

WWJD? HE'D SKIP MOST OF THIS YEAR'S SUPER BOWL ADS



Tim Tebow may have stolen the show just by showing up in an ad, but Bob Garfield thinks most of those responsible for these spots should have stayed home

BY BOB GARFIELD

SUPER BOWL! FOOTBALL! TV commercials! God!

Seriously, have you not noticed that Jesus gets as many plugs as the Monday night prime-time lineup? The players kneel in prayer circles. Guys with rainbow wigs flash John 3:16 placards. And the winning quarterback tends to first thank not his teammates, but his Lord and savior Jesus Christ.

(Oddly, the losing quarterback never *blames* Jesus, which is either hypocritical or extremely gracious.)

This year, on-the-jersey-sleeve religion even made it to the ads. Never mind Drew Brees and Peyton Manning. Tim Tebow stole the show by simply promoting adoption, which would be noncontroversial if the implicit message from this famously Bible-thumping quarterback were not anti-abortion. The amazing thing isn't that CBS chose to

run the thing (it's kind of hard to declare adoption controversial). The amazing thing is that Planned Parenthood and NOW didn't submit uncontroversial awareness spots showing teen mothers with ruined lives.

We won't say where we stand on this issue, but having seen the rest of the ads, we will say this: We are totally pro-TiVo.

See **GARFIELD** on Page 22



GARY W. GREEN

Pass or fail, Pepsi's Refresh will be case for marketing textbooks

Rest of industry eyeing bold social-media experiment

BY NATALIE ZMUDA nzmuda@adage.com

PEPSI'S REFRESH PROJECT, a first-of-its-kind experiment in social media that invests the brand in community-building projects, won't simply leave a legacy for the recipients of its financial grants. It's also a pivotal test case for other brands trying to navigate an ad-cluttered, cynic-rich marketing landscape.

Refresh Project will be closely watched by the industry for its scope and ambition to put digital media at its forefront, its purpose-driven strategy and the way it restructures relationships within Pepsi's agency circle. What Pepsi is trying to accomplish is unprecedented; its philosophy rips up the traditional marketing rulebook.

"This is big, new, getting a lot of attention. It's impactful; it's innovative," said Cheryl Damian, a director in the cause-branding group at Cone, who said many of her clients have been asking her about Pepsi's program and watching its

progress. "What the industry is talking about now is, is this a gamble that was worth taking, in terms of a lift in sales? That's the holy grail."

"If Pepsi succeeds, it'll only elevate this embrace of digital," said Marc Lucas, who left digital agency Razorfish in December to head creative at Kirshenbaum Bond Senecal & Partners. "I am talking to clients now who used to be scared to walk away from million-dollar TV ads, but that's not the case anymore."

Of course, Pepsi's new direction is far more philosophical than a case of shifting media. "It's not about digital as its own channel anymore. It's, how do we infuse digital across all of our marketing programs?" said Bonin Bough, global director-digital and social media for PepsiCo, who joined the company in September 2008 to jump-start social-media programs. "The first step was socializing the

See **PEPSI** on Page 18



NOOYI:

Pepsi has shifted almost one-third of its budget to interactive and social media, per CEO Indra Nooyi.

In age of friending, consumers are less trusting of their friends

Edelman study shows that only 25% of people find peers credible, flying in face of social-media wisdom

BY MICHAEL BUSH mbush@adage.com

WHOM DO WE increasingly trust less? Us.

It's a finding that strikes at the foundation of many a social-media marketing philosophy: Tapping into peer-to-peer networks is a way for marketers to tell authentic, credible stories to consumers whose confidence in corporate CEOs, news outlets, government officials and

industry analysts has taken a beating. But according to Edelman's latest Trust Barometer, the number of people who view their friends and peers as credible sources of information about a company dropped by almost half, from 45% to 25%, since 2008.

Richard Edelman, president and CEO

See **TRUST** on Page 21

TBWA's answer to client squeeze: Anoint a chief compensation officer

BY RUPAL PAREKH rparekh@adage.com

RISING TENSIONS BETWEEN agencies and marketing procurement have birthed a new role in the agency C-suite: the chief compensation officer.

Omnicom Group's TBWA/Chiat/Day has appointed Neal Grossman, a one-time certified public accountant who over 25

years at TBWA has served in various financial and strategy positions, as its first global chief compensation officer.

The role—which is distinct from TBWA's chief financial officer—means Mr. Grossman will be the one leading contract renegotiations with clients and

See **COMPENSATION CHIEFS** on Page 21



BEHIND BRIDGESTONE'S SUPER BOWL SPOT

Ad Age tells a whale of a tale as it shadows the tire marketer and agency Richards Group as they create the big game commercial.

➔ Read the story on **P 4**

THIS WEEK

Your guide to highlights from Ad Age and Creativity

INSIDE THIS ISSUE

P. 6

DEFENDING IP RIGHTS

The 4A's is urging search consultants to adopt contract language that protects intellectual property.

P. 8

NEXT UP: FOURSQUARE

Pepsi, Bravo and other marketers see the mobile game as a data goldmine and a way to engage consumers.



P. 10

THE KRAFT MAKEOVER

Why one of the most-traditional marketers is updating its packaging and advertising.

P. 12

EDITORIAL

The Supreme Court's decision in Citizens United vs. FEC has troubling aspects, but it was the right call.

P. 13

MEDIA GUY

Simon Dumenco wonders what will happen to print as the billionaires who prop it up head for the exits.

P. 14

AL RIES

Advertising needs visuals the same way that lyrics need music. Without a visual hammer, a campaign will fail.

Lightspeed survey: Toyota's loss of consumer trust is domestic rivals' gain

Exclusive research shows 26% of consumers view brand as lower quality than U.S. autos following recall

BY BRIAN STEINBERG bsteinberg@adage.com

GENERAL MOTORS, Ford and Chrysler ought to send Toyota a thank-you card. Not only has the brand's quality reputation plunged since its recall—66.4% of consumers now consider it reliable vs. a near-universal 92.4% before—but the recall is boosting the quality reputation of its domestic rivals in the eyes of consumers.

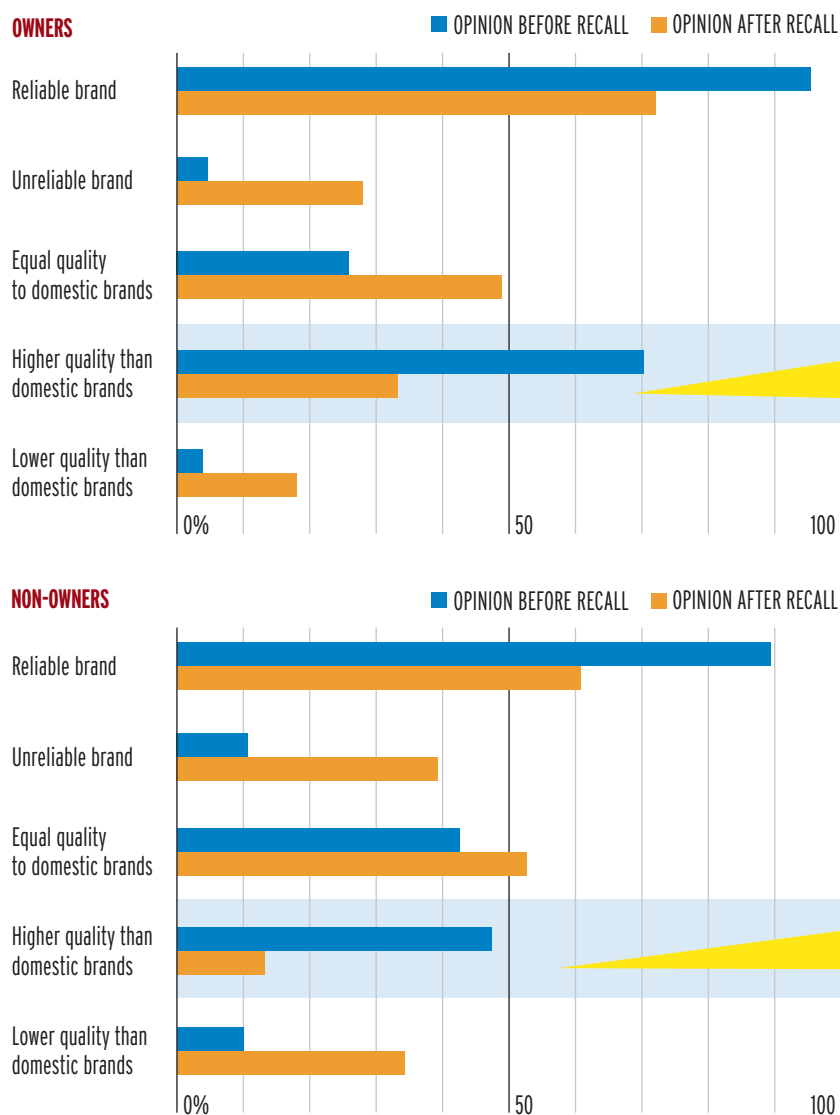
That's according to a new Lightspeed Research survey conducted exclusively for Advertising Age, in which 58.9% of total respondents considered Toyota to be of a higher quality than domestic brands prior to the recall, but only 23.3% now think this is the case. Post-recall, 26% of respondents judged Toyota to be of lower quality than the domestic brands, as compared to only 6.9% before the recall. "Toyota has been overrated for years. Domestic automakers make the same or better quality cars these days," said one respondent.

"I don't believe I can ever trust a Toyota car again," said another. They have to show a lot to change my mind in the future."

Even though the Toyota brand has shown amazing resilience among loyalists—72% of owners currently consider it reliable vs. 60.7% of non-owners—the proportion of owners considering it reliable has decreased dramatically, down some 23 percentage points, compared to opinions held before the recall. "They need to fix the problem," wrote another respondent. "I will not shop for another Toyota until I know the problem has been solved and all cars are safe."

See TOYOTA on Page 18

BEFORE AND AFTER Lightspeed's results



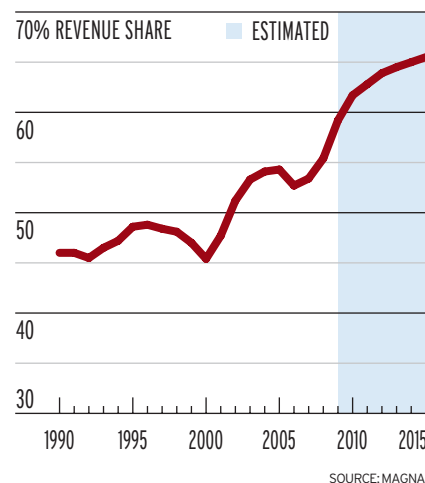
33.2%
of owners said Toyota was of higher quality than domestic auto brands after the recall

13.2%
of non-owners said the Toyota brand is of higher quality than domestics after the recall

SOURCE: LIGHTSPEED

SHARE OF SPEND ON TV

According to Magna, national TV spend will rise



Marketers say TV spending will drop. Nets stay bullish. Let the deals begin

ANA study finding 41% of budgets will go to medium sets stage for upfront joust

BY BRIAN STEINBERG bsteinberg@adage.com

EVEN AS MAJOR MARKETERS once again threaten to pull back on TV spending—a new survey indicates they will allocate only 41% of their budgets to the medium this year—the TV networks are gearing up for an “upfront” ad-sales market they expect will be more robust than in the recent past.

In a new Forrester and Association of National Advertisers survey of 104 U.S. advertisers that collectively spend almost \$14 billion in measured media, more than half of them—62%—said that TV advertising is less effective than it used to be. While a 2008 survey found advertisers committing 58% of their media budgets to TV, the new crop of respondents indicated they had allocated less than half their budgets to TV in 2009. Moreover, they indicated they will keep that 41% allocation for TV flat this year. The survey results will be unveiled later this week at the TV & Everything Video Forum, an annual ANA conference.

Of the marketers surveyed, 77% say they plan to shift TV dollars into social-media investments in 2010, 73% plan to shift that money into online advertising, 59% to search-engine marketing and 46% to e-mail marketing. Only 15%

See TV on Page 20

BURGER KING'S 'SUPERFAN' MIGHT JUST BE YOUR GRANDMA

BY EMILY BRYSON YORK eyork@adage.com

YOU KNOW THAT FAMOUS target of Burger King, the “superfan” that the chain has been courting with edgy campaigns such as “Whopper Virgins” and “SpongeBob SquareButt?” Well, it turns out a bunch of them qualify for AARP cards.

After years of talking about how it's targeting young males who consume prodigious amounts of fast food, the Miami chain's description of its target has

recently become a lot more expansive. “The superfan is merely a term coined by Burger King to describe the fast-food hamburger-restaurant industry's most frequent user,” Burger King CEO John Chidsey told investors during an earnings conference call last week. “To clarify, it's not just 18-to-34-year-old males, it's all ages and all household demographics, with over half of them having children. And interestingly, over 29% are 50 years of age or older.”

The actual qualification for a Burger

King “superfan” is anyone who eats fast-food nine or 10 times per month. Interim CMO Mike Kappitt said the chain buys media targeting 18-to-49-year-olds.

This is, of course, coming from the brand that brought you poultry in garters and a variety of international outdoor work that managed to stir controversy back home, such as the “Super Seven Incher.” Now the chain is courting the very same ladies it's happily risked



CHIDSEY:
Chain has lots of “superfans.”

See BURGER KING on Page 20

MORE ON ADAGE.COM

PHIL JOHNSON

The iPad may have given publishers a reprieve from their death sentence, and agencies may have a convenient way to get into the content business.

AdAge.com/smallagency



TOM DENARI

Local TV news outlets shouldn't blame Jay Leno for their troubles. They should blame themselves for years of churning out a sea of sameness.

AdAge.com/smallagency

DOUG MELVILLE

Magic Johnson has floated the idea of a "Minority Czar." The country might not need one, but the ad industry does.

AdAge.com/bigtent

ALEX KNISS

It's no secret that having a strong network is an essential part of working and succeeding in the advertising industry. Here are some tips to help you.

AdAge.com/gennext

Pay-for-inquiry ad model gains modest traction at newspapers

Publishers emulate pay-per-click, experiment with move away from CPM model with campaigns for Marvin, DirecTV, Vonage, ProFlowers

■ BY NAT IVES nives@adage.com

NEWSPAPERS' RESISTANCE to pay-per-inquiry advertising may be beginning to crack a little for an industry beset by recession, digital competition and other changes. Just last Monday, East Bay Newspapers in Rhode Island began running ads for a local Marvin Windows distributor that won't earn the publisher a dime unless potential customers pick up the phone. It's an experiment, according to East Bay president and publisher Matt Hayes, but one well worth trying particularly amid growing competition and a very difficult economy. "I have a sense we're not in the same position we were, to command guaranteed prices whether or not we performed," he said. "My feeling was we as a newspaper company needed to offer an option to the appropriate businesses that would emulate what they're getting from an electronic source."

"If you get a response, you're going to pay," Mr. Hayes added. "If you don't, you don't."

Marketers have long been able to secure radio, TV and internet ads whose price depends on how many consumers respond to those ads, but newspapers have almost completely frozen that approach out. It was harder to execute in print but also less welcome among publishers, who didn't want to undercut their existing sales model.

Introducing pay-per-inquiry ads might undermine the standard CPM model, in which rates are set against simply reaching a thousand readers, Mr. Hayes acknowledged. "Absolutely, it may," he said. "But if I'm right and this works to the degree I think it will, our CPM will be 25% higher than we'd be charging for the same advertising at a flat rate."

More newspapers, including The Christian Science Monitor's print weekly

and papers owned by Heartland Publications, are running pay-per-inquiry ads supplied by an online marketplace called MediaBids.com. Marketers that have run pay-per-inquiry ads in newspapers using MediaBids include DirecTV, Vonage, LifeLock and ProFlowers.

"Pay-per-click online advertising opened up a Pandora's Box that's tough to shut," said Jedd Gould, president of MediaBids. "If you want to compete with the Googles and Yahoos of the world, you have to play their game."

Lynn McLamb, publisher of Heartland Publications' LaGrange Daily News in LaGrange, Ga., said the system was delivering dollars from marketers that Heartland hadn't seen before. "These are advertisers that as a general rule don't spend money in print," Ms. McLamb said. "We tested it in two mar-

See **NEWSPAPERS** on Page 21

CORONA RETHINKS ITS VACATION IN A BOTTLE

After four years of declines, the import turns to humor and opposite-sex ogling and, in one case, steps away from the beach

■ BY JEREMY MULLMAN jmullman@adage.com

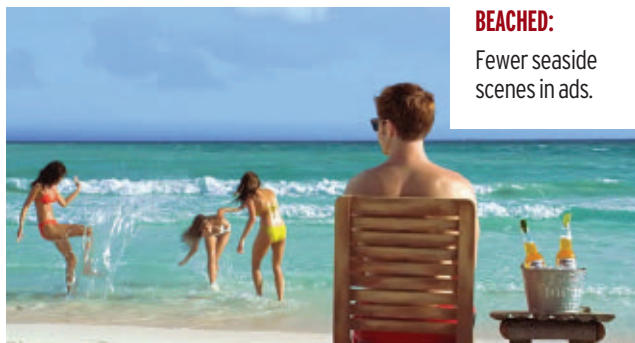
WHILE OTHER BEERS deluged consumers with frat-house gags and women in bikinis, Corona Extra rode to 16 years of consecutive growth on the most unique positioning in the category: It was a vacation in a bottle. But now, as it tries to avoid a fourth consecutive year of sales declines, Corona is beginning to act a bit more, well, like everyone else.

