Return of the hidden persuaders

Companies need to rethink how they communicate with customers. It is time to take a bold view of their role in our shared culture, rather than rely on semi-scientific methods to justify marketing strategies

By Nick Baker, *Ogilvy*

Trust has become a big issue in business, with survey after survey showing that the public's faith in commercial organisations has declined, ever more so in the wake of the credit crunch with its banking scandals.

In this critical period for the public acceptance of corporate behaviour, management should think long and hard about the most appropriate compromise between their interests and those of the public, not only as an ethical consideration, but to ward off a backlash against companies' use of ever more sophisticated techniques to influence consumers and other stakeholders.

Marketing sits on the frontline where corporations are highly visible to the public, and inappropriate attempts to manipulate consumer choice or public opinion could exacerbate feelings of distrust. A growing body of academic literature, much of it associated with behavioural economics, has begun to undermine the assumptions about the rational and well-informed consumer that underlay previously dominant models of economics and of marketing.

But at the same time, it implicitly undermines the defence of marketing techniques that has frequently been deployed since the publication of Vance Packard's book, *The Hidden Persuaders,* in 1956.

"Consumers are not fools," it argued, "the job of marketing is to present them with the information they need to make rational choices." This, together with the inevitably left-brain bias of large companies, has led to a huge overestimation of the degree to which consumers really do act rationally.

However, increasingly, over the past 20 years, this orthodoxy has been challenged, and the publication of Thaler and Sunnstein's book *Nudge* is focusing marketers' (and public policymakers') attention on how to influence behaviour in ways that the consumer may not even be aware of.

There are many examples of established marketing practice that have now been endorsed and explained by academics, such as the use of default options to encourage a particular response in direct marketing, the appropriate placement of products to increase purchasing in-store, and the use of "free trial periods" so that potential purchasers come to feel a sense of ownership without having to overcome the psychological barrier of committing themselves to purchase.

There are many such techniques of what we might call "embedded persuasion" - techniques that involve influencing consumers' behaviour without them being aware of it; other examples include product placement and some areas of public relations.

At the same time, the rapid advance of digital technology and mobile devices mean that consumers are seldom away from a touchpoint through which businesses can attempt to influence them.

CULTURAL RESISTANCE

Maybe neuroscience and digital technology can bring us close to the point where "Your next thought is brought to you by Brand X", but as that possibility draws nearer, so cultural resistance to brands and to the commercial organisations that have created them may become stronger. Companies are driven by shareholder value - they want predictability and ROI. But, as marketing people have learnt over and over again, you can't have it all your own way when dealing with modern consumers. There has to be some give and take, some acknowledgement of, and some flexibility to respond, to what the public wants in return for their attention and custom.

There is a sense that there is no escape from the all-pervasive infiltration of business into every nook and cranny of our lives, and a greater fear that we are now in a situation that is completely outside our (and perhaps anybody's) control.

Identity theft and other online frauds are not only frightening because they are acts of criminality or terrorism - they also remind us of how vulnerable the digital world has made us to interference. Given the crisis in public trust, we should be wary of seeking behavioural change by any means necessary.

How can companies and brands continue to earn a warm welcome in people's lives, even as they insinuate themselves into the very fabric of our daily experience? The first step

