

The New Normal

Daniel Morel
Chairman and CEO, Wunderman

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"RECOVERY." Today, there is no agreement on the meaning of this word. In everyday language it means a return to a previous state. When recovery is applied to the marketing and communication world, it will not return to its previous state any more that we can expect a renaissance in black and white television.

Changes in consumer behavior enabled by an explosion of low cost bandwidth and processing, together with a deluge of networked devices, have combined to produce a vibrant and destructive shift.

The economic downturn has contributed to this but only in the sense of accelerating the inevitable.

Let's start with the recession.

It appears that a *new normal* has emerged. This new normal has been used to describe the future of the economy by many financial luminaries. The drivers of this new normal are deleveraging, de-globalization and re-regulation according to the coiner of the phrase Mohammed El-Erian, CEO of PIMCO.

It reflects an era of realism and moderation; of more tempered expectations for growth and more modest means of living. Of editing want from need and living with a greater sense of community and connection to friends, family and networks.

What's interesting to me is the translation of that new normal to our marketing efforts.

Our new normal is also about de-leveraging as we focus messages on the substance, rather than the flash. As the tools we use to understand our customers increase in granularity, we have been able to "de-globalize" messaging and connect locally, in authentic and cost effective ways.

In the U.S.—and in other parts of the world—we face the reality that governments have increased their involvement in the economy. As a consequence, we must expect more regulations and we are, based on my personal experience, one "Exxon Valdez" away from more stringent privacy rules on the collection and the use of data online.

I fear something akin to a digital equivalent of the famous "do-not-call list" which today counts 73 percent of American households and the many inquiries from the FTC about Google and Facebook to explain their privacy policies and the use of collected data...

and the recent ruling in Germany to bar companies to do Web analytics on an IP Address without prior consent.

A new normal today is impacting our businesses, both in terms of how we market and how consumers behave. Businesses are getting used to the profit pressures. As a result, we are developing good marketing habits, focusing on business result and organizing in ways to respond more quickly to market dynamics.

This was evident everywhere I went:

- *At the Computer Electronics Show in Las Vegas*, one of the most remarkable things was Ford's prominent role. Yes, Ford! Now, that doesn't appear normal!

As a company and a brand, Ford is weathering this recession well and responding quickly to the new normal. It is in a totally different place today than it was when the recession started. Alan Mullahly, Ford's CEO, re-focused Ford on its heritage: building reliable, affordable cars that safely transported people to work.

Today, affordable means the latest technology should be part of EVERY car—not just luxury models. Safety means a car is equipped with technology that helps you get from point A to point B in any city, customizing your entire driving experience and allowing voice control so you keep your eyes on the road. It is what Ford did with Microsoft and SYNC and now with MyFord Touch.

CES was an interesting convergence of technology and its impact on just about everything.

- *At the Detroit Auto Show*, the industry recognized Ford with all sorts of awards. Its customer-focused approach is clearly resonating.
- *And, last month in Davos, at the World Economic Forum*, the theme of the gathering was "re-think, re-design, re-build." So just the theme gives you the idea that people were ready to question everything and viewed everything as a problem to fix.

The bottom line: people and businesses and governments are unsure! They don't know what's happening exactly. So, they are re-thinking EVERYTHING. All the while, they have businesses to run.

That's why I believe there are dangers in "getting back to normal." On one hand, we cannot just go back to the way things were, but we certainly cannot change everything either. We have to strike a balance. We have to peel away the distractions and get to what's really going on, and then apply good, sound business principles.

Search and Social are clearly part of the "new normal."

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We have seen an explosion of Search and Social, which has unleashed not only the full power of the digital age but one of the fiercest battles between two companies in decades... and rightfully so, because there is a lot of money at stake.

Search turned the Internet from being a gigantic pile of data into an endless array of personal experiences.

Along comes Google, with its rigorous algorithms and mathematical equations which turned that "pile of data" into sheer magic.

Google, the impersonal, but functional librarian, offers countless options for anything we ask about. Its pile of data is getting bigger and bigger. Its algorithms are getting more and more sophisticated. As result, so is its market domination.

Google has the data and the means to act on it. It will stop at nothing to leverage it. What's Google's stated goal? Build the best, if not dispassionate, atlas of the online world.

Social, on the other hand, gave us free rein to share those personal experiences with a bigger and broader network of friends.

This very ability to share our personal experiences make them that much more enjoyable.

Like Google, Facebook is a gigantic "pile of data." But, these data are all personal. Socializing is its core. Facebook is a "kinder, gentler" pile of data amassed because people don't mind using their real names or connecting to real friends or using real email addresses. And, they want to share their most personal thoughts.