Crown Imports is jacking up media support behind the brand by 16% for 2010, and Exec VP-Marketing Jim Sabia said as much as 75% of the brand's media budget could be spent on sports TV, a major shift for a brand that historically has invested heavily in cable advertising. "We need to be where our consumers are," he said. Corona Extra spent \$54 million on measured media in 2009,

according to Kantar Media.

Then there's the creative itself: While nobody will soon confuse any of the ads for, say, Bud Light, the brand's latest batch of creative leans more heavily on humor and opposite-sex ogling and in one case, the brand (gasp!) briefly steps off the beach. "Consumers like our ads, but they want them to be more relevant," said Mr. Sabia, a 17-year veteran of old-school beer marketer Coors who joined Crown a year ago. "If we stay true to what this brand is, we will absolutely come out of this."

The situation facing Corona looks increasingly daunting. Shipments fell by 9.8% last year, and they now sit 15% below the brand's 2006 peak. The persistence—and acceleration—of the declines for Corona and its mega import peer Heineken have caused many beer-indus-



try executives and analysts to wonder aloud if the brand is entering a phase of permanent decline because many of the 20-somethings who drive beer sales associate it with their parents.

"When you look at the numbers, at some point the lifecycle questions do become fair game," said Benj Steinman, editor of Beer Marketer's Insights.

Mr. Sabia said the brand's issues are caused primarily by the economic climate, which has depressed traffic at bars and restaurants (Corona leans more heavily on so-called "on-premise" sales than do other large beer brands) and has been particularly rough on Hispanic consumers, who account for about 30% of the brand's volume.

As the economy comes back, Mr.

See **CORONA** on Page 18

WEB VIDEO WITH TV AD LOADS?

In the short history of online TV-watching, one standard has largely held fast: Shows that run online have significantly fewer ads than shows that run on the boob tube. But that could soon change. Starting this fall, Nielsen intends to start making available data that take into account viewing of commercials that run in a particular show, no matter whether they are seen online or on TV. But here's the catch: For Nielsen to be able to provide the commercial rating, shows seen online will have to have the same group of commercials that run on TV. This is simply a test, but the question remains: Will consumers tolerate such ad loads?

➔ For more info AdAge.com/mediaworks

WHY FROMMER CAVED ON CABLE

"Two years ago," writes Dan Frommer, "[I] returned my Time Warner Cable set-top box to that same store on 23rd Street. I proudly vowed to get all of my TV content from the internet forever -- becoming a 'Hulu household,' as I called it."

But, "Late last month, I walked into the Time Warner Cable store on East 23rd Street in Manhattan and sat down with a saleswoman. I left a few minutes later with a bright orange shopping bag, a new Scientific Atlanta digital cable box, and \$80-plus monthly digital cable subscription. ... by buying cable, I was a failure. I was admitting defeat. I was caving in to The Man."

➔ Find out why at AdAge.com/digitalnext

THE ECONOMICS OF ONLINE VIDEO



AD AGE
WHITE PAPER

More U.S. viewers watch web video than watch recorded TV on DVRs, and video claims a bigger share of time spent on the web than e-mail. Ad Age will bring some sense to this fast-moving sector, which is a work in progress and changing almost as quickly as Ad Age can cover it. How should video be measured and valued? How have marketers used video to their advantage? Who is going to win in the video space and why?

➔ For more info AdAge.com/whitepapers

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REPRINTS: For reprints of print or online articles, contact Claudia Stachowiak at FosteReprints, **1-866-879-9144** or adagereprints@fostereprints.com

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Advertising Age (ISSN 0001-8899) Vol 81, No. 6 Published weekly, except for the third week of March, the first and third week of July, the first, third and fifth week of August, the fourth week of November, and the first and third week of December by Crain Communications Inc. at 360 N. Michigan Ave, Chicago, IL 60601 - 3806. Periodicals postage paid at Chicago and additional mailing offices. POSTMASTER: Send address changes to Advertising Age, Circulation Department, 1155 Gratiot Avenue, Detroit, Mich. 48207-2912. \$3.99 a copy, \$149 a year in the U.S. In Canada: \$5.00 a copy, \$199 per year, includes GST. Europe and Mexico \$349, all other countries \$419, includes a one-year subscription and expedited air delivery. "Canadian Post International Publications Mail Product (Canadian Distribution) Sales Agreement No. 40012850" GST #136760444. Canadian return address: 4960-2 Walker Road, Windsor, ON N9A6J3. Printed in U.S.A. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 1155 Gratiot Avenue, Detroit, Mich. 48207-2912 1-888-288-5900. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Phot Division, Old Mansfield Rd., Wooster, Ohio 44691. Ad Age is available for electronic retrieval on the NEXIS® Service (800 227-4908) and Dow Jones & Co. (800 522-3567).

Behind the scenes of Bridgestone's Super Bowl spots

Halftime sponsor has come a long way from its 2008 debut

■ **BY RUPAL PAREKH** rparekh@adage.com

THE STUNT DRIVER who brought his Cadillac truck to a stop just inches from the edge of a California pier in Bridgestone's 30-second spot, "Whale of a Tale," which aired during the second quarter of Super Bowl XLIV, was one of only two in America willing to man the stunt. To get the shot, there were no wires or cables of any kind to keep the vehicle from careening over the edge, and a diving team was stationed in the event the truck plunged into the ocean.

It was a risky proposition, but precisely what the tire manufacturer was looking for in a Super Bowl commercial. "Humor is very important, but every spot has to get the message across that tires deliver performance and are enabling whatever is going on in the ad," said Phil Pasci, VP-consumer marketing for Bridgestone's consumer tire sales.

While huge marketers such as PepsiCo dropped out and legacy ones such as FedEx and General Motors didn't come back, Bridgestone returned to the big game in 2010—the final year in a three-year, estimated \$10 million deal its ad agency, Dallas-based Richards Group, persuaded it to ink as a means to goose sales of the brand. The tire maker took over from Pepsi as the halftime sponsor three Super Bowls ago.

The Super Bowl is Madison Avenue's biggest remaining TV ad showcase, which means at most agencies, the commercials

are the domain of only the senior-most creatives. At the Richards Group, it's a more democratic process whereby the agency opens up the idea widely.

Ad Age watched the process, sitting in on meetings with Bridgestone executives and Richards Group creatives and account team members. In one such meeting in October, the group had just returned from shooting both Super Bowl spots in Avila Beach, Calif., and Valley of Fire in Nevada State Park. It took about two weeks total to get the footage needed for "Whale of a Tale" and "Your Tires or Your Life," the second Super Bowl spot, which appeared in the third quarter. (The third spot, "GPS," will appear on TV later this year).

LEARNING FROM PREVIOUS MISTAKES

To untrained eyes, the ads were blurry, dark and muffled. It was tough to imagine how the spots would come to fruition, but glancing over at Bridgestone's top marketers, Mr. Pasci and Michael Fluck, no beads of sweat were evident—a far cry from their nerve-wracking first Super Bowl appearance in 2008.

"It was not a pleasant timeline in year one," said Mr. Fluck, Bridgestone's brand-retail marketing director. Work on that first Super Bowl campaign began in the late fall, but after that experience, Glenn Dady, creative director of the Richards Group, realized it was necessary to start the process far earlier, in the spring.

Advance planning is what Bridgestone and Richards Group said allows them to

can avoid the same fate amid a downturn that has slashed client budgets, leaving vulnerable smaller firms with less room for error. Ad Age queried small-agency leaders across the industry to see how they're tackling the times.

MAINTAIN A HEALTHY FEAR

"I play a lot of sports and have borrowed a strategy/philosophy from my experience on the ice and hardwood: Try and always have the mind-set 'We are losing,'" said Michael Ferdman, CEO at Firstborn. "If you can keep that grit and fight as part of your DNA, it will serve your clients and agency well." Added Mark DiMassimo, of DiMassimo Goldstein: "There's no margin for error. In order to maintain our independence, we've seen successive generations of clients get phenomenally rich while we've become moderately prosperous. This is OK with us."

REALIZE RESOURCES AREN'T EVERYTHING

"The big holding-company agencies certainly have more resources to draw upon:

A TIMELINE OF BRIDGESTONE'S ADS

The two 30-second Bridgestone spots that flashed before 100 million viewers of the Super Bowl XLIV broadcast were the product of a nine-month long process, beginning in May 2009.

■ **MAY 2009:** Nearly 75 art directors and writers at Richards Group start coming up with concepts for Super Bowl ideas, yielding 212 possible ideas for Bridgestone.

■ **MID-JULY 2009:** Staffers at Richards whittle down the list to the 12 best ideas to present to Bridgestone, from which the marketer selects its favorite three to be produced into full-length commercials.

■ **AUGUST 2009:** The top three ideas have gone out to bid to commercial directors and production houses.



■ **LATE SEPTEMBER 2009:** TV shoots on location in California and Nevada.

■ **OCTOBER 2009:** Several weeks of editing the work from the shoots begin. Rough cuts of the work are presented to Bridgestone for feedback.

■ **NOVEMBER 2009:** Post-production

on the commercials.

■ **LATE DECEMBER 2009:** Finished spots are presented to Bridgestone.

■ **JANUARY 12, 2010:** Big Bridgestone meeting involving top executives during which the two spots to appear in the Super Bowl are chosen. The placement of those spots is also decided.

■ **LATE JANUARY 2010:** Facebook and YouTube content to promote the commercials is uploaded; teasers of the spot are released to build anticipation for the spots.

secure an all-star team of producers and animators who are in high demand for Super Bowl: This year, its ads were directed by Dante Ariola, known for his cinematic spots for Johnnie Walker and Coca-Cola; they were produced by MJZ (named Production Company of the Year by Ad Age sibling Creativity), and Method studios handled visual effects.

Bridgestone also learned the hard way that the art of the Super Bowl commercial in the social-media age has benefits and drawbacks. Last year, while in the midst of shooting a commercial called "Limo Ride," a cast member shared details from the shoot on her personal blog. That incident taught the marketer to strengthen non-disclosure agreements and give explicit instructions to cast and crew to make sure no information about the commercials leaks out onto Facebook, Twitter or elsewhere before Bridgestone wants it to. Even internally at the company, only a handful of executives are privy to the content of the spots. There are no hard copies.

At the same time, the marketer is using social media to build buzz and cap-

➔ For a replay of all the ads that aired during the big game, go to AdAge.com

ture viewers who watch the ads online.

"After the first year, we learned there was an awful lot of coverage to be gained before the Super Bowl, so [we] have gone out with different timing by releasing teasers and talking about the spots," said Mr. Pasci. "But we never give away the whole spot or punchline."

Bridgestone says the \$10 million Super Bowl deal is well worth the payoff. As official halftime sponsor, Bridgestone is given free airtime for the two spots in the game; has its brand touted during playoff games and in NFL-related advertising; and gets 100 tickets to the game for key executives and dealers.

"We really are more focused on measuring brand awareness and purchase intent rather than traditional ROI," Mr. Fluck said. "Since we began our relationships, our unaided brand awareness and purchase intent measures are up significantly, while our closest competitors are down."

Oh, and yes: "Bridgestone brand tire sales are also up." In fact, the company's market share saw a double-digit spike in the first quarters of 2008 and 2009.

WHY INDEPENDENT BOUTIQUE TOY'S STORY CAME TO A SURPRISE END

Small-agency executives share advice on how they survive their day-to-day challenges

■ **BY RUPAL PAREKH AND JEREMY MULLMAN** rparekh@adage.com, jmullman@adage.com

LAST WEEK'S SHUTTERING of the highly regarded, 4-year old boutique agency Toy caught many in adland by surprise. To the outside, the New York-based indie shop had all the hallmarks of a success story. It created the wildly successful "Elf Yourself" viral for Office Max and had a stout client roster that included Virgin Mobile and Activision. Alex Bogusky sang its praises in the pages of Ad Age.

While the agency never borrowed a cent and remained profitable, an abundance of project work rather than anchor agency-of-record clients prevented Toy from scaling as fast as it wanted to. Certain unbending principles of the founders—a trio of former Fallon executives, Anne Bologna, Ari Merkin and David Dabill—such as over-servicing the client, didn't help. Nor did outside forces like the tough economy. So, Toy opted to close.

That decision left many similarly creative small agencies wondering how they

can avoid the same fate amid a downturn that has slashed client budgets, leaving vulnerable smaller firms with less room for error. Ad Age queried small-agency leaders across the industry to see how they're tackling the times.

MAINTAIN A HEALTHY FEAR

"I play a lot of sports and have borrowed a strategy/philosophy from my experience on the ice and hardwood: Try and always have the mind-set 'We are losing,'" said Michael Ferdman, CEO at Firstborn. "If you can keep that grit and fight as part of your DNA, it will serve your clients and agency well." Added Mark DiMassimo, of DiMassimo Goldstein: "There's no margin for error. In order to maintain our independence, we've seen successive generations of clients get phenomenally rich while we've become moderately prosperous. This is OK with us."

REALIZE RESOURCES AREN'T EVERYTHING

"The big holding-company agencies certainly have more resources to draw upon:

access to research, analytics, people," said David Murphy, co-founder of Barrie D'Rozario Murphy in Minneapolis. "But the advantage smaller agencies have, many of them independent, is the ability to be more nimble and efficient and enable clients to work hand-in-hand with accomplished leaders."

MANAGE CASH FLOW VIGILANTLY

"You have to be careful about getting paid," said Firstborn's Mr. Ferdman. "I will pass on a project if there is even a hint that getting paid will be an issue. Cash flow is of paramount concern to everyone, but it takes on a different meaning to firms of our size."

BEWARE MISSION CREEP

"Smaller shops a lot of times are put in a position where they may forego who they want to work with for who the need to work with," said Michael Ventura, CEO-chief creative officer, Sub Rosa, New York. "In a small shop, you take a project and it can take your eye off of what you really



TOY'S TOP PLAYERS:

Former Fallon execs Anne Bologna and Ari Merkin, along with David Dabill (not pictured) founded Toy.

➔ For more information on Toy's decision to end operations, and to share your opinion on this story and others, visit AdAge.com/agencynews

want to be working on—and it consumes the entire agency, not just a division of the agency."

Said John Coleman, founder-CEO of Via in Portland, Maine: "Being independent gives us the freedom to do the right thing—from sacrificing margin to support a client in difficult times, to being able to quickly invest capital in emerging ideas."

LOVE WHAT YOU DO

Being an entrepreneur means being a human long-shot," said Harry Woods, partner at Woods Witt Dealy & Sons in New York. "Beating the odds is about love. We love the people who work for us. We love our clients. We love learning new ways to do the job for them every day. We love our life's work. When I was a cynical kid at TBWA, Chief Operating Officer Dick Costello used to tell me that I was a member of his family. I probably smirked. But now I see that much of what that wise man used to say was true. Together with his brother Bill Tragos, they willed their agency to greatness and without doubt, the hall of fame. I'm pretty sure love is how they did it."

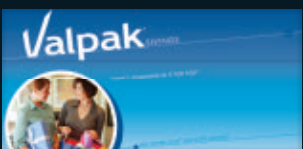
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Agencies out to defend intellectual property

4A's missive to consultants argues for new agreements in new-business pitch contracts

■ RUPAL PAREKH rparekh@adage.com

IN A MOVE THAT demonstrates a hardened stance on the issue of intellectual property, the 4A's is urging agency-search consultants to adopt contract language that reflects an advertising agency's right to retain creative ideas presented during new-business pitches.

In a letter sent to some 30 major industry search consultants—which marketers hire to help find and evaluate prospective agencies to handle their ad business—the trade organization wrote: "Members of the 4A's new-business committees would like to encourage you to consider including a stipulation in all of your agency-search agreements that specifies the rights to intellectual property created by agencies during the review process remain the property of the agency until the marketer either hires the agency to execute the work or the parties agree to a commercially equitable payment for the assignment of usage rights."

The 4A's letter was endorsed by nearly 50 Madison Avenue standouts, such as JWT, Anomaly and R/GA, that sit on the 4A's new-business committee.

The intellectual-property debate is hardly a new one, but the trade group contends it is growing into a bigger problem, and more ad agencies are griping about it. As the recession squeezes agencies' margins—and as more marketers are turning to their procurement departments to try to put a specific price on marketing costs—Madison Avenue shops are trying to protect their piece of the pie. "There are more reviews that request some form of speculative agency work," according to the letter. "Because of the economics associated with changing industry dynamics, the importance of equitably structuring agency-developed new-business IP has become more compelling."

The 4A's says the issue has also taken on increasing importance as the economy picks up for some marketers. "Since Labor Day, the level of review activity has picked up noticeably, and more and more reviews are requesting some form of speculative thinking or work," said Tom Finneran, exec VP-agency management services at the 4A's. "That may well be a byproduct of marketers and CMOs being under so much pressure for ideas that can move the needle now."

According to Mr. Finneran, the 4A's has seen a spike in recent months in agencies complaining about clients' desire to own ideas and work shown during the new-business process. "The nature of the complaints is that [requests for proposals] will come out, and buried in the 14th paragraph of a [nondisclosure agreement] is a paragraph or sentence that says, 'Oh, by the way, and in addition to protecting the confidentiality of our agreement, we the client want to own all ideas and work product that comes out of the review process.'"

