Marketing in the age of sustainability

Marketing has reached a crisis and needs fundamentally new ways of thinking to survive in the decades to come, argues **Giles Hedger,** Leo Burnett

TEN YEARS AGO, marketing was at the peak of its influence within business. In contrast, the first decade of the 2 ist century will be remembered as marketing's Perfect Storm.

History will identify a number of different crises - material and philosophical - developing in parallel, converging around the global economic crisis and triggering a fundamental re-think.

This article attempts to make sense of the storm, and lays out some of the principles that might guide marketing back to sustainability.

1) Crisis of purpose

Today, we know that the Earth is not flat because we have travelled to the edge and seen that it does not exist. We know that parallel lines can theoretically meet, because we have gone beyond empirical study into the world of quantum mathematics. We know that matter can be created and destroyed, because nuclear physics has found ways of destabilising matter itself.

To this list of old truths that have been tested and disproved, we must now add the ability of markets to regulate themselves. When Alan Greenspan was pulled out of retirement to answer questions about the decisions he made in the run-up to the global economic crisis of 2008, he acknowledged - to his own very real astonishment - that the premise that had guided him, and by extension the US, and by extension the world, through 60 years of economic management had collapsed.

So, the free market is not a perfect, self-correcting entity. It is possible for flaws to develop in the chain of logic, and for those flaws to be concealed by subsequent flaws; and for this process to repeat itself until a bubble of market-killing proportions has been created. And what's more, it is possible for that bubble to burst.

If one looks deep into the operating system of global capitalism, there is no single piece of code that can be rectified. The error is human error. Not just the enduring human fallibility of fear, greed and denial, but a new 2 ist century human syndrome. Let's call it Can't Go Backwards.

Can't Go Backwards is the human syndrome that corrupted the judgement not just of world governments, central banks and enterprise, but also - indirectly - of marketing. The only way that marketing could continue to deliver at the rate demanded of it by the boards of Can't Go Backwards companies, was to fudge one fundamental question: 'Do people need or want the stuff we are selling them?'

If you remove this particular clause from the marketing covenant, life in the short-term becomes a whole lot easier. Rather like the sub-prime mortgage vendors who unlocked artificial growth by dispensing with credit checks, so brand owners had begun to write enduring human benefit out of the marketing process in order to speed things up.

Can't Go Backwards companies needed marketing departments that could Sell More Stuff. And consumers were awash with such easy credit, buoyed by such sky-rocketing property values, and memory warped by such a long period of uninterrupted prosperity, that they too let their judgement lapse. They adopted a mentality best described as: 'Why the hell not?

So Can't Go Backwards relied on being able to Sell More Stuff to Why the Hell Not. This model collapsed in 2008. The idea of marketing as stimulant of unrequested consumption looks a little thin nowadays. In fact, it looks a little mad. So what will be marketing's raison d'etre in the 21 st century?

Perhaps it is time for business to seek to grow in step with human development, not in an accelerated parallel universe. Perhaps marketing exists to listen to people, and having listened, work out how a product or service can serve people's needs and wants.

2) Crisis of methodology

Meanwhile, through the same period - and specifically between 2001 and 2008 - marketing had been going through its own internal debate about methodology. The minor corporate advertising recession triggered by the dotcom bubble and the huge blow to confidence inflicted by the 9/11 attacks created the moment when the internet's share of advertising spend overtook newspapers' share of advertising spend.

These lines, once crossed, were unlikely ever to uncross. With one person in seven globally online, and with major advertisers making big and public commitments to new media, a noisy and long-running debate began in which we were all encouraged to choose between the traditional ways and the modern.

The traditional ways are characterised by telling people things about a brand until they buy it. The modern ways are characterised by letting people climb all over your brand until, through the repeated movement of Plimsoll on Platform, an energy loosely recognisable as publicity is generated.

It's a distinction that runs far deeper than the creative product. It taps into deep-seated preferences about the degree of control we like to operate with; the degree of single-mindedness we like to impose; and the degree of transparency we can comfortably apply.

Around this distinction between traditional and modern, different schools of brand management have emerged. Half of the people reading this will have made some conscious and explicit commitment to the rejection of traditional marketing. The other half will have spent recent years entrenching themselves in the comforting truth that for them, for the time being, the olds methods still work.

With brand management, brands themselves have developed to be type A or type B. If 40% of the market capitalisation of the FTSE 500 is accounted for by intangible brand value, then the first 20% exists in the strength of a brand's promise and the second 20% in the depth of a brand's engagement. Today, some brands are still governed by the power of words. Others have embraced the power of deed.

The brands still governed by the power of words are typically packaged goods brands selling a promise (durable, fast moving or otherwise); and those that have embraced the power of deed are typically service brands selling an experience (retail, technological or otherwise).

Occasionally, a type A brand will sud-

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'Can't Go Backwards' is the human syndrome that corrupted the judgement not just of central banks but also - indirectly - of marketing

denly and conspicuously adopt the technique of a type B brand - Cadbury is probably the decade's most notable example - and yet for all the well-earned publicity that this generates, it does not, in any real sense, blend the two approaches.

There's no denying that we have all drawn energy from the old versus new debate. It has provided posture and drama. But it has been a rigid and partisan conversation and has not brought us any closer to finding a new model.

The crisis that these polarising methodologies present is a human one. While the two camps have been forming, the consumer's appetite for what can most simply be described as 'relevant and engaging stuff has remained unchanged. (The only difference being that the associative pathways to relevance are now more complex; and the channels of engagement more powerful and diverse.)