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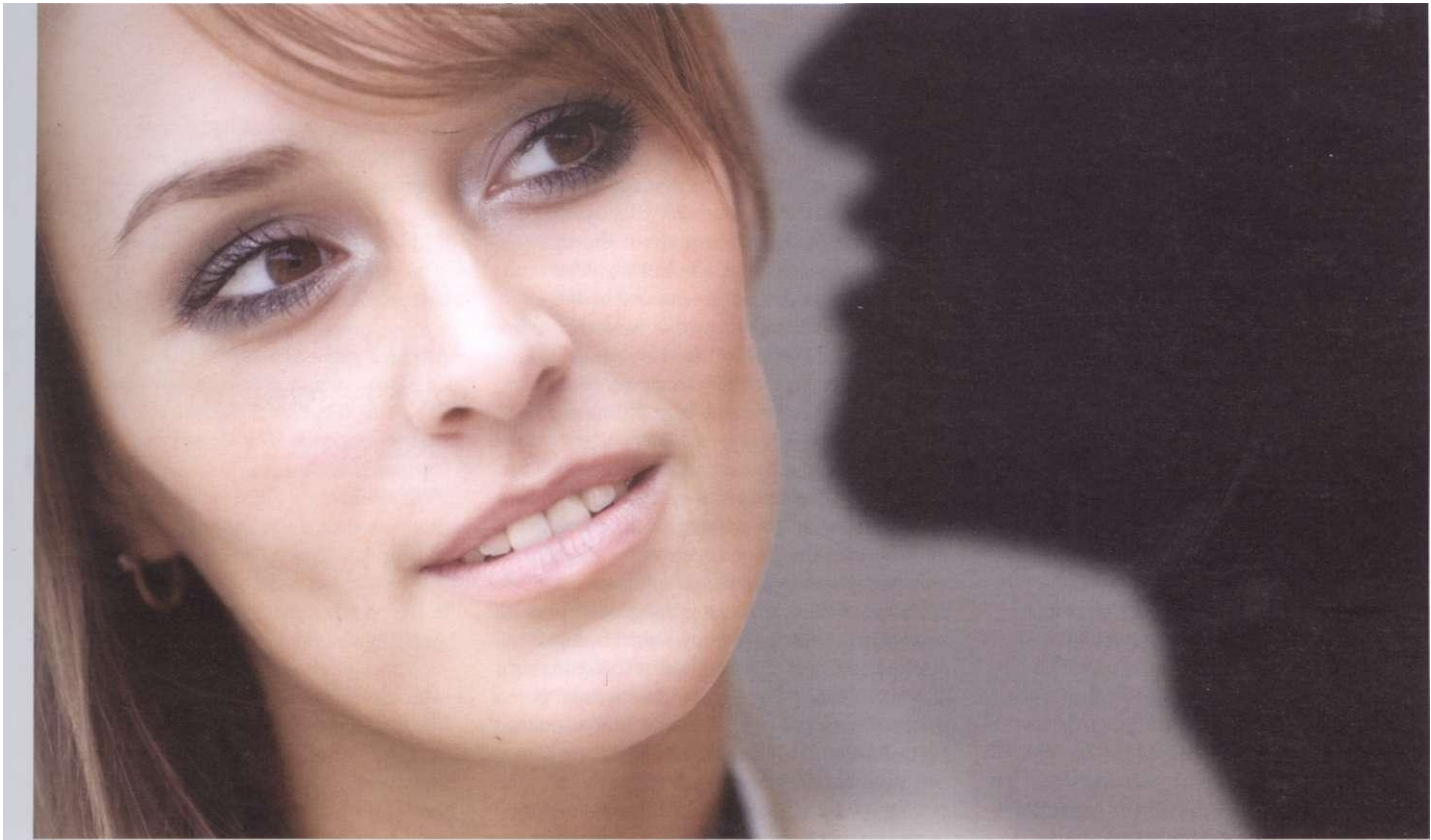
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toward addressing this issue is to recognise that in addition to being legal, financial and physical entities, businesses also exist as cultural entities.

I am not using the ç-word here in its narrow sense of fine art, opera and ballet, but in its broadest sense; denoting the system that enables people and communities to make sense of their world, and to share that sense with others. Companies mean something to people, whether employees, suppliers, customers or other stakeholders, because they are all part of the same culture.

I suspect that part of the problem is that this aspect of corporate existence has become undervalued and allowed to fragment. There are programmes to address employee motivation; strategies for CSR; policies to direct charitable donations; people who liaise with local communities affected by the company's activities and so on. But each of them is seen as being in itself rather peripheral to the core activities of achieving profitable growth.

Marketing people often use the shorthand of "personality" to describe how companies or brands present themselves to the world. But the personality I have just described is not an attractive one; it is that of an utterly selfish, driven individual, who deals with everyone they encounter in all areas of life out of a calculated sense of self interest - a sociopath if not a psychopath. No wonder that trust is on the decline.

The first requirement in rebuilding trust in companies and their brands should be to find a way of defining and addressing the problem holistically. This is partly because of the obvious risk in being seen to say one thing to one audience, and another to someone else - or worse still, to act in a way that contradicts what you say. But it also reflects the importance - and difficulty - of cutting across different silos within the corporation, in order to formulate the problem and identify its solution in a way that can be implemented effectively across the whole spectrum of corporate activity.