Based on a number of search consultants Ad Age spoke to, the agency-search community seems to generally agree with the 4A's letter. However, they don't necessarily agree there's been a rise in advertisers asking to own ideas presented by agencies during pitches—and consultants

READERS REACT

When Ad Age published this story on its website last week, the comments came fast and furious. Here is a sampling:

📍 TOM SULLIVAN, SAN DIEGO:

"Hello, Client. Here's free strategy and free creative. Now can I have your purchasing department try to beat the hell out of me on the cost of execution? I especially like it when the purchasing department sends me a contract that clearly shows they think I'm selling you office chairs. Oh ... and I love it when they claim that our rates are much higher than other agencies. Yeah. Sure. I'll take your word for it. Oh ... and scope creep? I love that, too. I really like it when you expect me to pay for your work, for you. The best, though? The best is when we do great work for you and you tell your boss that it was all you and the agency is a pain in the ass ... this after you've run us around in circles for while. It's awesome and fun."

📍 CLIFF CAMPEAU, ST. LOUIS:

"Intellectual-property rights is a legitimate issue, with multiple legal facets, one of which was cited by Joanne Davis regarding the potential for identical and or similar ideas being submitted by multiple agencies (they're all issued the same brief). It was right of the 4A's to publish an opinion on the topic of IP, but the letter should have been addressed to the ANA, not the search consultants. This is an issue between clients and agencies, as David Beals points out, and that is where it can be best dealt with. Whether or not there can be an umbrella standard developed, IP ownership can and should be dealt with in a fair and equitable manner within the context of each individual review."

don't think the burden should fall on them to regulate the intellectual-property issue.

"We totally agree with the 4A's stance on this, and we've always adhered to the same guidelines they are articulating," said David Beals, president-CEO at consultancy Jones Lundin Beals. "Having said that, we've not had a client in the 10 years I've owned this company that has disputed this take."

Additionally, said Mr. Beals, "What we don't agree with is the 4A's asking us to exercise some type of contractual formal agreements with our clients. ... This is a legitimate issue, but it's between the agency and the client prospect, not something to be asking the consultants to do."

Consultants report that if marketers do request to own ideas, they'll be willing to pay for them. The biggest reason advertisers ask to own ideas at all? They are fearful of being sued by a non-winning

📍 JOSEPH DREITLER, COLUMBUS, OHIO:

"I am looking at this from the other side of the coin—specifically, as an IP attorney who has spent (most) of my 30-year career representing the marketers as opposed to agencies. "Certainly there is a 'fear factor' of not wanting to get a protest letter later on if an ad campaign looks even a bit like one pitched by a losing agency. But over time there has become more of an 'I want to own it because I can dictate to you agency' that I find more than a bit troublesome ...

"Most agencies are sophisticated and understand what they are doing. Some are desperate to get into the mix. A few are like the proverbial sheep to the slaughter."

📍 DAVID BERG, CHICAGO:

"An excerpt from 'Confessions of an Advertising Man,' David Ogilvy, 1966. Chapter 4 'How to Be a Good Client':

"Select the right agency in the first place.

"If you spend large sums of your stockholders' money on advertising, and if your profits are dependent on its efficiency, it is your duty to take great pains to find the best possible agency.

"Amateurs do it by cajoling a group of agencies into submitting free campaigns, on speculations. The agencies which win these contests are the ones which use their best brains for soliciting new accounts; they relegate their clients to their second best brains. If I were a manufacturer, I would look for an agency which had no new-business

agency that happens to produce a similar idea to the winning one, consultants say.

"It isn't because clients are assholes," said Hasan Ramusevic, owner of Hasan & Co. in Raleigh, N.C. "There are a lot of legal factors to consider."

Mr. Ramusevic said that about a year ago he voluntarily altered language in contract agreements to reflect that, in a pitch scenario, agencies should retain ownership of ideas if they are not the winners. Still, "I don't know how I feel about the 4A's pushing that on us," he said.

"This has been an issue that's ongoing, not a rise in it," Mr. Ramusevic said. "The difference is that the agencies didn't fight back on the issue as much as they are today. There's a heightened awareness, and agencies are more willing to speak up about it."

Joanne Davis, head of Joanne Davis Consulting in New York, addresses the

department. The best agencies don't need them; they get all the business they can handle without preparing speculative campaigns. The sensible way to pick an agency is to employ an advertising manager who knows enough about what is going on in the advertising world to have an informed judgment.

"Ask him to show you representative advertisements and commercials from the three or four agencies he believes to be best qualified for your account.

"Then call some of their clients on the telephone. This can be particularly revealing when you call advertisers like Procter & Gamble, Lever, Colgate, General Foods and Bristol-Myers, who employ several agencies."

"Even though this is 44-year-old information, it still holds true. Clients need to become involved with their agencies intimately, where observation of chemistry exists and an intent on doing business results. The worry about IP will become less of a problem."

📍 JANE BEDFORD, ATLANTA:

"I believe totally in the protection of an agency's intellectual property. In our 20-year history, we have never had a client 're-purpose' a firm's strategic or creative product. Since the 4A's seem to think this is a problem now, we'll endorse their initiative (although we verbally inform clients that they have no rights of ownership for

any ideas that have been presented to them). That said, I would suggest to the 4A's that they reprimand the offenders of this practice as opposed to blanketing all consultants as if this is a typical and usual practice for the firms vetted by the 4A's. I think this needs to be stopped at the source—either expose the consultants who allow this to happen and drum them from your roster or expose the companies that engage in this behavior. As someone else said, the legal implications of adopting someone else's work product is a serious infringement. Agencies, stand up for your rights, and don't allow yourselves to be the victims. What actions do you take to avoid this happening to you?"



➡ There's more opinions where these came from. For more reader viewpoints, or to join the debate on agencies' rights to intellectual property yourself, visit AdAge.com/agencynews

issue by requiring agencies to sign a letter acknowledging that, in the "likely situation" where multiple agencies submit similar ideas based on the same brief, or ideas similar to ones the client has developed internally, they will not seek to enforce copyright protection.

Ms. Davis said the problem manifests itself during pitches more often than one would think, recalling a situation a few years ago when two finalists in a pitch for a retailer presented the same tagline.

Still, Ms. Davis thinks the fact that 46 of the 55 agencies on the 4A's new-business committee endorsed the letter sent last night is noteworthy. "I was impressed with the number of agencies that signed it—it shows you it's a widespread issue that affects large agencies, independent agencies, holding company agencies ... it's not just a few agencies who feel that they've been wronged complaining."



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As Foursquare moves beyond hipsters, big brands check in

Possibilities for geo-targeting, social engagement help 'Twitter for location' gain support from major marketers such as Pepsi, Bravo

BY KUNUR PATEL kpate1@adage.com

WHY SHOULD MARKETERS care about Foursquare?

Because the mobile game/social network is a data goldmine that offers brands a way to sidle up to consumers when they're out and about spending money. Just ask the world's No. 2 beverage marketer, Pepsi, which thinks there's a "huge opportunity" in Foursquare and marketers from Unilever to your local mom-and-pop who are looking at getting on the game.

"From a broad strategy point of view, there's a huge potential with the ability to connect people to promotional experiences," said Bonin Bough, PepsiCo's global director-digital and social media. "We know where people are and can talk to them from a geo-located perspective—that's a huge opportunity."

For consumers, Foursquare's appeal is social-media status—you compete with social-network friends based on how often and where you go out, and can also broadcast your exploits on Twitter. What's more, it brings the uniquely 21st century over-sharing that grew up on Facebook and Twitter into the real, brick-and-mortar world. People "check in" at a location, be it a restaurant, bar, club or office, and earn badges like mayor (for most visits), newbie, bender (for consecutive nights out) and, yes, even douchebag (for checking in at places like Barney's).

"The X-factor appeal of Foursquare is in its social currency," said David Berkowitz, senior director-emerging media and innovation at digital agency 360i. "Giving Foursquare users these badges for completing explicit tasks adds an element of surprise, like a scavenger hunt. And you can't ignore the bragging rights."

BRAND APPEAL

Since the mobile game launched last March, 300,000 smartphone users have taken to checking in, first in major urban hubs, and now across the world. Co-founders Dennis Crowley—who sold his last venture, Dodgeball, to Google—and Naveen Selvadurai have snagged seed funding and a handful of angel investors.

With this mix of gaming, social-networking and mobile, it's easy to see how oversharing tweeters have gravitated toward what app investor and BBDO Director-Digital Strategy Chad Stoller calls "Twitter for location." But why have brands?

Last week, reality-TV network Bravo became the latest big brand to float an ad program with Foursquare. The partnership



includes network-branded badges that users earn when they visit a Bravo venue, such as a "Top Chef" restaurant or a "Real Housewife's" favorite store. Bravo mayors also win access to sweepstakes, and network talent will distribute city guides through the platform.

In December, brand Pepsi sponsored the Foursquare points board for charity, as part of its Refresh Everything community-giving push. For every point earned in New York, Pepsi donated 4¢ to inner-city youth center Camp Interactive. After one week, New Yorkers on Foursquare earned 225,000 points, and nearly \$10,000 for the organization. For other PepsiCo brands, Mr. Bough sounds bullish on apps such as Foursquare, as well as others with similar features such as Yelp, Gowalla and Loopt—a similar mobile app that's developing a system to target offers to mobile-phone users based on habits and location.

"Alongside brand building and couponing, you're able to identify where a consumer is and drive them to experiences or into stores," Mr. Bough said of the category.

Frozen-yogurt chain Tasti D-Lite has been using Foursquare to serve "special nearby" alerts to users that check in close to its stores. Users get an offer for discounted product around the corner, and those trackable coupons are starting to show results. "We have some information by location, and preliminary data is showing that this is driving foot traffic in stores," said B.J. Emerson, director of information and social technologies for the Tennessee-based brand. "We'll most likely pursue this where we can measure effectiveness and return."

The 50-store chain also launched a loyalty program that's synced with Foursquare and Twitter, so customers earn points

FRIENDS:

While on the go, Foursquare users can check in their locations and gain points. Pepsi used the service to raise money for Camp Interactive.



for making purchases and for checking in. When visits are published to customers' tweet stream, Tasti D-Lite gets in front of all their friends, and the customer earns extra points toward free desserts.

MONETIZATION

While marketers are starting to get data, tweet stream shoutouts and more bodies in stores, there's still not a system in place to pay for it. Once the initial novelty wears off and Foursquare moves from experimenting in ad partnerships to a full-fledged rate card, will marketers be willing to pay?

Right now, Specials Nearby—there are nearly 700 since Foursquare launched the feature in summer—are free to businesses. So is the API with which Mr. Emerson built the loyalty program. These partnerships, and those with other marketers, such as San Francisco's transit system, Harvard University and Canadian newspaper Metro, are all research for building a business model based on brand integrations, said Tristan Walker, Foursquare head of business development.

"The lasting value will be from the smaller deals Foursquare will find ways to monetize," said 360i's Mr. Berkowitz. To scale up those small-business services, Foursquare's Mr. Walker said the company is looking at a self-service platform.

For bigger brands, Foursquare is developing an analytics dashboard so businesses can track who's coming into their stores. Then, deals could be sold against impressions such as web ads, clicks such as search ads or a completely new model: cost per check-in. But before those big brands will sign on, Foursquare will have to show it can appeal to more than urban, early adopters.

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KRAFT GOES NATURAL:

Kraft Natural Cheese was repackaged in mid 2009 with heightened visibility of the word "natural" in response to consumers' desire for less-processed, but still convenient, foods.

Behind Kraft's marketing makeover: from new ad agencies to new attitude

One of America's oldest and most traditional marketers is working to update the look and feel of its packaging, advertising

■ BY EMILY BRYSON YORK eyork@adage.com

QUICK: Name one highly creative advertiser. Bet your first choice wasn't Kraft.

The company that brought the world "My bologna has a first name" and "We helped!" for Shake and Bake is unlikely to ever go down in the ad annals next to Nike or Apple. But North America's largest food company—about to become even larger with the addition of Cadbury—is making strides toward updating the look and tone of its advertising while keeping it as accessible as possible for consumers.

It's a mission that brought a large Kraft contingent to Cannes last year and it begins at the top with CEO Irene Rosenfeld. "All the way from Irene, the marketing is important," said Dana Anderson, senior VP-marketing, noting "the [creative] bar is higher." Agency vet Ms. Anderson is charged, along with CMO Mary Beth West and Mark Stewart, VP-global media, to step up Kraft's marketing game. It does have a strong heritage to defend: Kraft was one of the first national marketers, pioneering sponsored content on radio and TV.

Kraft is also putting its money where its mouth is by increasing marketing support. Spending has hovered around 7% of total sales, but media rates have fallen, and sales have grown to \$42 billion in 2008 from \$36 billion in 2007. Kraft reports full-year 2009 results next week.

ADDING ATTITUDE TO ADS

Kraft's biggest splash to date is its much-lauded iFood Assistant app for the iPhone. But it's also revamped its consumer website and revised its Food & Family magazine, targeting consumers looking for immediate cooking inspiration with e-mail newsletters. Moreover, Kraft is attempting to add some attitude to campaigns for pedestrian products such as Miracle Whip, as marked by a recent effort that portrays the brand as a proudly quirky and almost defiant alternative to other spreads. The theme: "We are

Miracle Whip and we will not tone it down." Former agency execs point to this idea as one that would have eventually been rejected as too edgy under the old regime.

Ms. Anderson said that as part of its "holistic" approach to better marketing, the ad department has worked to make its food look tastier and more real. Kraft Natural Cheese was repackaged in mid 2009 with increased visibility of the word "natural." It's a response to consumers' desire for less-processed foods that are still convenient, and Kraft has cut through the clutter, in part, with better artwork. The company consulted editors at Better Homes & Gardens and Gourmet, sending product shots for commentary.

Karen Adams, senior director-advertising, said her team on the Oscar Mayer and pizza businesses have actually worked to make the food look messier and therefore more believable. The goal is to have a story behind every picture of food. For instance, when Kraft launched Deli Creations sandwiches in 2008, the initial print work depicted a woman in a suit, standing, with bent arm holding a sub sandwich. "People don't eat sandwiches that way," Ms. Adams said. New ads show a construction-worker-in-hard-hat happily biting into a sandwich.

While that won't likely be a Lion winner, it does accomplish one goal of Kraft's: getting away from the hot dogs on china plates of old. "We don't want to see the aprons and tweezers [used in a food setup]," Ms. Adams said. "It's got to feel [to the consumer] like, 'I can do that.'"

Kraft has also changed the way it works with agencies. Concurrent with an aggressive reorganization that saw the company's biggest-spending U.S. brands shift to McGarryBowen and DraftFCB from JWT, Chicago, Kraft strives to give partners better direction along with the higher expectations and shorter lead times. "We have a little joke," Ms. Anderson said. "Fast can be beautiful."

The company was lambasted, before Ms. Rosenfeld's arrival, for relying too heavily on research and

not taking enough risks. Ms. Anderson, who has worked with Kraft brands for decades, referred to the old way of doing business as having a meeting in which the resolution was to go think some more and reconvene at another meeting.

Said a former agency executive: "When you start from so far out you tend to make your conclusions quite early on, then you're trying to cover every base when you're producing the work, you round the edges off and it becomes vanilla and doesn't have anything really sharp."

PROUD 'DINOSAUR?'

These days, Ms. Anderson said she may meet with brand managers and agency creatives for several days, meet with consumers, brainstorm and emerge much faster with new marching orders.

"They've really become more transparent in all of their needs that they've got in sharing information in a clear and concise way," said Tim Scott, president-McGarryBowen, Chicago. He added that Kraft marketers are engaged every step of the way.

Another former agency partner expressed skepticism that the entire Kraft marketing machine could have been changed in less than three years, especially one that "almost took pride in its 'dinosaurish-ness.'" However, the executive said: "It's hard to change a company like that but it would be churlish of someone not to give Irene her due for the changes they've made."

At the same time, too much change could be a bad thing at a company like Kraft. Another agency executive said that while the company has "advanced considerably" in the quality of marketing and the risks it's willing to take, being known as "old fashioned" can be helpful if you're selling cheese, mayo, deli meats and Ritz crackers.

"They wrote the book on old-school," the executive said. "They believe in integrity and family values. It sounds old-fashioned, but that's the company, and it's something to be proud of. Most people in this country still aspire to that."

As usual, the next revolution will start in San Francisco.



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VIEWPOINT

Edited by
Ken Wheaton,
kwheaton@adage.com



Do you have something to say? Send letters and corrections to viewpoint@adage.com or to Advertising Age, Viewpoint, 711 Third Ave., New York, NY 10017. Please limit letters to 250 words.

EDITORIAL

COURT MADE RIGHT CALL TO PROTECT FREEDOM OF SPEECH

The Supreme Court's recent decision in *Citizens United vs. Federal Elections Commission* has many troubling aspects, but it was the right one—for now.

On the surface, the idea of corporations directly pumping money into electoral races does seem like a bad idea. Just one example: Candidate X, from a poor district with few resources, has been railing against Industry Y. Suddenly, every company in Industry Y is pumping money. Then again, if Candidate X has been on C-Span for hours at a time lobbying charges at Industry Y, why can't Industry Y defend itself—or go on the offensive?

Ultimately, such free-speech issues were at the crux of the case.