Facebook deliberately wants to help you make online interactions more meaningful and more personal. That "social graph" is a more personalized, humanized Web where a network of friends, colleagues, peers and family will be most effective in helping us find the answers.

Both Google and Facebook are no worse for the wear because of the recession.

Google, with a 65 percent market share continues to be one of the strongest brands in the world and clearly its dominance in Search may carry over as it muscled its way into the social space. But Facebook, still relatively new, fared quite well in throughout the recession, gaining strength in brand equity and among consumer perceptions. And then Twitter, with its ability to parse its constant stream of updates, introduced the concept of real-time search as a way of tapping into the latest chatter and conversations as they unfold. And now Yelp helps you find restaurants and babysitters by crowd sourcing the ratings.

This isn't just a battle for big brand marketing dollars, which it definitely is, *it's really about Internet control and domination.*

Social marketing and Ford

I talked about Ford earlier, and I want to talk about it again in the context of Search and Social.

Ford is turning to Social now because it has so completely dominated Search—with hot leads to dealers, customizer, online dealerships, etc., that Social is the next logical step to distance itself from its competitors. Ford's digital head, Scott Monty, says its social initiatives on Facebook, Twitter and countless blogs revolve around "customer engagement"—not advertising. It's about humanizing Ford, connecting people and adding value.

Ford's "You Speak Green" campaign is good example. It humanized the Ford Fusion, tied it to sustainability—an issue with worldwide passion—and generated a traceable conversation among 200,000 Facebook users.

In this case, the support for Ford Fusion is understated, but consumer enthusiasm for the cause is not. The campaign encouraged people to share tips and green ideas with other Facebook users, thus creating meaningful conversations around this green message.

The results shattered campaign goals: 200,000+ Facebook users downloaded the application to their profile page, which is 10 times the average. 20,000+ green tips were posted. And, JD Power named it best Social Media campaign in 2009. The interesting thing is that all the "chatting" and "posting" now appears on Google because Google ranks your search by the volume of links connected to that search. (Of note, for those interested in the technical nature of what I am saying, type "Mike Siwek lawyer mi" and see what comes up.)

The market is equally ripe for B2B. I suspect as marketers become more familiar with the use of Search and Social and how they interact. In the meantime, the battle will continue between Google and Facebook. In addition, we'll see more sophisticated initiatives coming from the smaller players as well....such as Four Square, around me, Yelp, REI snow reports, etc.

Search and Social are converging—with a vengeance!

Now, dominant, cold-hearted, impersonal Google, and young, warm and fuzzy Facebook with its network of "friends" are engaged in the mother of all marketing battles over advertising dollars.

Google miscalculated with BUZZ. It faced an immediate privacy firestorm of criticisms and was forced to alter the service after just three days!

That's not a good first attempt. Some say Google didn't understand that people don't want their email contacts to become their social networking contacts. BUZZ now seems to be getting closer to the Facebook message functionality, but consumers' privacy concerns are real.

Word on the street about Facebook is that it is architecting its messaging section of its site from the ground up and turning it into a Web-mail app. This news puts Facebook into direct competition with the likes of Gmail and MSN.

Who will be more powerful?

- Google extending into the social platform/software space.
- Facebook the social platform/software of choice for millions globally.
- Can Microsoft and BING use its functional prowess to conquer the social search space?

What about BING? I think Bing is the “softer side of search.” Bing is somewhere in the middle—between Google’s cold algorithm and Facebook’s social “data-sphere.”

It’s different than Google’s steadfast mathematical approach. Bing serves up search results after it considers the results of those who searched before you. In essence, your search already has been socialized by those who have gone there before you. And this enhances the results.

It’s all about the data.

The shift to digital creates an unprecedented volume of data. Every traditional communication now has a digital pendant. DM, Events and TV are linked to email, virtual events and video-casting. Directories are linked to Search and Online. PR will never be the same with the speed and connectedness of Social networks and blogs.

Understanding data, gathering insights from data and using those insights to make better informed marketing decisions is the future of not only Relationship Marketing and Digital Marketing but all marketing.

The sheer volume of customer data and 1-to-1 contact gives us an extraordinary opportunity to learn, optimize and market in real-time. Plus, with tons of legacy data, marrying the “long view” with real time insights is the goal.

The more we search and the more we socialize, the more data we generate. The more data there are, the greater the likelihood we, as consumers, end up in a better place at the end of our journey. With search, the data are transaction-based. With social, it’s all emotion-and passion-based. But it’s data just the same.

