„You have to be able to jump and change hats [roles] and contribute“</p>	<p>Flowing role structure</p> <p>Roles meshing</p> <p>Adaptability</p>	<b>Flexible roles</b>	
<p>„It's the main point [being proactive]“</p> <p>„People that show they're proactive, they are the ones that will succeed“</p> <p>„Our differentiator is being proactive“</p>	<p>Being proactive is a main factor</p> <p>Achievement through proactiveness</p> <p>Proactive differentiation</p>	<b>Proactive mindset</b>	
<p>„We put a lot of work into making creative briefs for clients“</p> <p>„Placing it in a different context, sparks intrigue“</p> <p>„Sometimes, you have to find creativity in a jar“</p>	<p>Creative briefs</p> <p>Contextual creativity</p> <p>Constrained creativity</p>	<b>Creativity as strategic driver</b>	
<p>„We create the strategy that enables differentiation“</p> <p>„It's our differentiator, that creative drive“</p> <p>„Creativity has the power to shape people's opinions“</p>	<p>Strategic creativity</p> <p>Differentiating with creativity</p> <p>Changing perception</p>	<b>Creativity as a differentiator</b>	
<p>„It lights a fire within the staff“</p> <p>„But it's like, like a muscle [creativity] that you have to train“</p> <p>„You always have your antennas on, trying to capture creativity in the environment“</p>	<p>Competitive creativity</p> <p>Training creativity</p> <p>Creative awareness</p>	<b>Creativity as a core value</b>	
<p>„Don't rely on one face“</p> <p>„We want to be consistent, we're not just doing something“</p> <p>„Every touchpoint needs to speak with each other“</p>	<p>Over-reliance</p> <p>Consistency</p> <p>Coherency</p>	<b>Strategic branding</b>	<b>Branding practice</b>
<p>„Where is the empty space? Where can we differentiate?“ Elin</p> <p>„Companies can differentiate themselves on vision, tone, and many other things“ Elin</p> <p>„Advertisements should intrigue people“ Káti</p>	<p>Finding the gap</p> <p>Areas of differentiation</p> <p>Intrigue</p>	<b>Differentiation</b>	
<p>„You need to invest in your brand to build it“ Agnar</p> <p>„When they [political party] were entering media, I found it silly“ Gulli</p> <p>„Bring money to the ad agency and do more“ Högni</p>	<p>Investment</p> <p>Impacted credibility</p> <p>Spending strategically</p>	<b>Brand investment</b>	

## **Appendix D: AI declaration**

The use of AI tools such as ChatGPT were used to help me summarize articles that I had read to gain a deeper understanding but not used to cite contents of the paper. It was also utilized to assist with phrasing when I felt I had been unclear but only as inspiration to make something more understandable. It was also used in assisting me with formatting some APA 7<sup>th</sup> edition references when I was not completely sure how they should appear.