What the court was doing was untangling a mess of good intentions created by numerous bills. Over the years, the concept of free speech has been broadened to include many things, including commercial speech. At the same time, McCain-Feingold

It's hard to argue that routing money through PACs was any better for democracy. And corporations will still have to consider the risks of political activism.

and similar legislation led to more curbs on political speech—the specific speech the Founders had set out to protect when the Constitution was written.

The statutes also carved out an exception for media companies. While Dow Chemical was forbidden to use money directly from its treasury to fund ads and Three Guys in a Room Corp. couldn't run ads within 60 days of an election, General Electric's MSNBC and News Corp.'s Fox News could editorialize to their hearts' content. That is a double standard as plain as day. (And, as the court pointed out, since

the government had essentially carved out exceptions for media companies, it had the power to take such exceptions away.)

Importantly, disclosure rules were left in place. What this may ultimately mean is that voters have more information about what money is coming from where when it comes to political advertising. It's hard to argue that routing money through political action committees was any more honest—or better for democracy. And with those disclosure laws in place, corporations will have to consider the risks as much as the rewards when it comes to dabbling in politics. Voters will notice—and may choose to vote with their pocketbooks.

We don't deny that there is much for potential for trouble here. But if politicians want to keep the corrupting influence of corporate cash out of politics, they will have to write legislation that passes constitutional muster. (Of course, they could start by refusing such money themselves.)

READER RESPONSE



READERS CAN'T STOP CHIMING IN ON APPLE'S IPAD

Re: Phil Johnson's "The IAgency: How the iPad Will Change the Advertising Business" (AdAge.com, Feb. 3)

📍 **NADER ASHWAY**, ENGLEWOOD CLIFFS, N.J.

Thanks for another great post, Phil. I think it speaks first to Apple's penchant for releasing devices that are basically public betas. I was online for several hours in June 2007 when iPhone was released to the public, and it was only a matter of months before I was hearing about how there was a rebate on version No. 2 for us guinea pigs who dared to take the initial leap.

I think iPad is executing a similar model, and I would be cautious to fully embrace this as a new channel until they settle a few important issues, primarily the lack of Flash compatibility. For agency creatives, the iPad will be a gorgeous new medium for content and brand messaging when we can animate those messages without the time and GB required for video.

What iPad has done very well is open the door to a level of interactivity—which you pointed out—that doesn't exist right now with books. The idea of "augmented reality" is making puddle-size splashes with the proliferation of QR codes, and I think the idea of "augmented content" or "augmented literature" is a category the iPad has unwittingly (or perhaps very knowingly) created.

Why go for iPad when I can get all this (and lots more) on my MacBook Pro? I think this is the real difference and what Apple is banking on. It's about the user's experience with the devices that really matters. A laptop brings with it a certain expectation that you'll be able to get a lot of work done. The iPad, on the other hand, conveys a much more intimate and personalized experience—like curling up with a good book. Something about its portability—and perhaps even its limitations—is exactly what makes it so romantic.

📍 **GEORGE WOOD**, BALTIMORE

As an avid reader and someone in advertising the iPad/Bookstore model intrigues and sparks two questions for publishers,

advertisers and content creators.

First, will the iPad/Bookstore model be as accepted as the iPod/iTunes and iPhone/App Store models? If the iPad/Bookstore can attain the iPod and iPhone's hockey-stick growth patterns the product reaches mainstream customer segments where the power of its distribution system can be leveraged. If the iPad doesn't reach these growth models, the device's impact on publishers, advertisers and content creators will need to be reassessed.

The other more interesting question is, does the iPad/Bookstore reintroduce the "failed" subscription model? One thing that didn't get talked about enough was how the App Store introduced paying one time for content. Will the iPad/Bookstore create a sustainable subscription model? Have we reached a point/device where consumers will subscribe for regularly delivered content? What are the billing, revenue-sharing and advertising implications in an iPad subscription model? What happens to the "free website" model and online content? It will be a brave new digital/online world if the subscription model is more accepted and viable.

📍 **TRACY LEVITZ**, JOHNSTOWN, PA.

I see the beauty in the iPad, but as a lover of print, I'm conflicted. Obviously, rather than a replacement, I'd rather see it as another option.

Yes, it's a beautiful, lightweight device for browsing and e-mail and as an e-reader, especially when you're on the road without a lot of room for books and magazines. And I'd rather see people re-discover reading by means of an iPad or Kindle than not read at all.

But I mourn the potential death of the beautiful, tactile relationship we have with print. Or its seemingly inevitable future as another luxury item.

The possibility of information overload is there, too. Do I pause to look things up while reading? Sometime, yes.

Embedded content and access to expanded information would be great and useful and certainly an enhancement. But it can also be a distraction in our often schizophrenic and short-attention-span world. Will the point of a piece become lost because the reader is veering off every minute or so to play a video, visit a website or watch a sales pitch? So many embrace TV over reading, is reading going to become the three-ring circus to finally, fully meet that shift? I guess USA Today, way back when, was harbinger of bigger things than we knew.

The web may have become more democratized and accessible—and even my father is using a BlackBerry—but I've got clients who still can't figure out their e-mail. I hope we're a ways from the iPad become a total print killer.

However beautiful a display is, it is, at heart, only an approximation of ink and type on paper.

CORRECTION: RE: Bob Garfield's "Watch This Spot and Then Tell Me That Unicorns Aren't Real" (AA, Feb. 1). Walmart's "Clown" spot was created by Publicis & Hal Riney, San Francisco.

WHAT YOU SAY

CAN APPLE'S IPAD DO FOR PUBLISHERS WHAT THE IPOD AND ITUNES HAVE DONE FOR THE MUSIC INDUSTRY?

The majority of those responding to our poll think that the iPad—well, wait. Many didn't answer the question about whether the iPad will help publishing. They just wanted to chime in on how cool the iPad is. This time around, Apple fans carried the day.

"Apple not only solves the e-reader puzzle with the iPad but it also establishes the next link in the evolution of electronic human interaction."

FREDRIC KIML

"Seems that the iPad could be the perfect hybrid of print media and web-based tech."

ABHI BHANSALI

"The fact that it displays color is enough to push applications that have not been able to be done on the Kindle. So what if it is a large iPhone/iTouch? It has so many potential additional applications!"

MIKKEL MOLLER

"I don't think any of us can imagine how much of a game-shifter the iPad is. I, for one, believe it changes everything."

TAYLOR BARCROFT

"With iPod, Apple improved upon and out-marketed the current portable music players. iPad similarly improves on the Kindle concept, and makes it cooler."

JIM HAIST

"I'm sure it'll be moderately successful, but I can't see that there are sufficient people whose needs align with the things the iPad can do well."

LAURENCE ASHWORTH



59% think Steve Jobs and Apple have another winner.

📍 NEXT WEEK'S QUESTION:

WILL THIS YEAR'S TV UPFRONT BE STRONGER THAN LAST YEAR'S?

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OPINION MEDIA GUY

SIMON DUMENCO

What will happen to media when all the billionaires bail?

If you're a certain sort of still-employed media person, you're probably wondering how much longer you can hold on to your job. But the larger question might be: Just how unreal-illusory, delusional, unmoored from the realities of the marketplace—has your job been all along?

I've been thinking about this a lot lately in regard to the coming passing of the media billionaires. Nobody likes to admit this, but much of the best of contemporary journalism has been produced, and continues to get

Where's the next generation of Richie Riches willing to take losses on worthy media properties? And how much patience does the current generation have left?

produced, simply because of the largess—and the emotional needs—of a small group of rich people. The struggling New York Times, for instance, still produces good journalism mainly because the Sulzbergers, who control the Times Co., see themselves as guardians of a public trust. (Let's hope their loan shark,

Mexican billionaire Carlos Slim—who coughed up \$250 million last year with some scary strings attached so the paper could refinance some burdensome debt—continues to smile on that mission.) For 105 years, the Bancroft family thought of themselves similarly—until suddenly they didn't, at which point they offloaded The Wall Street Journal to Rupert Murdoch's News Corp.

Murdoch's purchase of the Journal is itself, of course, a grand ego-driven folly, which he's only underscored lately by funding the creation of a metro desk at the paper. Let's face it, there is no strategic need for the Journal to get into a local-reporting turf war with The New York Times (this is really more about Murdoch's grudge match

with the Sulzbergers), and so let's also be blunt: When old man Murdoch dies, the Journal, his baby, will suddenly be vastly less interested in covering local politics and such. (And News Corp.'s interest in continuing to own the WSJ will likely evaporate too.)

Rupert Murdoch turns 79 next month, by the way.

Billionaire investment banker Bruce Wasserstein was just 61 when he died last fall after being admitted to the hospital with an irregular heartbeat. Bruce owned New York Magazine, where I spent many of my happiest years as a "serious" (and, well, not-so-serious) journalist. I was thinking of Bruce last week because of the news that my old colleague Hugo Lindgren, who worked under NY Mag Editor in Chief Adam Moss as editorial director, was leaving... for Bloomberg BusinessWeek. *Hmmm*, I thought. He's leaving the warm embrace of one money-losing media property that's owned by the estate of a dead billionaire to go to work for another money-losing media property that's owned by a still-living billionaire.

Well, I suppose, good for Hugo—good for any journalists who can still eke out a living, and do good work, on a billionaire's dime. (God bless us, every one!) But then I thought: Where's the next generation of media Richie Riches who are willing to take losses on worthy properties? For that matter, how much more patience does the current generation of Richie Riches have left? Never mind the Bancrofts. Billionaire Sam Zell has been badly battered by his quixotic quest to turn around Tribune Co. The gilded Forbes family, a few years back, sold 40% of the parent company of Forbes magazine to an investment group (that includes, hilariously, Bono). Octogenarian billionaire Si Newhouse has basically gotten out of the business of propping up prestige publications at Condé Nast for corporate/familial glory, as signaled by the closure of half a dozen magazines in the past year (only the money-losing New

Yorker still gets a pass). And a couple weeks ago, perhaps most poignantly, even John R. MacArthur, the president/publisher of nonprofit Harper's Magazine—his family foundation keeps the lights on—appeared to be panicking, suddenly sacking his longtime editor and complaining to his staff that (according to a Times report) "the mainstream media is ignoring it to death."

(No fair plowing millions of your family's money into a magazine only to get ignored!)

Much has been written about the death of journalism, blah blah, as the margins at once-great publishing companies vanish. But something else is vanishing too: the old black magic that drew deep-pocketed backers to media ownership because media (specifically newspapers and magazines) offered them ample other rewards (regardless of the state of the balance sheet). Like, prestige. A place at the table. Access to the halls of power.

But now bloggers can get White House press credentials. A thousand people retweeting a link to an amateur YouTube video can set the day's political agenda. And the chattering class may have stopped reading Harper's, but over at Forbes, they're eating up PerezHilton.com; the magazine just named Hilton No.1 on the "Web Celeb 25" for the third year in a row.

A lot of the loudest new players in media, in other words, have no use at all for billionaire benefactors. Now, given that billionaire benefactors seem increasingly inclined to grumpily gather up all their marbles and go home, that's a good thing—unless, of course, you're one of the scary number of journalistically inclined media people whose entire career, or what's left of it, still hinges on how some old rich dude feels about himself this morning.

➔ Simon Dumencho is Advertising Age's "Media Guy" columnist. E-mail: sdumencho@adage.com

HOW TO CONTACT EDITORIAL

RANCE CRAIN *Editor in chief*
DAVID S. KLEIN *Publishing/editorial director*
ALLISON P. ARDEN *Vice president, publisher*

rcrain@crain.com
dklein@crain.com
arden@adage.com

EDITORIAL (NEW YORK)

Abbey Klaassen *Executive editor* akaassen@adage.com 212-210-0243
Matt Kinsey *Assistant to the editor* mkinsey@adage.com 212-210-0281
Judann Pollack *Managing editor* jpollack@adage.com 212-210-0458
Sheila Dougherty *Assistant managing editor* sdougherty@adage.com 212-210-0783
Lisa Fain *Assistant managing editor* lfain@adage.com 212-210-0178
Aris Georgiadis *Assistant managing editor* ageorgiadis@adage.com 212-210-0789
Ken Wheaton *Assistant managing editor* kwheaton@adage.com 212-210-0761

INTERNATIONAL

Laurel Wentz *Editor* lwentz@adage.com 212-210-0175
Normandy Madden *Asia editor, Hong Kong* nmadden@adage.com 852-2982-1956
Emma Hall *Editor, London* ehall@adage.com 44-794-123-7761

DATACENTER

Bradley Johnson *Dir. of data analytics, Los Angeles* bjohnson@adage.com 310-860-6420
Kevin Brown *Group data manager, Chicago* kbrown@adage.com 312-649-5272
Maureen Morrison *Research editor, Chicago* mcmorrison@adage.com 312-649-5348

CMO STRATEGY

Jennifer Rooney *Editor* jrooney@adage.com 212-210-0797

EDITORS AT LARGE

Bob Garfield *Ad Review* bgarfield@adage.com 301-340-2804
Jack Neff *Batavia, OH (personal products, research)* jneff@adage.com 513-732-9001

AD AGE INSIGHTS

Ann Marie Kerwin *Editor* akerwin@adage.com 212-210-0183

REPORTERS

Beth Snyder Bulik *York, PA (consumer electronics, tech)* bbulik@adage.com 717-848-6950
Michael Bush *(Agencies)* mbush@adage.com 212-850-7614
Simon Dumencho *Media guy* sdumencho@adage.com
Andrew Hampp *Los Angeles (cable TV, outdoor, radio)* ahampp@adage.com 323-522-6256
Nat Ives *(Newspapers and magazines lead)* nives@adage.com 212-210-0146
Michael Learmonth *(Digital lead)* mlearmonth@adage.com 212-850-0283
Jeremy Mullman *Chicago (beer/liquor, agencies)* jmullman@adage.com 312-649-5455
Rupal Parekh *(Agencies lead)* rparekh@adage.com 212-210-0770
Kunur Patel *(Agencies)* kpatel@adage.com 212-210-0204
Brian Steinberg *TV editor* bsteinberg@adage.com 212-210-0169
Emily Bryson York *Chicago (food)* eyork@adage.com 312-397-7582
Natalie Zmuda *(Retail, nonalcoholic beverages)* nzmuda@adage.com 212-210-0419

VIDEO

Paris Bogdanos *Coordinator* pbogdanos@adage.com 212-210-0401

ART

Jesper Goransson *Art director* jgoransson@adage.com 212-210-0474
Jennifer Chiu *Deputy art director* jchiu@adage.com 212-210-0795

GRAPHICS

Greg Palmer *Editor* gpalmer@adage.com 617-714-3745
Charlie Moran Jr. *web producer/editor* cmoran@adage.com 212-210-0753

COPY

Anna Baskin *Copy/people & players editor* abaskin@adage.com 212-850-7613

WEB

Rahmin Pavlovic *Web products manager* rpavlovic@adage.com 212-210-0166
Tim Dalbey *Web developer* tdalbey@adage.com 212-210-0708

EVENTS

Nick Parish *Event content manager* nparish@adage.com 212-210-0135

ADVERTISING & SPONSORSHIP SALES

Jackie Ghedine *Managing director, sales* jghedine@adage.com 212-210-0725

MEDIA

Rob Eisenhardt *Sr. director, media* reisenhardt@adage.com 212-210-0139
David Boniface *New York sales manager* dboniface@adage.com 212-210-0164
Caren Gibbens *Sr. account manager, West Coast* cgibbens@adage.com 323-370-2440
Kate Roomet *Account manager* kroomet@adage.com 212-210-0475
Emily Chiang *Sales assistant* echiang@adage.com 212-210-0246
Candace Hanson *Sales assistant* chanson@adage.com 212-210-0159

DIGITAL

Pete Roper *Sr. director, digital* proper@adage.com 212-210-0280
Brittany Paris *Account manager* bparis@adage.com 212-210-0173

AGENCY, CREATIVITY & TECHNOLOGY

Jim Whelan *Director, agency relations* jwhelan@adage.com 212-210-0158
Roberto Guerra *Sr. account manager, production* rguerra@adage.com 212-210-0424

CUSTOM

Karen Egolf *Editorial director, custom programs* kegolf@adage.com 847-577-9032
Richard K. Skews *Associate editor, custom programs* rskews@adage.com 312-280-3136

MARKETING & EVENTS

Angela Carola *Director* acarola@adage.com 212-210-0407
Lauren Minardo *Conference director* lminardo@adage.com 212-210-0738
Gabrien Symons *Interactive designer* gsymons@adage.com 212-210-0191

ADVERTISING PRODUCTION

Michael Corsi *Pre-press/production director* mcorsi@adage.com 212-210-0214
Kate Costanzo *Production manager* kcostanzo@adage.com 212-210-0230
Meilyn A. Castillo *Assistant to publisher* mcastillo@adage.com 212-210-0248

AUDIENCE DEVELOPMENT

John LaMarca *Circulation director* jlamarca@adage.com 212-210-0149
Subscriber services: 1 (888) 288-5900, fax (212) 210-0465, outside U.S.: 1-313-446-1665, e-mail: customerservice@adage.com PRINTED IN THE U.S.A.

KEITH E. CRAIN *Chairman*
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OPINION IOANA FILIP

JWT

Setting short-term goals can be great for self-motivation

Set a realistic and attainable goal for the next three to six months, and do your best to achieve it; in such frustrating times, it's good to keep yourself motivated and optimistic to achieve something you've set your mind to, rather than making unrealistic plans.

