



“How will brands need to change?”

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I recently gave a talk to a group of students studying art and design who were considering a career in advertising.

There was a degree of hesitation from these students about their chosen career having seen so many headlines regarding the demise of our industry and in turn marketing. The digital revolution is sweeping all before it. Nothing will ever be the same. Forget everything you know and change is the only constant.

As I stood in front of these students I could see fear on their faces. Was their chosen career about to disappear before they’d even graduated?

I then proceeded to give a talk assuring these students that far from disappearing, this was the most exciting time to be in our industry. Yes, of course we were being confronted by enormous change. Yes, the digital revolution was changing the way we worked. Yes, many companies would disappear. But also that many new companies would be created.

SLIDE: Creative Destruction

We’ve all I’m sure heard the phrase Creative Destruction.

Creative Destruction is the breaking down of old habits and practices that in turn creates new and more powerful means of expression.

The walls have come down – innovation is magnified, old habits die. New avenues of expression appear.

In all this, opportunity and creativity are expanding exponentially.

Technology has always been a spur to creativity. Mozart without a piano would have been somewhat limited as a composer. Rock ‘n’ roll without the electric guitar would have stayed being called folk music. And no one would have booed Bob Dylan, calling him a Judas, when he went electric.

SLIDE: Technology is the means by which creativity leaps forward.

Technology is the means by which creativity leaps forward. It empowers our thinking.

Just as technology has liberated creativity, so it's liberating marketing. It's offering brands the opportunity to occupy a greater sense of space in the consumers mind. Surely this must therefore mean that this is the most exciting time to be in marketing as well as advertising.

But it will only be so if brands realise the seismic shifts that are occurring in the market place.

SLIDE: Audience - Consumers

The question for so many brands is to understand how they engage with their audience. And notice by the way I use the word audience. Not consumers. I purposely use this word because I want to encourage my clients and my creative people to think about the public in a different way. I think the word consumer is old fashioned. It assumes complacency and lethargy. A one way, top down means of communication. From producer to buyer.

In many ways I could argue the public don't need to consume more. They're over consumed and by and large underwhelmed. More doesn't necessarily mean better. It more often than not confuses rather than clarifies.

SLIDE: Alvin Toffler in his book 'Future Shock' predicted that the profligation of choice was becoming bewildering

Many years ago Alvin Toffler in his book 'Future Shock' predicted that the profligation of choice was becoming bewildering and confusing for consumers. Leading to a sense of isolation. But Toffler's mistake was to think of people conventionally as consumers.

SLIDE: consumer - Audience

If however I change the word consumer to audience I begin to alter my terms of engagement. Audiences seek to be entertained, they engage, they interact, they show commitment, they enthuse. And if treated properly return for more.

What Toffer never appreciated was the extent of the publics desire for entertainment. To be amused and titillated.

As marketing looks into the future and ponders the world that is opening up for them, it must realise that two things are happening.

It's in both the entertainment industry and it's in the fashion business. And these two worlds are increasingly overlapping.

[SLIDE: BECKHAM]

Beckham is both a sportsman and a fashion leader.

[SLIDE: JUDE]

Jude Law is not only an international movie star, he is also a fashion icon. And the same is happening to products. The I-Phone both entertains me and makes me look cool. It is a design icon.

[SLIDE: MORECOMBE AND WISE]

These two worlds are merging. For those who can remember Morecambe and Wise we would all say they were hugely entertaining. None of us under any circumstances would say they were fashions icon.

[SLIDE: NICOLE]

Today we live in a different world. What a star wears to the Oscars garners almost as much attention as to what they win. The red carpet does more than just guide them into the show.

For brands this offers huge opportunities and signals enormous dangers.

Because increasingly we all live in a world dominated by fashion. The food we eat, the places we go, the car we drive. Our homes, our lives are being driven by fashion and style.

Performance of course is fundamentally important lets not forget that. Functionality is still at the heart of a product or service. But it also employs design and style to encourage its adoption.

[TITLE SLIDE]

And of course what technology originally provided was reliability. It made things work better.

It isn't so long ago that VW were running a powerful and memorable campaign around the thought, "If only everything in life was as reliable as a Volkswagen". Eventually they had to stop running the campaign. As reliable as VW was, it came something like 7th in the annual reliability charts published by the AA. In other words reliability was no longer an issue. And so it is with more and more brands.

The issue is, not does it work. I expect it to work. But what does it say about me. It becomes a fashion statement.

As society becomes wealthier, despite what some banks have tried to do. We increasingly seek other things from the products we buy. None of this is new. For years we've looked to the emotional benefits a brand offers. Wishing to signal to others our place in society.

Traditionally this was described as status. The paper we read, the car we drove, the place we lived. All of these reflected our wealth, knowledge and background. Top people read The Times, the wealthy drove Bentley's and Rolls Royce's. Status was undoubtedly important. Keeping up with the Jones's crucial.