The numbers are staggering: 400 million Internet searches every day. 400 million Facebook users 13 million Twitter accounts. 20 hours of video is uploaded to YouTube every minute of every day.

Testing, and failure, is what will make us successful. What’s more, everything needs to be measured. Therefore, assume your digital marketing campaign has failed—unless you have proof otherwise!

Enter Mobile to the Search and Social marketing mix.

With Mobile, there's a heightened sense of timing and local relevance. Add GPS and compass functionality to your portable device and you have nailed location too. Windows 7 clearly will be part of the trend toward faster, more agile computing systems propelling it into the mainstream.

The applications being developed—and yet to be developed—using GPS are most intriguing to me.

Maps by themselves are uninteresting. Knowing where you are by itself is uninteresting. It becomes interesting (and useful) by providing layers above the map. Mobile will truly take off—in the same way that television did—when we have something truly useful to offer. To get there, we'll need additional layers of technology.

Search and Social provide the data. Mobile provides the means. And in a few more months—at most a year—we'll have the technology infrastructure we need for a whole new set of applications that make mobile truly useful.

For example:

A salesperson would benefit from an application that easily mapped out her day. Such an application combines calendar information, with contact lists, and integrates GPS functionality, as well as local databases. The end result is a detailed account of whom she is meeting, at what time and the location, how long it is going to take to get there, where the nearest Starbucks is for a break between appointments, and much more. For me, personally, that would be nirvana!

Mobile also delivers immediacy.

When customers are in front of their laptops, we can serve them in real time. Search tells you she traveled the Internet looking for certain information, say a car. You then build the algorithm and create a very compelling offer. She's not in a cloud; she's less than five kilometers away from your showroom. You can even give her directions.

With Mobile, convention is yet to exist. Everything is measureable and can be optimized. Half the world's population has a mobile device. It may be a mobile phone, a tablet, a kindle, a netbook or something yet to be developed. It doesn't matter. It's portable and it's always on, always connected and always with you. Mobile (or portable computing) will deliver to marketers what Lester Wunderman could only dream about some 50 years ago.

This is convergence of everything a good marketer wants: relevancy; timeliness; a truly customized offer and, the proximity of the buyer. If you can't close the sale now, maybe you should consider getting out of the marketing business!

The bottom line: marketers leveraging the power of search, social and mobile will be bound only by their inability to mine the growing mountains of data that generate insights on which to act. And acting means creating, distributing and measuring a wide range of assets in multiple formats, in multiple channels.

In closing, the convergence of search, social and mobile is the driving force behind marketing in the new normal.

At the intersection of these trends lies a customer who is empowered in ways that makes them a partner, rather than a customer. To come back to where I started, let me tie each of our marketing drivers to one from the El-Erian's New Normal:

- Search has de-leveraged marketing.
- Social has de-globalized marketing.
- And Mobile is re-regulating marketing.

Each of these trends forms our new customer reality. There are three compelling paths for marketers to operate within the customer's new normal:

1. *Data is not a number, it is a human expression.*

While we gaze at the reams of consumer data flowing our way and excite at the possibilities for delivering the perfect message at the perfect time, let's not forget that when we target the perfect message, we're targeting a person, not a demographic. Lead with an offer—but follow with a pathway that might lead to another way to be fulfilled.

2. *Sharing is a two-way street.*

Customers are sharing lots of data about their lives, much of which we can use to improve our product and messaging. However, the minute we take advantage of that we risk losing that customer's. What can we do to say "thank you" to that customer for contributing to our success?

3. *Global is inaccessible, local is next door.*

Consumers engage and transact locally. What's relevant is no longer bound by continent, country, zip code, or block. It's you—wherever you are at that moment, in that very location, with that very mindset. We can manage customer relationships on a global platform, but they must be activated in the local context. To make the promise of localization real, we have to unearth every byte of data—real time or legacy.

We know to win the share-of-market fight you have to knock your competitors out of their game plan. You have to fight unconventionally and constantly surprise the competition

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by doing the unexpected and unusual. This gets harder and harder as yesterday's latest and greatest products very quickly become today's old and boring. What was leading edge one day becomes cost of entry the next.

What this means is that you have to be open, flexible and quick to use all the tools and resources at your command, search, social, mobile as they come together but overall data, analytics and platforms and be ready on a minutes' notice to change and adapt and evolve.

It's like what Lady Gaga says: "I'm just trying to change the world, one sequin at a time."