Setting a realistic short-term career goal is not only ambitious, but it requires a true understanding of your current situation. Again, realistic is the key word. Assess your strongest points and your potential short-term opportunities and barriers. Try not to focus on the negatives; it's bad enough the

market doesn't offer you many things to be satisfied with right now.

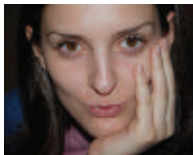
A short-term goal can be anything from finishing a personal research project, shooting your first TV spot or selling an innovative concept to your favorite client. You set the goal, the plan and the steps. That's the beauty of it.

Make sure you are cautious when you start making promises to yourself, as those may turn out to be the most difficult to keep as well as the most disappointing. Bear in mind your personal barriers and work pressures when you set your goal so

that you can accurately evaluate the risks of your own short-term plan.

Your short-term goals may pale in comparison to what you hope to achieve one day, but achieving them is at least reassurance that you are on the right track. Good short-term planning will also confirm whether you are pursuing the right career or if it's time to rethink the path. It's better to identify your strengths and flaws early in your working years so that you can rethink your career if necessary.

➔ Ioana Filip is a copywriter at JWT, Bucharest



VIEWPOINT

Edited by
Ken Wheaton,
kwheaton@adage.com

Do you have something to say? Send letters and corrections to viewpoint@adage.com or to Advertising Age, Viewpoint, 711 Third Ave., New York, NY 10017. Please limit letters to 250 words.

OPINION

STEVE RUBEL

EDELMAN DIGITAL

Use your scale to cut a path to potential consumers' attention

The single biggest challenge marketers face in the next 10 years is attention scarcity. Bank on it.

According to Andreas Weigand, Amazon.com's former chief scientist, more data were generated by individuals in 2009 than in the entire history of mankind. Human attention, however, is finite. And, arguably, it shrinks as we age.

The end result is downright ugly. It's like 25 lanes of traffic trying to squeeze through two Lincoln Tunnel tubes during the peak of rush hour. Your marketing programs may be the biggest, baddest bus in the flow, but you're competing with everyone else for the same space and time. Chances are, however, your bus is empty. Park that idea for now. We'll come back to it.

Each individual will develop his own coping mechanisms. Some of these decisions will be conscious. Many of them won't be. And that spells trouble for marketers.

Already one of the ways we're coping is by digging deeper into social-networking sites to connect with our friends and interests. According to Nielsen, consumers globally spent more than five-and-a-half hours on such sites in December. This represents an 82% increase year over year. Human beings have always been drawn to

each other. Social networking just makes this easier and scalable.

Or does it?

Robin Dunbar, professor of Evolutionary Anthropology at Oxford University, discovered that we are only capable of managing 150 friendships—and this includes brands.

Marketers know they need to be engaged in social networks. Some 45% of senior marketers surveyed by the Society for Digital Agencies said social-network engagement is their top priority.

To succeed in a world where attention remains scarce and our brains are limited, businesses must go beyond campaigns and move to real-time engagement. I believe the best way to accomplish this is scale. This means every business must become a

social business by deeply integrating their often decoupled employee-engagement and digital-engagement initiatives.

In short, to revisit the aforementioned metaphor, you must go big, get your employees on the bus and put more buses into the traffic flow, or go home.

So what exactly does this look like? It means unshackling your employees. It means equipping them with tools, policies and the means to engage with stakeholders around the clock. Above all, it means allowing your work force to unlock and share their company and subject-matter expertise.

According to fresh data from our own Edelman Trust Barometer, people are desperately seeking expertise. Informed consumers are more likely to trust what they hear from experts over any other source.

However, the reality is that very few companies understand this. Most are still taking a campaign approach to social networks in which the brand, not the people, is the voice. And there's usually only one voice.

What's worse, the Berlin Wall stands tall inside Corporate America. Robert Half Technology found that only 10% of corporate chief information officers grant their employees full access to social-networking sites. Those that do probably aren't guiding them. Manpower reports that only 20% of companies have social-network policies.

Change must begin at home. If you don't get your employees on buses, your competition will and it will be harder to covet attention. This is every business' challenge in 2010 and beyond.

➔ Steve Rubel is a marketing strategist and blogger. He is senior VP-director of insights at Edelman Digital.



OPINION

AL RIES

RIES & RIES

What good are the words to a song without the music?

In a song, what's more important, the words or the music?

I think most people would agree that the music is more important.

Take "Moon River," first sung by Audrey Hepburn in the movie "Breakfast at Tiffany's." The song itself won an Academy Award for composers Henry Mancini and Johnny Mercer, one of four won by Mercer.

Later, Andy Williams adopted "Moon River" as his theme song. Here is the first verse.

*Moon river, wider than a mile
I'm crossin' you in style some day
Old dream maker, you heartbreaker
Wherever you're goin', I'm goin'
your way*

Johnny Mercer, in my opinion, was the best lyricist of the 20th century, but I'm sure those words on a piece of paper, even repeated millions of times, would not have made "Moon River" famous.

It was the music that made the words "Moon River" famous.

Advertising needs visuals in the same way that lyrics need music, if you want to drive your words into the minds of your prospects.

Without a visual hammer, an advertising campaign is almost certain to fail.

Years ago, we were making a new-business presentation, and I could see it wasn't going over very well.

Wherever we were going, the prospect wasn't going our way.

Finally he said, "Your advertising is all visually oriented, and today the trend is towards verbally oriented advertising."

He was right. The number of advertisers today that are totally focused on a verbal approach is staggering.

VERBAL DIARRHEA

Even a visual medium like TV is often used primarily in a verbal way. Take a recent Ford F-150 commercial. Here is what was used for both the voice-over and, unbelievably, the text on screen:

"ALL RIGHT, SO YOU'RE DRIVING DOWN THE FREEWAY DOING ABOUT 60 WHEN YOU NOTICE THE GUY NEXT TO YOU IS STEERING WITH HIS KNEES, EATING A CHEESEBURGER AND TALKING ON THE PHONE, AND THAT IS EXACTLY WHY THE ALL-NEW '09 F-150 IS THE SAFEST TRUCK IN AMERICA. IT'S GOT HIGH-STRENGTH STEEL SAFETY CAGE, SIDE-IMPACT AIR BAGS, SAFETY CANOPY, 5-STAR CRASH RATING AND ROLL STABILITY CONTROL. BECAUSE IT'S NOT JUST CRAZY OUT THERE, IT'S CERTIFIABLY INSANE. OK IT'S NOT JUST ANY TRUCK, IT'S THE 2009 MOTOR TREND TRUCK OF THE YEAR."

My guess is that this verbal diarrhea turns off more truck buyers than it turns on. But who am I to complain? If the advertising is so bad, why is the Ford F-Series the largest-selling vehicle in the U.S.? Momentum. Ford's F-Series has

been the best-selling vehicle of any kind in the United States for 33 consecutive years.

But just because an advertisement has a visual doesn't turn that visual into a hammer. Most visuals are what we call a "rebus," a picture that stands for a word.

Take a Chevrolet Malibu ad with the headline: "By definition an Accord is a compromise." The picture is a rebus which stands for "Chevrolet Malibu." It doesn't hammer the words "an Accord is a compromise" into a reader's mind.

When developing a marketing strategy, verbally oriented left-brainers spend most of their time trying to find the best words to describe the brand's position. "Honda's Accord is the chief competitor for our Chevy Malibu," goes the thinking, "so let's nail them with the compromise idea."

But those words don't translate into a visual hammer, so they are virtually useless as an advertising concept.

Look at the difference between the Malibu ad and what Verizon has been doing recently.

For years, No.1 Verizon and No.2 AT&T have been blasting each other with massive amounts of advertising. A typical Verizon slogan: "Switch to America's largest and most reliable 3G network."

For most consumers this slogan was just "we're-the-biggest-and-the-best" advertising puffery. Nor did the slogan lend itself to a visual hammer.

Then last October Verizon launched its "There's a map for that" campaign. Its commercials showed two U.S. maps, one marked "Verizon Wireless," the other marked "AT&T." The caption: "5X more 3G coverage."

Verizon's coverage is almost solid red on a white map. AT&T's coverage is very spotty blue areas on a white map. In other words, with Verizon you get five times as much 3G coverage. That's what I mean by a powerful visual hammer.

You know the campaign is working because of what AT&T is doing in response. Soon after the Verizon campaign was launched, AT&T struck back with "When you compare, there's no comparison" and a new website, TruthAbout3G.com. Unfortunately, the ads are all words:

"Nation's fastest 3G network."

"Talk and surf the web at the same time."

"Most popular smartphones."

(Translation: We've got the iPhone. They don't.)

"Access to over 100,000 apps." (The iPhone again.)

Now who do you suppose is winning the wireless war? My bet would be on Verizon. A visual campaign will always be more persuasive than a verbal campaign.

Tested 72 hours after exposure, people remember only about 10% of information presented orally, according to

one study, but 65% of information presented visually.

There's a paradox here. The objective of a marketing campaign is to own a word in the mind. "Driving" in the case of BMW. "Safety" in the case of Volvo. "Change" in the case of Barack Obama. Logical left-brainers are quick to assume that the best way to do that is jump on the word verbally and then to lay out the verbal reasons why—much like a lawyer's brief.

Hence the AT&T campaign: "When you compare, there's no comparison."

Do words like these mean much to consumers? I think not.

The assumption is that you can say anything, but a picture is proof.

Hence the Verizon campaign: "There's a map for that."

THE VISUAL HAMMER

Nothing is as powerful in marketing as a combination of a simple verbal nail ("the real thing") and a powerful visual hammer (the contours of the Coke bottle.) You have probably noticed how Coca-Cola is making extensive use of its unique visual in packaging and marketing even though very few contour bottles of Coke are now being sold.

It's not just advertising that is so verbally oriented. What is striking to me is how verbally oriented many company presentations are. It's not uncommon for a corporate executive to stand behind a podium reading a speech on a teleprompter while the same words appear on a huge screen with absolutely no visuals.

I recently saw a 50-slide presentation by a world-renowned management consulting firm on an issue of international importance. The slides contained nothing but words—some 2,000 words, according to my rough calculations.

Compare that with a presentation by Steve Jobs, everyone's choice as the world's most effective communicator. In June of 2008, Steve Jobs announced the introduction of the iPhone 3G. He used 11 slides to do so, but only one slide contained words. The other 10 slides were photographs.

Look at PowerPoint, the presentation program of choice for most executives. My daughter Laura and I use the program because we think we have no other choice, but the slide masters are totally useless because they are all verbally oriented and our slides are almost all visually oriented, with very few words.

Wherever you're goin', you'll go faster and farther with a visual hammer. What good are the words without the music?



➔ Al Ries is chairman of Ries & Ries, an Atlanta-based marketing strategy firm he runs with his daughter and partner Laura. Their website is: www.ries.com.



THE CMO INTERVIEW

LISA BACUS

AMERICAN FAMILY INSURANCE

AMERICAN GROWS ITS FAMILY BY BUILDING TRUST

VP-Marketing Bacus saw opportunity in telling brand-driven stories to stand apart



BY ANDREW HAMPP ahampp@adage.com

LIKE MANY ADVERTISING categories, insurance marketing was heavy on tactics and price-driven deals but short on branding in 2009. That's where Lisa Bacus, VP-marketing for American Family Insurance, saw an opportunity—to tell brand-driven stories while her competitors, such as State Farm and Allstate, were driving home the literal value of their packages.

Beginning in fall 2009, the insurance marketer and its media agency, Mindshare Entertainment, embarked on its first-ever branded-entertainment strategy, encompassing several integrated entertainment programs with multiple media partners. The first, focused on agent interaction, was led by "In Gayle We Trust," a branded web series for NBC.com (written by Brent Forrester of "The Office") featuring a fictional

"Customers are coming to our Facebook site and becoming fans, telling their stories on our site about their agent and the experience they had. We use that content in a lot of different ways."

American Family Insurance agent (Gayle, played by Elisa Donovan) as its main character. A microsite featuring tips from finance expert Liz Weston at BuildingABrighterFuture.msn.com supplemented the web series, as well as a radio tie-in with CBS Radio—a promotion called "The Family You Choose," where listeners could thank their insurance agents as members of their "extended family."

Later in 2009, American Family Insurance teamed up with MTVU and its signature Woodie Awards for a five-part sponsored docuseries, "The Road to the Woodies," in which a real teenage driver develops her maneuverability using American Family Insurance's proprietary Teen Safe Driver Program.

Both programs were a departure for the 73-year-old insurance marketer and crucial to what Ms. Bacus thought was

American Family Insurance's biggest competitive advantage in a crowded market: customer service. "Consumers tend to see insurance as something mysterious or scary, so for us it's an opportunity to educate and demystify what insurance is all about," she said.

WPP's Kantar Media reported U.S. measured media spending on insurance at \$3.77 billion in 2008. Put another way, the insurance industry allocated about one-third of a penny from every premium dollar into advertising. (Insurers collected about \$1.1 trillion in 2008 net premiums, according to the Insurance Information Institute; measured media ad spending represented about 0.34% of that.)

The strategy appears to be paying off for the company, which used to favor a more traditional, 30-second spot approach with its modest marketing budget. Ms. Bacus said the branded-entertainment campaigns yielded a total of more than 100 million gross impressions across NBC, CBS Radio, MSN and mtvU properties, along with a double-digit increase in web traffic to

AmFam.com and a 36% increase in unaided recall of the branded programs. "In Gayle We Trust" was also streamed 3.5 million times at NBC.com, while the accompanying MSN microsite logged 700,000 unique visits.

Ms. Bacus said the programs accounted for a relatively small portion of the company's media budget, but nevertheless, American Family Insurance has been upping its marketing investment in recent months. The marketer spent \$32 million on measured media in 2008, according to Kantar Media, but had already spent \$36 million during the first nine months of 2009. Expect that to continue into 2010 as well.

Ms. Bacus, 45, came to American Family Insurance in 2008 after spending 22 years at Ford Motor Co., where she was most recently director-global marketing strategy, chief marketing officer.

She oversees advertising, customer relationship management, digital marketing, research, product portfolio, customer experience and market strategy, and planning for the company, reporting to Exec VP Brad Gleason. She recently completed the review of the brand's creative account, selecting Ogilvy & Mather as its new agency of record.

She recently spoke with Ad Age about lessons learned from her entertainment programs, the importance of bringing all her agency partners together for quarterly creative meetings and why branding should always prevail over tactics.

How is user-generated content influencing your overall marketing strategy?

A lot of the stories we've started to tell are already coming from stories we get from customers, so not only does each campaign have legs, it enables us to have a user-generated content component to it. If you look at the work being done on the digital side, it's a pretty robust digital strategy that includes social media. Customers are coming to our Facebook site and becoming fans, telling their stories on our site about their agent and the experience they had. We use that content in a lot of different ways, not only for research purposes but to help us in the development of our creative. Not only has the engagement been great, but we're getting leads from it. The American Family Insurance Facebook site, which just launched in June, is already ranked No. 2 in the insurance category, so we're very excited about that.

You recently switched to Ogilvy as your new agency of record after years with Omnicom's Element 79. What prompted that change?

Over the last couple years we've had a big focus on telling our brand story in a unique way. We wanted to really fine-tune how we brought that story to life. We had an opportunity to review some work Ogilvy had done around insurance companies and insurance-related services. We liked the perspective they provided and how to break through clutter of the category—to make what is often

BACUS' TIPS

1. Don't let the literal value of your product deter from your value proposition.
2. When dabbling in branded entertainment, choose media partners who can deliver more than just impressions—build interactive components with them.
3. Choose creative partners who are open to collaboration. If possible, coordinate quarterly meetings with all your agency partners to create one brand storyline.
4. Listen to your customers and let their stories influence your brand messaging.

viewed as an impersonal category much more relevant. It allowed us to tell our story in a more compelling way.

Today we work with multiple agencies, and each one of them has a specialization and value. A couple years ago we began bringing all of our agency partners together. That allowed us to leverage the work across all our agencies—both our multicultural agencies created general-market ads that ran over this past year.

You work with San Jose Group on Hispanic work, Common Ground for the African-American community and Ogilvy for general market, as well as Mindshare on the media side and Joule for digital. Why is bringing all those parties together so important, and how often are you able to meet up?

Part of the idea of bringing all of our agency partners together at the same time is to make sure we do have our multicultural perspectives be a part of everything we do. "General market" is a diverse market today, so those perspectives are absolutely key, so they're at the table influencing all the work we do. It's really about cultural convergence and having all of the multicultural segments together in this great melting pot.

Why is brand-building important to you during one of the most-competitive fields ever for insurance marketers?

Consumers are hearing the same story over and over again on price, price, price. But now they're saying, "That's a given. What else are you going to do for me?"

If we're able to couple a fair price with great service, a great experience and most importantly deliver on our promise, that's what American Family Insurance's value proposition is all about. We want to make sure customers have the right policy, and if they ever have a claim, we're there to restore their lives quickly—that's extremely important. The other thing I love about the new campaign is it really ties in nicely from the common threads you've seen in our past campaigns about the American family. We recognize family is our middle name; this allows us to tell the stories our customers are telling us.