A SHARED COMMUNITY

Strategically, we need to re-evaluate the equation by which the interests of shareholders, measured in short-term commercial ROI, are weighed against those of others. This will be achieved if the corporate brand can act as a focus for a shared community of interest that each of the stakeholders buys into. Here, concepts such as Ogilvy's Big Ideal are relevant.

This sets out to define a set of goals that go beyond the brand owner's self-interest defined in purely financial terms, and that provides a reason for customers, employees and shareholders to feel inclined to support the brand or company. By doing so, a framework is created that allows for an accommodation to be reached between competing agendas, through something more than a crude negotiation over acceptable margins and trade-offs.

The likely problem here is that the effective implementation of such a broad-ranging and fundamental vision requires not just the buy-in but the active support and involvement of the most senior management in the organisation. Yet all too often any discussions framed in cultural terms are seen as the kind of "fluffy stuff" best left to lower-order functions such as marketing that don't even warrant representation at board level.

Perhaps corporate leaders should think seriously about appointing a chief cultural officer with a remit to oversee the organisa-

tion from the viewpoint of its role within the wider culture, just as the CFO oversees its wellbeing from a financial viewpoint, and the company secretary from a legal viewpoint. Such an individual might come from a background in marketing, HR, corporate affairs or CSR, but their remit should be to ensure that all of these separate strands of activity are guided by a consistent cultural strategy.

There is no shortage of brand consultants, strategists and other gurus who provide expert advice in the formulation of strategy, just as there are many experts in analysing the patterns of response to its implementation. With so much analysis and intellectualisation going on, it is no surprise that there is always anxiety to justify and quantify the bit in the middle - the bit where the brand does something to express and realise its cultural ambitions, which in turn gives the public something to respond to.

The result is all too often an ever tightening encroachment of guidelines, metrics and conventions, borne out of the terrible congress of confusion with risk aversion. I am not undervaluing the difficulty or questioning the importance of establishing a framework of rigorous, robust, objective and quantified reference points that will enable organisations to make informed decisions on marketing investment but, within that framework, there must be the opportunity for fluffiness.

EMOTION, NOT REASON

Fluff has two important characteristics. First, it is 'soft' - which in this context means that it deals with emotion rather than reason; and there can be few marketing practitioners left who deny the importance of emotion in consumer behaviour. But second, it is 'fuzzy' - amorphous, hard to delineate in hard and fast terms - it has a degree of built-in vagueness.

This quality of indeterminacy makes it such a hard pill for modern managers to swallow because their organisations have trained them to see fuzziness as failure - an inability to pin down, define and measure precisely. But it is this which makes things interesting rather than formulaic, intriguing rather than obvious, and likeable rather than robotic.

To refuse to embrace fluff in developing brand communications because you can't define it is a bit like entering a race and refusing to run because you don't fully understand the physics and chemistry of muscular exertion. A good piece of advertising

makes a positive contribution to our shared culture. A brand that manifests itself in any other way might be saying the right thing but will risk saying it in a voice that nullifies the effectiveness of the communication.

All that we have learnt about the irrational, emotionally driven, culturally determined audience for our communications should also have taught us that how things are said (the executional bit) is every bit as influential   and probably more so — as what is said (the strategic bit).

And, for reasons given above, the solution isn't just to tack lots of rules and regulations about 'tonality' and 'executional guidelines' on to the strategic bit, before the executional people get involved.

Really good creative people aren't just craftsmen skilled at making things look arty and writing persuasive copy. They have an intuitive grasp of the nuances of the culture in which they operate and know how to put things across in a way that sounds and looks right, coming from Brand X to audience Y.

As a result, they often have a take on strategic issues that can add enormous value to the conversation, and should be involved in it as a matter of course.

In conclusion, what I am proposing is an inversion of the traditional relationship of cultural strategy to cultural action. At present, most companies are at best vague, and at worst self-contradictory, or simply uninterested in what exactly their role is within our shared culture.

But when it comes to intervening in that culture, whether through issuing press releases, making advertisements, responding to customer complaints, packaging products, or any one of a thousand implementations of this strategy, they attempt to square the circle by applying inappropriately and clumsily 'scientific' models to what is - or should be - an appealingly soft, fuzzy manifestation of their cultural position.

If businesses are to redeem themselves in the eyes of the public and regain the trust that they have lost, they should worry a lot more about what they stand for and entrust those with expertise in communication a much freer rein to express this in ways that people might recognise as being sincere and sympathetic, rather than stilted and formulaic.

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