

inter national ist

MARKETING ACCOUNTABILITY: IS ROI A BITTER PILL?

HSBC's
Stringham
Experiments
With Global
Television

Brahmachary:
Consumers
In India
Ready to
Spend Big

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inside issue 8

late spring 2004

FOR ADVERTISING, MARKETING + MEDIA PROFESSIONALS

15/Profile

PETER STRINGHAM is HSBC's global marketing change agent

18/Cover Story

MARKETING ACCOUNTABILITY: IS ROI A BITTER PILL?

30



28/Commentary

J. Walter Thompson Japan's AMBAR BRAHMACHARY writes about the emerging Indian market

issue 8

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A Word from the Publisher and Editor/4

Letters/4

Frontlines/6

RECMA's 2003 media specialist rankings; advertising in North Korea; regulations; new ads for Microsoft's Office for Mac; and more

Doing Business in...Australia/30

A rough and rowdy culture

Place Branding/32

Opportunities for new E.U. members

Essay/34

Charlie Crowe warns of exaggerated TV audience claims for major sporting events

Data/36

Media habits in Latin America and Asia

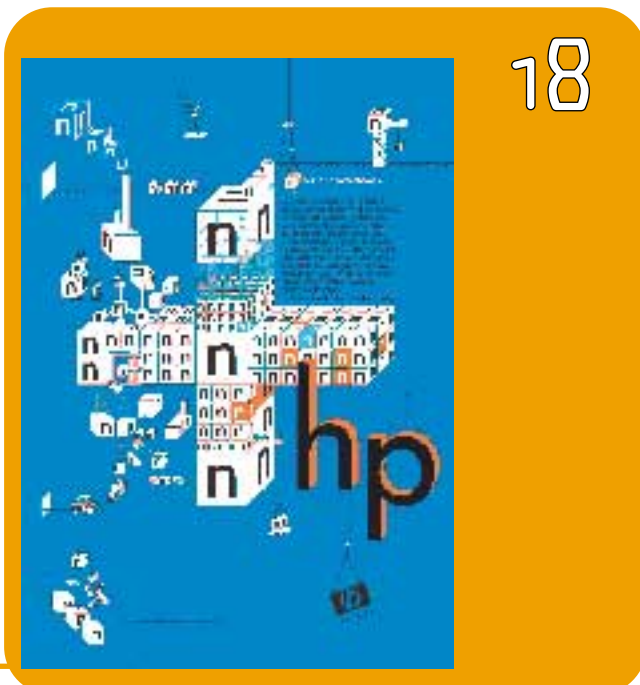
Around the World/38

Singapore as Asia's print superpower

People and Places/40

Career Track/43

Moving to the Beat in Rio/44



18

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COMING

summer

Cover Story:

Re-marriage: Media & Creative Together Again?

Profile of FedEx's Laurie Tucker

future issues

Building Powerful Multinational Brands

Cause-related Marketing: A Missing Piece in the Puzzle

Profile of Nestlé's Ed Marra

Accountability: the growing use of media auditors;
the role of procurement specialists; and more

Editorial submissions are encouraged.

Submissions may be edited for length and style.

Send your story suggestions and ideas including photos and calendar items to
editorial@inter-national-ist.com.

IMPORTANT DATES

summer issue

early fall issue

AD RESERVATIONS: May 17

AD RESERVATIONS: July 21

MATERIALS: May 31

MATERIALS: August 4

Contact: advertising@inter-national-ist.com

When we chose accountability as the topic for our Cover Story, we knew it was a hot subject, but little did we realize how much time people in our industry are spending on some aspect of it. In one way or another, accountability is touching everything marketing, advertising, and media people are doing these days. We learned that it's an all-encompassing issue, essentially a daily consideration; a topic of numerous conferences; and a constant challenge for identifying and establishing the most relevant measurements.

There has been such an outpouring of response not only to contribute to this story but also to find out what everyone else is thinking and doing that we are planning a continuing periodic series.

With our current story, we have tried to set a framework for several of the areas that are being discussed under the accountability umbrella. For some, it's more focus on post-campaign research, for others it's using procurement specialists; for still others, it's media audits; and those are just the beginning. As we expand on each of these topics in more depth in future issues, we welcome your comments as well as suggestions on what else to include.

We know that whole new businesses are being developed to move the process forward and that new measurement tools are being used successfully. We want to hear about them and share them with others in the industry. After all, as one marketing exec put it, bringing advertising and marketing into the accountability fold finally gives marketing a seat at the CEO's elbow. And that's certainly a valuable piece of real estate.



deborah malone
PUBLISHER



nancy s. giges
EDITOR

LETTERS

Send letters, your opinions, and views to editorial@inter-national-ist.com. Please limit letters to 50 words. inter national ist reserves the right to edit letters.

CLARIFICATION:

In the "Germany in Focus" section published in the early spring issue, the listing of Germany's largest media companies published by *Horizont* for 2002, the most recent rankings available at press time, should have noted that Leo Kirch became insolvent during that year.

Thank you for your recent and interesting article on "What is Next." With all the changes potentially facing advertising and media, I hope you will continue to cover how consumers, agencies, and content publishers in various corners of the globe decide to respond.

MICHAEL CARLIN
Universal McCann
VP, Associate Media Director
New York

Congratulations to your entrepreneurial initiative...with inter national ist... I am a regular reader of your publication, and I have to say I find in every edition something new, something to learn, or at least to think about...

HANS-PETER ROHNER
CEO
PubliGroupe
Lausanne

Congrats on the latest issue. We were pleased with the piece you did on the creative ideas coming out of Latin America.