➔ How can CMOs justify design innovation during a recession? Pat Hanlon answers. AdAge.com/cmostrategy

PEOPLE & PLAYERS

Edited by
Anna Baskin,
abaskin@adage.com



Want to see your face here? When the party's over, send those snapshots to peopleandplayers@adage.com



↑ **LOS ANGELES:** Absolut sponsors a party for the second season of "RuPaul's Drag Race," which it sponsors. (From l.) **Amy Wigler**, VP-integrated marketing, Logo; **Dave Mace**, senior VP-head of original programming, Logo; **RuPaul**; **Ed Fogarty**, VP-ad sales, Logo.



↑ **LOS ANGELES:** Essence honors **Mary J. Blige** at its Black Women in Music event. (From l.) **Paul Caine**, president-group publisher, style and entertainment group, Time Inc.; **Crystal Worthem**, multicultural marketing manager, Ford; Ms. Blige; **Angela Burt-Murray**, editor in chief, Essence; and **Michelle Ebanks**, president, Essence.



↑ **PARK CITY, UTAH:** The Sundance Channel hosts a party at the 2010 Sundance Film Festival. (From l.) **Josh Sapan**, president-CEO, Rainbow Media; **Martin Katz**, executive producer, "Spectacle: Elvis Costello With..."; **Sir Elton John**; **Evan Shapiro**, president, IFC and Sundance Channel; **Sarah Barnett**, exec VP-general manager, Sundance Channel; and **David Furnish**, executive producer, "Spectacle: Elvis Costello With..."



↑ **NEW YORK:** The Advertising Club hosts "The Great Debate," addressing technology's impact on creativity and other issues. (From l.) **Rob Norman**, global CEO, Group M Interaction, and **Lee Doyle**, CEO, North America, MediaEdge:cia.



↑ **BEVERLY HILLS, CALIF. :** InStyle and Warner Bros. host a Golden Globes after-party. (From l.) **Ariel Foxman**, editor, InStyle; actor **Gerard Butler**; and **Lisa Capparelli**, VP-integrated marketing communications, L'Oréal.



↑ **NEW YORK:** Advertising Age, Meredith and JWT conduct a panel on how to connect with today's mom. (From l.) **Abbey Klaassen**, executive editor, Ad Age; **Martine Reardon**, exec VP- marketing, Macy's; **Dana Points**, editor in chief, Parents/American Baby; and **Ann Mack**, director-trendspotting, JWT.



↑ **LOS ANGELES:** TNT hits the red carpet of the Screen Actors Guild awards. (From l.) **Michael Wright**, exec VP-head of programming, TNT, TBS and TCM; **Steve Koonin**, president, Turner Entertainment Networks; **Kyra Sedgwick**, SAG nominee for "The Closer"; and **Phil Kent**, chairman-CEO, Turner Broadcasting.



↑ **PARK CITY, UTAH:** Bravo partners with Locks of Love at its "Shear Genius" Salon at the Sundance Film Festival. (From l.) **Madonna Coffman**, president, Locks of Love; **Kevin Mancuso**, creative director, Nexxus; and **Ellen Stone**, senior VP-marketing, Bravo.

TALENTWORKS

Edited by
Jennifer Rooney,
jrooney@adage.com



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ON THE WEB

TAKING IT STEP BY STEP

GenNext blogger Ioana Filip offers this advice to her peers: While 2010 is still a year of constant challenges for the entire market, as young professionals it may be smart to start planning your careers step by step, from short-term goal to short-term goal.

WHY SETTLE FOR A JOB?

We live in an age of pragmatism. So many people have lost their jobs that they feel they must settle for the first job available. Many people will make any opportunity work, but settling for anything is a recipe for unhappiness. So should you settle? Or can you afford to be picky and demand more of yourself in this job market? Career coach and recruiter Stuart Parkin offers steps to getting the job you want.

PEOPLE ON THE MOVE



ROSEN

Campfire has promoted **Jeremiah Rosen** to president, a new position for the marketing agency. Having served as partner and director-accounts for four years, Mr. Rosen will now oversee the company's business operations. Before he joined Campfire, he worked on the Nike and Coca-Cola accounts for Wieden & Kennedy and also spent time at DCODE, N.W. Ayer & Partners and Leftfield Interactive in business development and client-service capacities. New York-based Campfire counts HBO, Dr Pepper Snapple Group and Verizon among its clients.



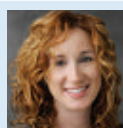
GABRINER

Toby Gabriner was appointed president of Adap.tv. He brings over 10 years of experience in the online-advertising industry to his new role, most recently serving as president of Tribal Fusion. He has also been CEO of X Plus One, a marketing optimization and media company, and president of Freestyle Interactive, an interactive advertising agency acquired by Carat Interactive in 2003. Adap.tv is the creator of online video ad serving platform OneSource.



PAYNE

A Squared Entertainment, a children's digital-media entertainment and brand-management company, has appointed **Gregory Payne** as its chief operating officer and general counsel. Previously, Mr. Payne served as exec VP-legal and business affairs for international media company DIC Entertainment, and he has also operated his own private legal practice. He will be tasked with expanding A Squared as it develops its catalog of original programming, as well as overseeing its business partnerships and the legal aspects of the company.



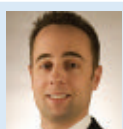
SWARTZ

Digitas has hired **Ashley Swartz** as senior VP for the agency's New York office. She will be leading key Samsung initiatives, including all Samsung.com work. Ms. Swartz joins Digitas from Ag8, Ltd., where she was the North American interim CEO. Before working at Ag8, she was senior VP-managing director of emerging media at PHD. She has also held positions at Double Fusion, Eiko Media Inc., Sony Ericsson Mobile Communications and SPK2ME Communications in the Netherlands.



MILLER

Michael L. Miller has been promoted to exec VP-chief growth officer of MRM Worldwide. The move follows a string of new business wins during his tenure, including The Home Depot, Century 21 and Diageo. Mr. Miller joined MRM Worldwide in January 2008 as exec VP-director of business development for MRM North America. He came to the company from G2, a division of Grey Global Group, and he has more than a dozen years of experience in integrated marketing communications and business development.



DEICHERT

The Weather Channel has named **Rob Deichert** senior VP-digital advertising operations. Most recently, Mr. Deichert served as senior VP-global sales development for AOL, where he managed the strategy and operational monetization of AOL's owned and operated inventory. Before joining AOL in 2006, he was director-ad operations at Advertising.com. Prior to that, Mr. Deichert was at Mars & Co, a boutique strategy-consulting firm.

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Staples, Inc. Senior Vice President Global Marketing

Responsible for transforming Staples into a leading global brand and supporting Staples Business Unit (SBU) marketing teams globally with effective and efficient marketing services necessary to achieve profitable sales growth. Manage staff of over 200 and a direct/indirect multi-million dollar budget to support the following responsibilities: Manage a large internal agency and several external agencies to deliver creative, high quality marketing communications at a low cost. Drive creative thinking to spur and support SBU strategies. Simultaneously continuously improve processes to reduce costs; Develop and drive implementation of brand strategy to build a powerful Staples brand globally. Includes brand architecture, brand guidelines, brand building strategy, trademark management and major cross SBU brand investments. Monitor progress to brand goal and present issues and opportunities to Executive Committee; Ensure that public relations develops and sustains Staples public image and reputation globally. Directly manage both reputation building and sales driving public relations for U.S. SBUs and lead public relations teams globally to ensure consistent messaging. Manage shared customer insight team composed of market research and usability experts. Ensure that findings are powerful practical and actionable. Drive awareness understanding and usage of customer insights to drive strategies and tactics across U.S. SBUs and functions. For more information go to <http://adage.com/talentworks>.

Harris Interactive SVP. Research - Consumer Goods

Harris Interactive is a global leader in custom market research. With a long and rich history in multi-modal research, powered by our science and technology, we assist clients in achieving business results. Harris Interactive serves clients globally through our North American, European and Asian offices and a network of independent market research firms. We are searching for a proven market research practice thought leader who has grown a supplier-side profit center with a strong expertise in consumer package goods. Responsible for driving business in a vertical market(s) or business practice(s), including business development, new product development, client service/management and fiscal management. Responsibilities May perform, but not limited to, one or more of the following duties: Deliver \$8mm or more of revenue and oversee P&L for multiple practices; Oversee, develop and execute comprehensive strategic plans designed to build awareness of research capabilities and produce long-term market share, supporting sales & revenue objectives for multiple practices; Oversee and evaluate market and adjust marketing strategy to meet changing market and competitive conditions; Identify new business opportunities; Provide direction on new research product development; Establish & manage multi-million dollar client relationships; Establish and maintain relationships with industry influencers and key community and strategic partners; Negotiate terms & conditions with clients; Determine agencies and suppliers of record, and negotiate contract terms and conditions for major services; Provide "value add" consultative advice to clients; Other duties as assigned. For more information go to <http://adage.com/talentworks>.

Sears Holdings Management Corporation Vice President, Digital; Social Networking

The Vice President, Digital & Social Networking will, in conjunction with the Chief Marketing Officer and Online Business Unit leadership team, develop the partnerships, internal capability, and business strategies to establish SHC as the leading retailer in this space. This individual will serve as a senior consultant on all digital and social networking efforts to position SHC as a leader in the development of digital relationships and engagement with our customers. This executive will be responsible for applying industry expertise to business unit and format strategies in order to define, orchestrate, and deliver on digital/ social networking programs on multiple platforms across all business units and customer touch-points. KEY JOB RESPONSIBILITIES: - Defines top digital and social networking strategies which will transform the organization to one of thought leadership in the digital/social space and will deliver against the Business Unit and Holdings Company objectives. Identifies top partners in the digital and social networking space, and establishes SHC as a leader and early adopter/innovator for new technologies. Establishes and reports the metrics by which we will measure SHC success in the digital and social networking programs and activities. Provides strategic consulting services and direction in the development of content creation processes and procedures, and in the build-out and optimization of internal and external resource structures necessary to augment and improve the delivery of high-quality digital/social programs. Drives integration of digital and social content and programs into strategic marketing planning, advertising, and promotions processes and into format, business, and product branding to cohesively support SHC brands, services, and customers. Coaches and provides senior level consulting to teams and individuals across functions and in various businesses who are involved in digital and social networking activities. Provides insights and guidance around budgeting associated with digital/social assets across the format/channel and business unit teams. Partners in the hiring of talent across the organization necessary to deliver the key digital and social networking strategies. Plays an important role, with format brand Marketing, in developing and maintaining the Company's image and reputation in the marketplace. For more information go to <http://adage.com/talentworks>.

Digitas Manager, Delivery Management

A Web Project Manager within the Delivery Management Group (DM) is a team leader who is responsible for projects within a larger piece of business. Managers in delivery ensure projects are efficiently executed by creating solid project plans, budgets, schedules, risk plans, etc. This specific opening focuses mainly on someone having deep web knowledge. Detailed Description: Produces top down and bottom up budgets, project schedules/plans, risk plans, communication plans, etc. using the correct tools that accurately reflect the scope of work but that also consider client expectations and Digitas economics; Develops status reports and leads status meetings; Develops resource plans by working with capability project leaders to ensure appropriate resources are in place throughout each project; Coordinates all project deliverables to ensure team is staying on track with deliverables; Proactively adjusts budgets and resources as appropriate in accordance with scope; Guides team on mitigating risks; Proactively identifies opportunities to adjust processes for efficiencies, engages the appropriate stake holds prior to making any major changes; Incorporates quality control processes into each project i.e. testing, proofreading; Manages change request process identification and documentation of a change in scope. For more information go to <http://adage.com/talentworks>.

PEPSI FROM P.1

brands and getting all the brands to quickly move away from destination sites and start creating experiences."

Pepsi, which is shifting as much as one-third of its marketing budget to interactive and social media, per CEO Indra Nooyi, is hardly alone among marketers aggressively moving dollars to digital. But the way it has gone about the shift, pulling its high-profile Super Bowl spots in favor of heavy spending to push a digitally focused social-responsibility campaign is both compelling and risky.

"I applaud Pepsi for embracing social media and technology—on the flip side, I think it's very bold to not be in a place where you know you're going to have an audience," said Mr. Lucas.

The Refresh Project is a single, year-long marketing effort, and Pepsi will need to find ways to keep the effort fresh and continue to drive sales in a challenged category. Through the Project, launched Jan. 13, consumers apply for grants ranging from \$5,000 to \$250,000 in one of six areas: health, arts and culture, food and shelter, the planet, neighborhoods and education. One thousand applications are accepted monthly via refresheverything.com, and consumers vote on the winning projects. By the end of the year, Pepsi expects it will have given out more than \$20 million in grants. The danger, however, is that consumers could conceivably tire of the effort or decide that Pepsi, a marketer long known for its ability to amuse and entertain, is taking itself too seriously.

"Pepsi has been wonderful for years at entertaining us," said Kevin Keller, professor of marketing at Dartmouth College. "This [program] is reflective of the times and the realities that people love entertainment but also care and have concerns about the world as a whole. But I would hate to see them stop entertaining us altogether."

For now, consumers are taken with the campaign. In the weeks leading up to the Super Bowl, Pepsi was the second-most discussed advertiser associated with the Super Bowl, as a result of its decision to bypass the game and focus on Refresh Project, according to Nielsen.

TOYOTA FROM P.2

Five hundred Americans were surveyed online by Lightspeed, a Basking Ridge, N.J., online-research provider that is part of WPP's Kantar research-and-information division. The company said its sampling error was plus or minus 4.4% and that it weighted its demographics to represent the U.S. population.

The results suggest just how quickly a consumer's perception of and tendency to like a particular brand can deteriorate when a marketer does not react quickly and definitively to a mounting crisis. Various press reports have suggested that Toyota had become aware over the course of several months that consumers were having trouble with various lines of its cars that accelerated unexpectedly. In some cases, the car maker blamed the placement of floor mats. Only in recent weeks has the company acknowledged the true severity of the problem, recalling approximately six million vehicles. Additionally, the U.S. government has also launched an investigation into the

But while its game-pass resonated with exactly the type of message it was trying to tell—sentiment was 71% positive between Jan. 28 and Feb. 3, according to Viralheat, and tweets lauded the brand's decision to "wise up and focus online" and applauded it for "exploring what matters"—the question is whether it can keep up that conversation while bypassing marquee traditional media events, such as the Super Bowl.

"Any marketing tactic that precipitates 'earned media' has efficiency upside," said Pete Blackshaw, exec VP-Nielsen Online, in an e-mail. "Cause campaigns regularly borrow equity from the movement at hand, and marketers who execute such programs well can ride that momentum. The challenge is that the 'ripple effect' isn't always easy to predict, and skepticism often enters the airwaves, especially if detractors think the brand isn't credible in pushing the cause."

BUILDING CONNECTIONS WITH CONSUMERS

Other brands in the PepsiCo portfolio have had success with non-traditional marketing, namely Mtn Dew, which has turned over the creation and marketing of new flavors to consumers through its Dewmocracy campaign. Doritos has also had success with social media through its user-generated Super Bowl ads. But this, of course, is the flagship brand.

The payoff is the opportunity to build ongoing connections with consumers who begin to see Pepsi as a brand that supports them rather than just another marketer blanketing the airwaves and internet with impressions.

"This will do quite a bit to deepen the relationship with consumers," said Cone's Ms. Damian.

Added Mr. Keller, "the one thing becoming more and more true is the importance of cause marketing for any brand, but particularly a brand that has a more youthful target and appeal, which Pepsi clearly has."

It might be tempting to write off Refresh Project as a cost-saving exercise, but the company has insisted the decision wasn't motivated by finances. Instead, Mr. Bough says the company's approach to marketing has completely changed.

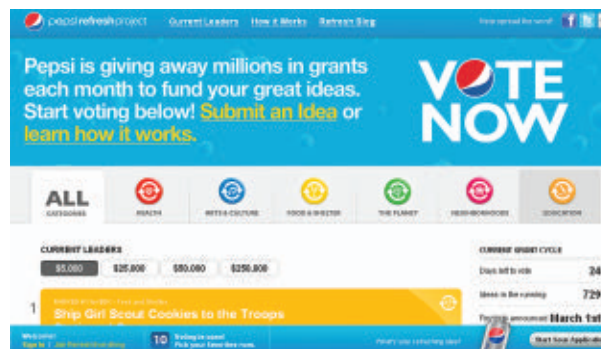
braking systems of Toyota's hybrid Prius vehicles.

In a print ad that has run in major newspapers, Jim Lentz, president-chief operating officer, Toyota Motor Sales USA, said, "I am truly sorry for the concern our recalls have caused, and want you to know we're doing everything we can—as fast as we can—to get things right." Mr. Lentz also said that the company would "continue to do everything we can to meet—and exceed—your expectations and justify your continued trust in Toyota."

TAINTED IMAGE

More than two-thirds of respondents felt the company was doing a good job of communicating news of the recall (69.7%), and that perception was held about equally among owners (71.8%) and non-owners (67.6%). Some 62.3% said they believed the recall is a sign that Toyota is putting the consumer first. "I think everyone makes mistakes sometimes, and I'm willing to forgive Toyota," wrote one respondent.

And yet, it's clear that the company's image in the marketplace has been mud-



The idea of creating a TV spot and then making that spot into an online or Facebook strategy "does not exist anymore. That is not relevant whatsoever," Mr. Bough said. "Some [PepsiCo] brands have digital-led strategies and the TV spot will be reflective of the digital work."

Pepsi, too, is learning as it goes along. The company has been sharing best practices internally and educating executives through "The Social Circle" and "Lunch and Learn," digital and social media-focused programs held on a monthly and quarterly basis, respectively. A wiki, Digital Compass, has also been rolling out internally. Developed by Edelman, the wiki, which has an editorial component allowing users to share comments, gives executives access to internal case studies, as well as a tactical-planning tool.