But today that's changed. It's not about status. That's class ridden and old fashioned. Its about staying ahead.

It's Vorsprung Durch Technik, Think Different, Keep Walking. It's egalitarian and inclusive. Money isn't the only measure of your success. Wearing the right pair of jeans in the right finish doesn't cost a fortune. It does require an understanding of fashion.

[SLIDE: Haagen Dazs]

When we launched Haagen Dazs in the early 90's. we were in the middle of a recession. Not, you could argue the best of times to be launching a luxury ice cream brand. Far from it. We positioned the brand as a sensual pleasure. We didn't compare it to other ice creams. In fact we hardly mentioned the word ice cream. But at £3 a pot it was not only accessible it was the most stylish pleasure you could purchase. The brand took off. We weren't in the ice cream business we were in the sensual pleasure business.

Sadly over time a succession of brand owners dragged it back to the ice cream sector. Now it's just one of a number of ice creams fighting for attention in that supermarket chiller cabinet. Imagine where you could have taken that brand had they realised the potential of that positioning. Had they realised they'd created a fashion brand.

This man certainly understands performance and style.

[SLIDE: DYSON]

And of course this engagement with fashion sits alongside the desire to be entertained. So we see the two worlds of entertainment and fashions merging. And we see the needs of brands to become part of this world.

I could say the future is about fashiontainment. I know a terrible world....!

[SLIDE: FASHIONTAINMENT]

But the problem for many brands is they still talk of consumers. And they still think of themselves in the conventional top down world of marketing.

Whereas the new world of marketing is fashion driven. Or perhaps I should say style driven. Unlocking the sales potential of your communication is going to require different thinking. Increasingly people will want to buy the product that says the right thing about them. Marketing directors will have to become increasingly style directors. They will be making decisions not based on consumer research but on instinct and gut feel.

Audiences want to be entertained, engaged, amused, titillated. They want to interact, enthuse, be passionate! And they want it constantly and consistently new.

This new world will move too fast for the conventional marketing risk assessment tools. Instead we will

have to take our cues from the fashion world. We'll be flipping through the styles pages as well as the business one's.

So, the lessons of the future wont come from the world of FMCG or the old brands. Research will move from being a measurement tool to one that is future facing.

[SLIDE: ORANGE / CELLNET]

When Orange launched itself as a network provider back in the mid 90's, it did so with a radical name. Orange. Why Orange, not Banana, why not strawberry. Why not a multitude of other names. Orange after all doesn't seem very advanced. Technologically future facing. But someone, somewhere decided it should be Orange. And out of that decision and a brilliant line - the future's bright the future's Orange - a hugely successful brand was built. That I would argue was a decision based on style, taste whatever you want to call it. One of it's competitors at the time was called Cellnet - remember them. A dreary and predictable name that. Well they re-branded as you all know from that name and are called O2.

And what have they done recently? To connect with their audience they've branded the converted millennium dome as the O2 Dome. An entertainment venue that has almost certainly added value to their brand.

[TITLE SLIDE]

There is one other important point to remember when you're in the world of style and fashion. The value equation changes dramatically.

Premium pricing becomes not only achievable but sustainable.

Anyone here know the price difference between that Dyson I showed earlier and its nearest competitor?

[SLIDE: DYSON + VAX]

---- £89.99 for the VAX V-060C TURBOFORCE UPRIGHT
----- £224.99 DYSON DC27 ANIMAL

I could define marketing as the anticipation and provision of consumer needs whilst adding value to the bottom line.

[TITLE SLIDE]

I would add to that the need to also inspire and create demand.

To go back to my starting point, I think this is the most exciting time to be in advertising and marketing. But my fear is, do we have the people capable of grabbing this opportunity.

Digital technology and the relationships brands can now build with their potential audiences are unprecedented. But only if employed with daring and distinctive thinking.

The value of a great idea hasn't changed. The opportunity to exploit it has. And before we all get carried away with fear about all this new technology. Lets just remember what it provides is speed and access. In other words I can get more of what I want more easily.

It has accelerated people's desires not changed them.

We are now living in a genuinely creative world. Technology has liberated marketing from the conventional media patterns. It has created an environment in which brands can really develop their own agenda. Where they're creative and entrepreneurial skills can be competitively deployed against the brands needs without having to even engage with conventional media.

This doesn't mean established media outlets are wrong, they're not. They also offer unprecedented value. But they also have to be employed in a more inventive and exciting way. Linking established media to the digital world is the Holy Grail of communication. But unless marketing directors rethink their audiences, stop talking about compliant consumers and re define how they engage with them. Success and the opportunities that now present themselves to us will be wasted.

Brands should be now viewed through a prism of Style and Substance.

[SLIDE: STYLE AND SUBSTANCE]

Accountability is a worthy intention. But not if it constantly chokes off opportunity.

The world of fashion has understood how to live with those two needs.

Marketing should be looking to how they manage this and create on going success.


JIM STENGEL