So what new methodology can allow brands to create relevant and engaging stuff in this new, more complex landscape? Perhaps between the 'believe what I say' approach and the 'enjoy what I do' approach, there is a third way. Perhaps the brands of the future will be those that can look the world in the eye and say 'everything I do is a result of something I believe'.

Perhaps we have been asking people to believe in brands for too long. Perhaps the two dominant schools are simply different ways of earning people's faith and commitment. Perhaps this whole transaction is the wrong way round. Perhaps now, with people's faith in most things so fundamentally shaken, it is a brand's job to believe in something.

People have enough to cope with. Why on earth should a brand succeed simply by adding to the list of human energies that need to be invested in? Perhaps brands themselves need to start investing emotional energy. Perhaps Douglas Coupland is right. Perhaps people are simply too tired. If so, it is for a brand to know why it exists, not for people to work it out. Perhaps even more than a promise or a platform, brands need a purpose.

3) Crisis of scalability

If marketing output continues to proliferate, as it has begun to do this decade, into ever-diminishing units of enacted experience, it won't be long before the entire business of marketing becomes unmanageable and unprofitable. The economies of mass media have always been at the heart of marketing. Put simply, the cost per consumer impression decreases, as the number of consumer impressions increases.

It has been fashionable to discard this way of thinking because it seems crude; riddled with assumptions about the parity of different impressions; and over-generous towards practitioners. Roughly half of the advertiser community probably thinks that mass media is money for old rope. And this view probably helps that same half of the community accelerate away from traditional marketing thinking.

However, what are marketers to be rewarded for, if not for the quantity of human participation that they stimulate?

What is an IP-based reward culture, if the value of the idea does not, in some way, relate to the number of people it successfully engages with? What is an ROI-based reward culture, if a key part of the 'return' is not the number of people taking part? The fact is, long after media commission is consigned to the dinosaur drawer, the basic principle of paying for the quantity of human participation achieved is likely to endure.

And rightly so. Brands grow when more people use them. Big brands have more users than small brands. There are worse things brand owners can do than seek scale; and there are worse ways of judging creativity than its ability to unite people en masse.

The crisis of scalability lies in the fact that straightforward reach - the absolute number of people that a brand connects with - has too often been sacrificed in the name of modernity. One half of the marketing community is trying to talk to a million tiny villages on the basis that they are unique, their passions intense, and the value of their commitment high. The other half is trying to talk to an entire nation on the basis that all the villages are the same, their passions universal, and the value of a big conversation exponential.

The village practitioners are typically owners of new brands, built one postcode or social network at a time. The nation practitioners are typically owners of incumbent brands, thriving on the rule of double jeopardy, and adding penetration one anonymous thousand at a time.

But what does each aspire to in the end, if not scale? And what does each need from marketing if not ideas that are capable not just of intensity, but also of size? Perhaps we should look for shared routine. The days of 50 ratings programmes may be gone, but we remain creatures of habit, and perhaps hunting down the new herd is still more efficiently done in shared routine than through millions of disaggregated private moments. Perhaps the new mass media plan will be a blend of the efficiencies of the television age and the fluidities and eccentricities of the modern media diet. Perhaps, also, we should check that the base of whatever pyramid of participation we are building, can be matched to the scale of the business problem.

The marketing discipline has become divided into new 'village' and old 'global' practitioners

4) Crisis of theory

The marketing community can normally agree - and particularly in such times as these - that behaviour change sits at the heart of any marketing objective. What has been challenged, though, in the past decade, is the theory of how behaviour change happens.

The cosy belief that people could be managed along a funnel-shaped journey of increasing contemplation and readiness was a perfect match with the way that traditional media were used; and a perfect match with the persuasive messages on which marketing relied.

The Prochaska-inspired, step-by-step approach to behaviour change would have revealed its creakiness in any event, but its fall from fashion was accelerated by the advent of digital media. Interactive technology brought with it a turbo-charged form of engagement in which people could skip through the echelons of consideration in a matter of seconds and reach a previously uncontemplated behavioural outcome moments later.

Our own experience of the interactive world gives credibility to a more mercurial and suggestible model of human behaviour. Half of the marketers who still invest in TV believe they are somehow warming people up to a higher state of contemplation in order that press can somehow convert that contemplation into rational enquiry, which in turn leads to answers on a website. The other half believe that when a powerful piece of content inhabits the popular imagination, all sorts of favourable and unpredictable things can happen, regardless of where an individual might stand on the spectrum of readiness.

However, in both cases, the preference is probably guided more by beliefs about how to use media than beliefs about how behaviour change happens. What should be an enquiry into the human psyche has become an enquiry into media deployment. This is the crisis - we have been so obsessed with how media works, we have become amateurish on the more fundamental question of how the human brain works.

We have stopped being psychologists. So, when the Perfect Storm forms around us and we reach for the rock-like safety of human understanding, it is simply not there. All we can resort to is our favourite publicity model: broadcast; diffusion; viral; discovery. None of which is a theory of behavioural psychology. None of which will guide marketing into the next decade.

So what will? Curiosity about why people do the things they do. We need (and there is no 'perhaps' about it) to become obsessively interested in people and their behaviour. Grasping the anatomy of behaviour itself is far more useful - and, let's face it, far more interesting - than finessing our map of the human-brand intersection. Perhaps we need to stop investing in research that describes markets that we already participate in. Imagine if every research dollar was redirected into ethnography. Imagine if we could truly be students of people.

We need to be. This is their world. We marketers just live in it.

Fonte: Admap, Washington, v. 45, n. 1, p. 32-34, Jan. 2010.