To work on the company's digital strategies, PepsiCo's beverage brands have also developed a stable of digital-agency talent. Huge, Firstborn, Tribal DDB and VML have all picked up business in the past few months.

"We expect digital thinking to be a part of all the agencies we work with," Mr. Bough said, though he declined to comment further on the company's agency relationships or reasoning for bringing in new digital shops.

An agency executive who participated in one of the recent digital reviews said that, in short, the company is looking for something different. "They have the conflicting interests of being a giant conglomerate that needs an agency of a certain traditional structure to service them, but also some genuinely new thinking and creative approaches," the executive said.

CONTRIBUTING: KUNUR PATEL

KEEPING IT FRESH:

Through the Refresh Project, consumers apply for grants ranging from \$5,000 to \$250,000 in areas such as health and education, and consumers vote on the winning projects.

➔ What do you think of Pepsi's social-media experiment? Let us know at AdAge.com

**LENTZ:**

Toyota's president-chief operating officer apologized for the recall in a print ad.

CORONA FROM P.3

Sabia reasons, Corona will, too, so long as it can find a way of rekindling its relevance with consumers.

The latest creative he previewed intends to do exactly that: The centerpiece of the effort are two sequels to an ad currently running, dubbed "Squirt," which show a couple sitting on the beach as a gorgeous blonde draws the man's gaze—along with his wife's lime-squeezing retribution. The sequels play up the same gambit: In one, the man follows three bikini-clad women frolicking in the ocean; in another, his wife spots her own eye candy.

Another ad, dubbed "moments," is notable for how long it takes to actually feature a beach. It shows vignettes of couples enjoying Corona from other sparkling non-beach locales before ending up on the seashore and imploring drinkers to "find your beach."

Mr. Sabia said he's excited about the possibilities of "find your beach," particularly online. But he's not quite ready to commit to it as a new tagline.

That caution, he explains, comes in part from his run at Coors, where he witnessed firsthand what havoc can result from detouring from a long-held brand equity—in that case, Coors Light's "Rocky Mountain Cold Refreshment" theme. After a campaign dubbed "Rock On," starring a pair of "Coors Twins," cratered, Mr. Sabia was one of the executives who helped to steer Coors Light back into its traditional cold-refreshment platform; the brand has had the best results in its category ever since. (Coors' chief marketing officer from that initial recovery period, Lee Buxton, is currently consulting for Mr. Sabia at Corona.)

One area where he has not hesitated to make changes, however, has been on the agency front. While Mr. Sabia has retained the brand's creative agency, Cramer-Krasselt, and professes to be thrilled with its output, he stripped the shop's media duties, which went to Horizon Media. He also hired new Hispanic (La Comunidad) and promotional (upshot) agencies. "My philosophy is that, to be the most effective, we need functional specialists," he said.

Told that goes against an industry-wide trend toward integration, Mr. Sabia said he felt he could still obtain integrated results by forcing agency partners in different disciplines to collaborate.

Mr. Sabia also relieved C-K of creative duties on Corona Light, which originally went to Publicis, New York, but the agency quickly resigned the account after it won a global Beck's assignment from Anheuser-Busch InBev, leaving Light without a creative agency. (The brand is now working with a group of freelancers.)

Corona Light has, historically, not been marketed separately from Extra, and Mr. Sabia said a goal of the agency switch was to get the brand a distinct platform.

Still, import lights have historically had a hard time gaining traction. Mr. Sabia said the reason for that is that most of the parent brands who've rolled out light beers, such as Heineken, are known for heavier profiles that are, on some level, incongruous with the concept of light beer. Because Corona Extra is already known for a lighter, more refreshing style, it stands a better chance.

Of course, that redundancy also means Light could cannibalize its sibling, adding yet another obstacle to Corona's hoped-for recovery. "That's the strategic challenge," he said.

IS MY AD A CLICHÉ?

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Deadlines: February 26th (for work airing February 23, 2009 – February 7, 2010), March 12th (for work airing February 8, 2010 – March 7, 2010)
To enter, go to: www.aicp.com

TV FROM P.2

said they plan to increase spending in traditional media such as radio, outdoor, magazines or newspapers.

"It's not that TV is going to go away, but that the expectations are going up," said Forrester analyst David Cooperstein. "People look at the digital side and say, 'Wow, with one-tenth the budget, we're getting pretty good response.'"

Bickering over TV's viability as an ad medium has gone on for decades, initially built on resentment that TV was the only place to go to make an immediate national splash to millions of consumers in one fell swoop. These days, the same old furrowed brows and rebellious talk are fueled by the rapid availability of cheaper, more-measurable media, including online and mobile. And while the groups of Forrester respondents in 2008 and 2009 are not the same (meaning the comparison of ad-spend intentions comes with caveats), the results do suggest that marketers remain querulous when it comes to TV.

"As we have been moving along into all that is now available in the online world, I guess it becomes a question of what do we consider television, or should we be starting to talk in regard to video?" asked Ed Gold, advertising director at State Farm Insurance. The company "looks at video assets online as another way to deliver a sight-sound-motion message, which is the great thing about television. I think people are looking at other opportunities to deliver a video message."

Yet talk has often been known to be cheap. TV has been enjoying something of a resurgence in the past few months.

Sure, the big broadcast networks took it on the chin in last year's upfront marketplace, when advertisers typically commit to TV's new fall programming slate. With the flow of ad outlays crimped by the recession, the networks saw their tally of upfront commitments fall to between \$7.8 billion and \$8.1 billion, according to Ad Age estimates, from about \$9.23 billion in 2008. But they've been hauling it in through so-called scat-

ter, or ad time purchased much closer to air date. Wells Fargo Securities analyst John Janedis suggested that "cable and broadcast network ad revenues will be up mid- to high-single [digits] for [the first quarter]. If current trends persist, [the 2010-2011] upfront season should be favorable for broadcast and cable nets," in a recent research note.

"Expectations are rising," said Ed Atorino, a media-industry analyst with Benchmark Co. "At this point, I think it's going to be better than expected."

And another forecaster sees national TV's share of mass-media outlays increasing into the not-too-distant future. National TV accounted for 55.4% of expenditures on mass media in 2008, according to Interpublic Group's Magna, which sees that figure increasing to 59.2% in 2009 and 65.5% in 2015.

So what's going on here? Can advertisers pare back their TV ad-spending allocation even as TV wins more marketplace share? If TV prices go up and marketers move more dollars into various emerging

75%

of respondents said they believe interactive-TV advertising will be an effective lead generator.

28%

plan to spend more on interactive TV ads in 2010.

venues, the above scenario has potential.

Or might they over the long haul simply return to TV? Forrester's Mr. Cooperstein suggested that so-called "interactive advertising" that allows marketers to beam specific ads to specific households via use of a set-top box from a cable, satellite or telecommunications concern would prove a big boon to the venerable market for boob-tube commercials.

In the survey, 75% of respondents said they believe interactive TV advertising will be an effective lead generator, but don't feel the medium is mature enough to warrant big ad budgets; 28% plan to spend more in interactive TV ads in 2010.

Meantime, look for TV aficionados to dial up their use of new techniques. In the survey, 80% of respondents believe weaving their products and messages into TV shows has more merit than ever, with 38% planning to spend more on that from 2010's outset as an alternative to traditional 30-second spots.

Either way, the money still goes to TV networks and show producers.

BURGER KING FROM P.2

alienating, with lower-calorie "Positive Steps" combos slated for promotion in women's magazines. The company has also signed on to do another "Twilight" promotion this summer, for what is now being called the "female superfan." It seems a bit of a shift for a company whose franchisees have in recent years fretted that the brand's advertising would alienate women, seniors and minorities.

Burger King appears to be broadening its once laser-like focus for a whopper of a reason: Sales have been slipping for nearly a year. Burger King's same-store sales dropped 3.3% in the U.S. and Canada for its second fiscal quarter ended Dec. 31 compared to a 1.9% increase the year before. This period coincides with Burger King's implementation of its controversial dollar double cheeseburger, for which franchisees twice refused to approve advertising funds. When the

promotion was mandated, however, U.S. traffic increased, but average sales fell. Franchisees have said that sales and traffic have continued to slip since the beginning of the year.

Burger King warned, as did McDonald's in its earnings last month, that no "dramatic turnaround" is expected while unemployment and underemployment stays at current levels, and certainly not for the next three to six months. In the meantime, Mr. Chidsey underscored that Burger King is taking steps to ensure that the company is ready to grow as the economy improves—including repairing the strained relationship with its franchisee base.

The company is embroiled in two lawsuits with franchisees, both pertaining to advertising and marketing initiatives. Franchisees sued the company last spring over a proposed diversion of rebates from soda companies. Operators have traditionally used this money for restaurant repairs but Burger King

boasted that access to the funds would allow the chain to boost advertising impressions by 25% in 2010. Ongoing litigation has led analysts, however, to doubt whether the increases would be realized. As a result, many of them downgraded the company's stock last month. Mr. Chidsey said that he recently met with a franchisee group, and expects the matter to be resolved as early as this week.

As for the other major franchisee lawsuit, relating to the dollar double-cheeseburger promotion that operators twice voted down, Mr. Chidsey said the company has been testing ways to take it off the menu without losing the customers who now expect it. More value products are slated for the coming months, and he said the company will have more news on the fate of the double cheeseburger "in the next month or so."

Premium products are also in the offing, with the long-awaited launch of its Steakhouse XT burger at \$3.99 and ribs



SUPER CONTROVERSY:

BK is now courting the women it once risked alienating with ads like this one.

coming later this year. The chain is also planning stuffed burgers and limited-time chicken offers, in addition to value-oriented breakfast products slated for April. Mr. Chidsey highlighted the Steakhouse XT and a gaming promotion for Twilight "Eclipse," both recently approved by franchisees, as proof that things are moving forward.

"There is a lot of mythology out there that somehow we are not able to get things done," he said. "But when you lay out the right business case and people see what's in it for them, they'll vote yes." Of course, it's still a tough environment, and "anytime sales aren't positive you're going to have discontent," he said, noting that management is moving forward.

Burger King is also in the midst of a search to replace outgoing CMO Russ Klein. Mr. Chidsey said the company is still interviewing candidates, and expects to make an announcement about his replacement within a few months.

MARKETPLACE

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COMPENSATION CHIEFS FROM P.1

procurement officers, and overseeing fee discussions during new-business pitches. He'll also be tasked with developing value-based compensation models that are mutually beneficial to the agency and its clients.

"With the advent of procurement officers taking incredibly strong roles in client-side negotiation, agencies have been slow to respond with trained and savvy financial oversight in response to procurement," said Laura Bartlett, chief financial officer at the 4A's and former global chief financial officer at DraftFCB. "I think it's an excellent response to the squeeze by clients and the intervention by the procurement side of the business."

Like Ms. Bartlett, industry experts who spoke to Advertising Age hailed the move as a long overdue step in the right direction. But they also highlighted potential pitfalls: For example, an agency "chief compensation officer" requires a unique skill set and would have to be trusted implicitly to make decisions.

TBWA Worldwide President-CEO Tom Carroll says his agency created the function because financial discussions between clients and agencies have deteriorated to a point where neither side is satisfied. "Twenty-five years ago there was

less focus on the money when there were 15% commissions," said Mr. Carroll. "Today there's obviously a problem. ... We are trying to deal with it in a positive fashion and stop whining and focus some real professional attention on the issue."

Of course, the establishment of a dedicated person to carry out every fee negotiation and take every procurement officer's call isn't practical at smaller agencies. And just because such a role doesn't already exist doesn't mean agency execs aren't adept at negotiating with clients.

POTENTIAL CONFLICTS

But experts point out very real problems with the burden falling on others within the agency. At some shops, top account executives have financial discussions with clients. That situation can pose a conflict of interest if the account person wants to protect the interests of his or her team, offering, for example, a deal that would keep the account (and his team) in place, but might not be optimal for the overall agency. Further, that individual doesn't have detailed finances of the agency to properly carry out the job.

While a chief financial officer might understand the agency's finances, he might not grasp the value of different roles within the agency, like producers or planners. And challenges presented by

the current economy have meant CFOs often find themselves stretched for time.

"Negotiating with clients and marketing procurement resources takes a certain level of focus, and the role of the CFO in agencies—particularly in the current economic environment—is one that is very busy," Brad Dehart, practice leader for marketing-services procurement at ICG Commerce in King of Prussia, Pa. "They have a lot on their plate."

Mr. Dehart supports the idea of an agency chief compensation officer, but cautions that, for it to be taken seriously by procurers and marketers, "It's important for them to be empowered to make decisions in the negotiations instead of being viewed as an intermediary."

Lynne Seid, partner at recruiter Heidrick & Struggles, New York, said, "What I feel is perhaps still a work-in-progress with TBWA's idea is the scope of it is narrow and a little transactional-sounding as opposed to relationship-sounding. ... I feel it's a very strong and professional step to acknowledging a problem. They're giving it a C-level professional title that acknowledges the importance of this issue, and it's better that [the position] is there than not. ... And if it attracts the positive attention of clients, I think you could see other agencies follow suit."

"Today there's obviously a problem.... We are trying to deal with it in a positive fashion and stop whining and focus some real professional attention on the issue."

➔ Will pay-per-inquiry help print? Tell us at AdAge.com

TRUST FROM P.1

of Edelman, believes it's a sign of the times—and the lesson for marketers is consumers have to see and hear things in five different places before they believe it.

"The events of the last 18 months have scarred people," Mr. Edelman said. "People have to see messages in different places and from different people. That means experts as well as peers or company employees. It's a more-skeptical time. So if companies are looking at peer-to-peer marketing as another arrow in the quiver, that's good, but they need to understand it's not a single-source solution. It's a piece of the solution."

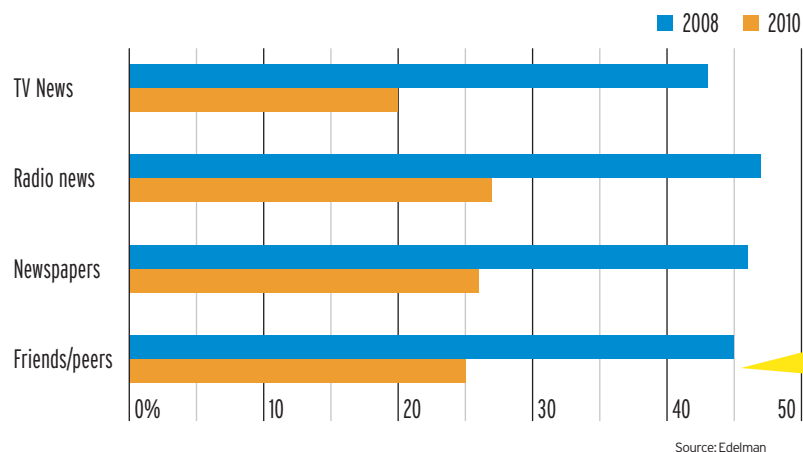
Consumers are a distrustful bunch in general—the credibility of TV dropped 23 points and radio news and newspapers were down 20 points between 2008 and 2010.

And when asked how credible they deemed the information they get about a company when a "person like yourself" serves as a spokesperson the numbers again dropped. This year 39% of those surveyed felt the messages conveyed by consumer spokespeople was credible compared to 45% in 2009, the biggest drop-off among all categories.

Conversely, CEOs—who have of late been trotted out as public faces of their companies in times of stress, such as General Motors CEO Ed Whitacre—saw the biggest year-over-year increase from 17% in 2009 to 26% this year. Other groups seeing increases in the level of consumer trust were government officials (22% vs. 27%), a financial/industry analyst (46% vs. 52%), NGO representative (42% vs. 44%) and academic experts (61% vs. 64%). The only other group to see the credibility of their word diminish was company employees, which saw a drop of three points (31% vs. 28%).

If consumers stop believing what their friends and the "average Joes" appearing in testimonials say about a product or company, the implications could be significant not just for marketers but for the social networks and word-of-mouth plat-

WHOM DO YOU TRUST? Edelman's barometer



25%

People who say their friends and peers are credible information sources about companies is down from 45%.

forms selling themselves as solutions to communicating in a jaded world. The influence of peers has been considered the leading rationale for brands' shifting marketing dollars to social media.

In some cases, social networks themselves may be contributing to the decline in trust. Platforms such as Facebook and Twitter have allowed people to maintain larger circles of casual associates, which may be diluting the credibility of peer-to-peer networks. In short, the more acquaintances a person has, the harder it can be to trust him or her. Mr. Edelman believes the Facebook component has "absolutely" played a role in diluting trust levels.

A CHANGED GAME

"When you're seeing so much noise, it's very easy to dismiss a lot of it, and that's a problem marketing messages have had for a while now," said David Berkowitz, director-emerging media for 360i. "Facebook really exemplifies this with the live-feed and news-feed options," he said. "If you use the live feed and have a few hundred friends, some kind of peer recommendation, whether it's explicit or not, appears every couple of minutes and sometimes they come in a matter of seconds. If you're seeing all of that come in, it can be overwhelming."

Not surprisingly, Paul Rand, president-CEO of Omnicom Group's Zocalo

Group and president of the Word-of-Mouth Marketing Association, said word-of-mouth is more effective than ever. But he does concede the game has changed.

"The mind-set is no longer 'I can just trust it because it's somebody's opinion,'" he said. "It's, 'I can trust that specific opinion because it's someone I know.'"

Another potential reason? People have caught on to the fact marketers are increasingly behind that influential blog post or tweet. Despite regulations regarding disclosure of marketer-driven efforts, consumers may feel that whatever it is these people are receiving from companies positively influences their endorsements.

Christina Smedley, global head of Edelman's consumer practice, said there is still a core group of influencers that can change how people trust and influence the actions of others. And consumers, whether they are close to them or not, will follow their lead.

"There are ... consumers who still only trust the people they see every day or their 120 friends on Facebook," Ms. Smedley said. "But there are those that trust all 380 of their friends on Facebook. And there's opportunity for brands with both groups. If marketers can find those action consumers, they can build campaigns that work through their parameters and get some very good results."

"When you're seeing so much noise, it's very easy to dismiss a lot of it, and that's a problem marketing messages have had for a while now."

NEWSPAPERS FROM P.2

kets, thought it did pretty well and decided to launch it companywide."

At the Christian Science Monitor, which has been running pay-per-inquiry ads via MediaBids since last spring, it's more a production tactic than an ad-revenue strategy. "We had a drop-off in advertising, so we had a certain amount of advertising space that needs to be filled," said Jim Woodward, ad-operations manager for print and online at the Monitor. Sometimes that space goes to public service announcements, but other times it goes to per-inquiry advertising.

"It's a new deal that people are starting to look at," said Al Cupo, VP-operations at the Suburban Newspaper Association. "I think that it will be something that will gain traction—completely depending on the mind-set of the publisher."

Media buyers are definitely hoping to open more publishers' minds. "Their advertising model is being challenged right now so I'd be looking at a lot of different models," said Steve Friedman, managing director at Halogen Response Media, part of Starcom MediaVest. "Their revenue is going down, their perception as a viable advertising medium is being diminished and accountable marketing is certainly becoming more and more prominent. Some sort of pay-as-you-go model should make sense down the road."

Just don't expect a rush from publishers, or much bragging about it as long as there's concern over undermining current rates.

Some observers have suggested Pella Windows, which has been running heavy rotation of direct-response-based ads in national papers, is buying this way. It was the subject of a Suburban Publisher piece, for example, about "the pay-for-performance proposition that Pella Windows is offering." But that program does not include per-inquiry advertising in newspapers, according to Gregory Welteroth, CEO of Gregory Welteroth Advertising, which is executing the program. In this case, newspapers are paid on a standard CPM basis, he said, but the program includes heavy measurement of the performance of various ad sizes, frequencies, days of week, markets where ads run, sections, and other factors. The "for performance" approach has been a Welteroth Advertising approach for years and isn't specific for any one client, he said. Pella declined to comment.

USA Today, The Wall Street Journal and The New York Times declined to comment, but an executive at one of those papers described rebuffing a major marketer's pay-per-inquiry pitch last year. "When a national advertiser selling an expensive product all of a sudden said, 'Hey, I want to do this with you,' we went, 'Whoa,'" the executive said.

"There's an openness to discuss alternatives and new ideas," said another newspaper-industry veteran. "That's what's changed a lot, for an idea that might have gotten rejected out of hand two or three years ago. Now there are people really willing to discuss it. But I think the situations where it might be ideal ends up being a narrow set of circumstances or categories."

GARFIELD FROM P.1

★★★★

AUDI, VENABLES, BELL & PARTNERS, SAN FRANCISCO

The Green Police, overzealously tracking your carbon footprint. Very funny, for all the obvious reasons. And the Audi turbo-diesel is a fine-looking Get Out of Jail Free car(d).

CHRYSLER, WIEDEN & KENNEDY, PORTLAND, ORE.

First, anybody who complains about the media buy is an idiot; the taxpayers are trying to sell Dodge Chargers to men, and this is the most-efficient place in the world to do so. Second, even in a pop culture lately awash in Man liberation, this is as crystalline a proposition as you will ever find: "I carry your lip balm, I'm driving the car I want." Third, the copy and actors' defeated expressions are priceless. Finally, see how you can reach manly men without bullying girly men?

QUALCOMM'S FLOTV, MAGNER SANBORN,

SPOKANE, WASH., AND AGENCY 3.0, LOS ANGELES

OK, yet another take on being emasculated by the ol' ball-and-chain. But a very funny one, set in women's-wear hell. The remedy: the FloTV hand-held. CBS sportscaster Jim Nantz is simply fantastic, especially when he says, "How 'bout not?" A second spot, a baby-boom newsreel montage, reminds you to be watching TV when things happen. Nice.

★★★★

ANHEUSER-BUSCH SELECT 55,

MOMENTUM, ST. LOUIS

No horses, no babies, no jokes. Just 15 seconds of interesting news: "The lightest beer in the world." The brewer's best spot of the game.

DENNY'S,

GOODBY, SILVERSTEIN & PARTNERS, SAN FRANCISCO

We've seen this idea a lot—anthropomorphic animals in a panic over the food chain—but the public doesn't care about novelty. These nervous chickens will have a lot of people lined up at Denny's Tuesday for their free breakfasts.

E-TRADE, GREY, NEW YORK

"Milko-whaaa?" Once again, adorable and hilarious toddler traders. Fair warning: The à la Xerox, à la Geico point of the campaign—online trading so easy a baby can do it—is getting lost in the comedy.

CAREERBUILDER.COM, CONSUMER-GENERATED

Of the Bowl's two men-in-skvivvies spots, this is by far the funnier. Casual Friday at this stupid office is *way* too casual. Still, if the "I can do better than this" message is implicit, it could stand to be at least as explicit as the semi-nudity in the ad.

ELECTRONIC ARTS 'DANTE'S INFERNO,'

WIEDEN & KENNEDY, PORTLAND, ORE.

Gamers like action, detail, fantasy, swords and babes. To the rest of us, all those countless pixels just represent an inner circle of hell. Turns out, we're *all* correct. An amazing trailer.

HOMEAWAY, PUBLICIS IN THE WEST, SEATTLE

No pop-culture icon is too dated for the Super Bowl. This year gave us Abe Vigoda, Kiss and, here, Chevy Chase and Beverly D'Angelo as the Griswolds—from the "Vacation" comedies of the '80s. The pitch: If you don't want their luck, skip the crappy motel and rent somebody's house. It scans.

HONDA, RPA, SANTA MONICA, CALIF.

The new Honda Crosstour crossover is multifaceted, in its function and its sheet metal. It also has a lot of storage space, hence the metaphor of a squirrel stuffing objects into a tree trunk. The visual gimmick, though, is striking animation that cuts facets into each object as if it were a gemstone. Way cool.

HYUNDAI, INNOCEAN WORLDWIDE AMERICAS, IRVINE, CALIF.

What will happen when your new Hyundai's warranty runs out in 10 years? Brett Favre, at age 50, will be MVP. Nicely done.

MONSTER.COM, BBDO, NEW YORK

Everybody will love the cute fiddling beaver, but, once again, a Monster spot from BBDO is simply confusing. Yeah, the furry violinist applies for jobs online, but why is he next busking in the subway before playing Carnegie Hall? It doesn't even make sense, much less illustrate the new search algorithm.

MOTOROLA, ANOMALY, NEW YORK

Holy, hell... a teen-masturbation joke on the Super Bowl! And it's funny. Even sweet (even with the Union Jack on the door. Hmm.) Megan Fox sends out a bubble-bath self-portrait and damn near brings the country to a halt. Yo, you idiots at GoDaddy, *this* is how you do a sexy, witty ad. Unfortunately, Fox doesn't quite properly enunciate "Motobur"—whatever that is—so we don't know what makes Moto other than a commodity smartphone.

NFL, GREY, NEW YORK

Us, big fans of NFL football, but not of the NFL, an organization so authoritarian it makes Comcast look like a hippie commune. But we gotta hand it to them; this super-ultra slo-mo superbly captures the astonishing virtuosity of the players, the drama of the game and the emotion of the fan experience.

TELEFLORA (IN-HOUSE)

Redemption! After last year ruining a perfectly reasonable USP (you never known what a wilted mess boxed flowers will be) with cruel ridicule of homely women, the same folks found a creative solution that sharpens the pitch and lets Plain Jane triumph over her smug colleague.

VIZIO, VENABLES, BELL & PARTNERS, SAN FRANCISCO

An HD TV formatted for web content is dramatized by some industrial robot plucking stuff from the web culture: the "Numa Numa" song, the kid drugged from his dental visit ("Is this real life?"), Twitter, Flickr and other precious e-sources. Unnecessarily bombastic, but point taken.

VW, DEUTSCH, LOS ANGELES

Ah, the mysterious "punch buggy" phenomenon (here called "punchdub"), liberally applied beyond Beetle sightings to cover all 13 VW models, and here with *adults* socking one another in the shoulder. Quite adorable—even the cheap Stevie Wonder kicker.

★★★★

CARS.COM, DDB, CHICAGO

Prodigy Timothy Richman grows up knowing everything—until he goes to buy a used car, whereupon he reverts to being a clueless mere mortal. Alas, the set-up is two scenes too long and *begs* for Timothy to be seen, at the end, flummoxed and stammering at a car lot. How did they blow this?

COCA-COLA, WIEDEN & KENNEDY, PORTLAND, ORE.

These spots might do well on the Ad Meter because they tell stories and "The Simpsons" one has a sweet ending. But they're still bad ads. "Sleepwalker" is like a warmed-over Pepsi spot from the '80s, minus even a glimmer of wit or relevance. "Hard Times" commits a blasphemy by making the Simpsons warm-hearted. And "Open Happiness" will never, ever ring true.

DOVE, OGILVY

A charming montage "manthem" to the William Tell Overture depicts the treacherous path to manhood. So far, so good. And the "be comfortable in your own skin" tag is great. But in between, nothing to explain, let alone sell, a real brand benefit for this line extension.

INTEL, VENABLES, BELL & PARTNERS, SAN FRANCISCO

An Intel geek in the company lunchroom is bragging about the new Core processors—"the greatest thing we have ever made"—and hurts the feelings of the bus boy. Who is a robot. Ahhhh. Soooo cute.

KGB, BROOKLYN BROTHERS, NEW YORK

The race to translate "I surrender" in a sumo ring is severely unfunny, but it does perfectly illustrate the (dubious) value of the \$1 online question-answering service.

KIA, DAVID & GOLIATH, LOS ANGELES

Various outsize toys have a nighttime joyride and associated thrills in a sporty Kia Sorrento, then in the day revert to ordinary toy-ness in the backseat of the family Sorrento. Not shown: Gumby shackled up with a tranny hooker.

TACO BELL, DRAFTFCB, IRVINE, CALIF.

Charles Barkley doing some weird hybrid of rap and Dr. Seuss against a surreal backdrop that's itself a weird hybrid of the "Gotta Dance!" sequence in "Singin' in the Rain" and "Grand Theft Auto." But Chuck does mention the \$5 box meal, over and over.

★★★★

BUD LIGHT, CANNONBALL, ST. LOUIS

The new tagline is "Here we go." Nope. Here they stall. Bud Light used to be good for laughs, and even a bit of battle-of-the-sexes honesty. Now it's just obvious gags, bad acting, tired formulas and punchlines you can see coming before the opening kickoff. In five spots, the only laugh is the misogynistic kicker to a vignette about a guy stuck at his wife's book club. She: "How do you feel about 'Little Women'?" He: "I'm not too picky."

ANHEUSER-BUSCH ULTRA, PALM & HAVAS, CHICAGO

OK, Lance Armstrong drinks its, but evidently Ultra isn't as ultra as Select 55. This is the problem with too many brand extensions.

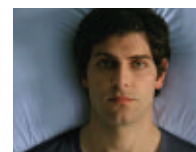
DR PEPPER, DEUTSCH, LOS ANGELES

Kiss. There's a "little kiss" of cherry in every Dr Pepper Cherry, so they show the metal band Kiss alongside midget versions of themselves. Hmm. Aging C-list rockers, tortured premise, gag stolen from "Spinal Tap," dubious line extension. Luckily, the message somehow penetrates the mediocrity.

SNICKERS, BBDO, NEW YORK

This was "Terry Tate, linebacker" (the old Reebok spot) only with Betty White and Abe Vigoda as the tackling dummies. The joke gets less and less funny,

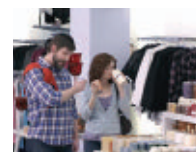
THE ADS GARFIELD LIKED



"Even in a pop culture... awash in Man liberation," Dodge delivers "as crystalline a proposition as you will ever find: 'I carry your lip balm, I'm driving the car I want.'"



Audi's "green police" ad is "very funny, for all the obvious reasons. And the Audi turbo-diesel is a fine-looking Get Out of Jail Free car(d)."



Qualcomm's FloTV spot is "yet another take on being emasculated by the ol' ball-and-chain" but "CBS sportscaster Jim Nantz is simply fantastic."

and the selling premise—when you're hungry, you're not yourself—rings false compared to others spots in the campaign.

★★★★

BUDWEISER, CHICAGO

Two spots, both awful. One, titled "Payment," considers Bud as a barter item—a germ of an idea, sprouting nothing but drivel. The other shows thirsty people forming a human bridge for the beer truck to roll over. Just unfathomably unsurprising, unimaginative, unfunny and unhelpful for the brand. Even the Clydesdale spot is regurgitated treacle—although no doubt the AdMeter-ocrities will disagree.

BRIDGESTONE, RICHARDS GROUP, DALLAS

Are these tire ads or retreaded Bud Light spots? In one, a guy (for some reason from the post-apocalyptic future) loves his tires more than his superhot wife. Horrible. Somewhat better is a "The Hangover" ripoff, about three bachelor partiers who have somehow ended up with a whale in their SUV. No tires will be sold, however.

DOCKERS, DRAFTFCB, SAN FRANCISCO

This advertiser has bet \$3 million that America will be so amused by men without pants, singing an anthem to pantslessness, that we'll be coveting khakis we barely get to see. More likely, Dockers will lose its shirt.

EMERALD NUTS AND POP SECRET, GOODBY,

SILVERSTEIN & PARTNERS, SAN FRANCISCO

The tag—"Awesome + Awesome = Awesome"—is funny. The actual spot is a tortured ripoff of the Gob character on "Arrested Development," here featuring a blowhard marine-park performer who has trained humans to leap like dolphins for snack food. Lots and lots of nothing.

TRUTV, GREY, NEW YORK

Funny Groundhog Day bit; the mayor of Punxsutawney pulls famously furry Troy Polamalu out of the tree stump. But... TruTV... is *what?* *What* new show? The joke referred to *what?* Comedy: good. Advertising: fail.

U.S. CENSUS BUREAU, DRAFTFCB, NEW YORK

If you've paid attention to the serial till now, you *might* pick up on the limp absurdity of gathering every American to pose for a gigantic snapshot. But—heh, heh—we wouldn't count on it.

★★★★

BOOST MOBILE, 180, LOS ANGELES

Remember the "Super Bowl Shuffle," a terrible yet adorable rap by the 1985 champion Bears? Well, here's the pitiful, majorly unadorable geriatric version, brought to you for some inexplicable reason by the barely mentioned Boost Mobile. Abysmal.

DORITOS, CONSUMER-GENERATED

One funeral, one man being choked and one gym rat being impaled in the neck by a Doritos hurled by a snack-chip-obsessed martial artist. Three "winners" proving once again that what consumers generate in their ads is mainly vulgar and trite.

GODADDY (IN-HOUSE)

More T&A from these infantile, repulsive Neanderthals. And not a molecule of taste or wit. A national embarrassment.

➔ What did Garfield get right? What was he completely wrong about? Let us know—join the discussion at AdAge.com

— OUR — 35 MILLION LISTENERS MATTER TO YOU

A more highly-educated audience

56% of SIRIUS|XM listeners graduated from college or have advanced degrees compared with 24% of AM/FM radio listeners and 25% of the general population.*

A more affluent listener base

24% of SIRIUS|XM listeners have household incomes of \$150,000 or more compared with 9% of AM/FM radio listeners and 9% of the general population.*

Highly receptive to commercials

SIRIUS|XM listeners are 61% more likely to stay with a commercial on satellite radio than with those that air on AM/FM radio stations.*†

Exclusive programming with custom opportunities

The biggest names in entertainment are on SIRIUS|XM. Find out about custom opportunities to get our talent talking about your brand to 35 million listeners.*

***Source: 2009, Arbitron Inc. Custom Research Study for SIRIUS XM Radio Inc.**



SIRIUS  | 
S A T E L L I T E R A D I O

To find out more, contact us at advertising@sirius-radio.com
or call Bette Rockmore, SVP, Advertising Sales at
(212)584-5343

JOHN MADDEN • ROSIE O'DONNELL • MARTHA STEWART • HOWARD STERN • JAMIE FOXX • CAL RIPKEN JR. • OPRAH WINFREY

†Of those who indicated they were more likely to change the channel when a commercial came on, in comparing SIRIUS|XM and AM/FM radio. Commercial time is available only on non-music channels.
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— *Advertising Age*, February 1, 2010

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— IRI Times and Trends Report 2010



REACH MORE OF YOUR AMERICA IN PARADE
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For more information, please contact Mike DeBartolo, Executive Vice President/Advertising, at 212-450-0995 or mike_debartolo@parade.com.

Source: MRI Fall 2009