CAROLINE RITTENBERRY
Vice President, News Communications Group
Turner Broadcasting System Latin America
Atlanta

I have just received the January edition of inter national ist—again a cracking good read.

PAUL ALEXANDER
Dunnhumby
London

Looks like your best issue yet! Some really good "meaty" articles with people worth listening to...

ANDREW BARTON
Riddle International
London

BY DAVID KILBURN

is japan losing its cool in asia?

Is Japan losing its cool? A short while ago that question would have seemed

ridiculous. The appetite for Japanese popular culture in Asia was boundless. Japanese singers, animation, design, cinema, and literature were all cutting edge experiences for the rising tide of Asian consumers.

Japan's enormous manufacturing investment across Asia as well as its formidable reputation for product quality, innovation, and design set the standards Asia's aspiring corporations sought to emulate.

However, new research by Japan's second largest agency, Hakuodo, suggests that Japan

may be losing its edge.

In 2003, Hakuodo's Annual Global HABIT research was conducted among individuals in eight cities in China: Shanghai, Beijing, Guangzhou, Dalian, Shenyang, Wuhan, Chengdu, and Fuzhou, plus 17 cities across Japan, Europe, America, and other parts of Asia.

In a report published last month, Hakuodo analyzed data from Chinese consumers aged 20–39 and found that while products made in Japan are perceived as high quality, they score lower than Korean products on style and design. Japanese products were also seen to lag both Korean and Chinese products in “market energy” and “new breakthroughs.”

The report does not address how this reversal in Japan's fortunes has come

about, but it is not difficult to hypothesize why. For example, Samsung Electronics has become one of Asia's new superstars. Four years ago Sony's market capitalization was more than twice that of

their way into the pockets of Nokia fans, while its flat screen TVs and monitors are elbowing out Japanese rivals. At the same time, Chinese companies such as Haier and Legend are not only recapturing China's marketplace for



© 2004 Samsung Electronics. All rights reserved.

Samsung. Now Sony is barely half the size of its South Korean rival and is set to deliver annual net profits that will be dwarfed by Samsung's.

Samsung's mobile phone handsets have even found

Chinese brands, they are also targeting worldwide markets—you can hear the applause such ambition generates within China. ●

chief executives and other senior corporate leaders around the world agree that the global economy has improved in the past six months, but fewer are confident that the improvement will continue into the second half of the year, according to a McKinsey Quarterly survey of 7,300 senior executives. An overwhelming number of executives in the survey, from companies of all sizes and in all regions, believe that the global economy is healthier than it was six months ago, though many expect the improvement to level off during the first half of 2004. They view Asia as the region with the most promising growth prospects for 2004. ●

COMING EVENTS

ALL PRICES ARE IN LOCAL CURRENCY UNLESS OTHERWISE STATED

MAY 14
IAA SWEDEN
BREAKFAST SEMINAR:
"THE NEW ERA OF DIGITAL MEDIA"

PLACE: Summit, Stockholm
RESERVATIONS:
ronnie.eide@iaasweden.org,
46-70-557 4295
PRICE: Member SEK200;
non-member SEK450

MAY 25-28
FEPE INTERNATIONAL
FEPE WORLD CONGRESS
PLACE: The Jumeirah Beach Hotel,
Dubai
RESERVATIONS: www.fepe.com;
info@fepe.com
PRICE: Member €1,400;
non-member €1,500

MAY 28
IAS AND IAA SINGAPORE
ASIA PACIFIC BROADCASTING
CONFERENCE
PLACE: Grand Copthorne
Waterfront Hotel
RESERVATIONS:
instadv@singnet.com.sg
or 65-6220-8382
PRICE: Member S\$580;
non-member S\$1,160

JUNE 8
NEW YORK AMERICAN
MARKETING ASSOCIATION
EFFIE AWARDS GALA
PLACE: New York Marriott Marquis
RESERVATIONS: www.effie.org/gala/
PRICE: \$395 per individual;
table of 10: \$350

Submit your events to
editorial@inter-national-ist.com



In this spot, McDonald's invites youngsters to enter a contest to win trips to be part of Europe's football championships in Portugal this summer.

pan-european mcdonald's programs targets young football fans

McDonald's is taking aim at young football fans in a pan-European campaign inviting children ages 6-10 to compete to win three-day trips to Europe's football championship in Portugal this summer.

McDonald's is teaming up with Eurosport, which created an integrated program of advertising, programming, pr, and a special Website (www.mcdonaldplayerescort.com) for the fast food chain. LeoSports (part of Leo Burnett London) and OMD were also involved.

Three winners will receive a trip to the opening game

of UEFA Euro 2004 with a parent or guardian and will be able to walk out with football greats at the opening game. Children are asked to enter by sending in a video, photos, letter, or drawing that demonstrate their passion for the game.

"This is an exciting partnership and will give us the chance to reach more kids across Europe" said Louise Marcotte, McDonald's Europe.

The winners' trips to Portugal will be filmed by a Eurosport crew, mixed with footage of their winning entries, and broadcast as a special McDonald's program on Eurosport during the games. ●



In new ads for Microsoft's Office for Mac running in Australia, Japan, Netherlands, Sweden, the U.K., and U.S., McCann Erickson San Francisco demonstrates that even laid back Apple types sometimes need to put on their starched business hats. The series, with headlines such as "Cultivate your corporate self," "Explore your buttoned-up alter ego," and "Get in touch with your inner suit," suggests that with Office for Mac, it's simple to slide in and out of business mode at any time. ●



COMING EVENTS

regulations in the works...

The CHINESE GOVERNMENT has banned television advertising during mealtime for what it calls “offensive” products, such as feminine-hygiene pads, hemorrhoid medication, and athlete’s-foot ointment, according to a report in the *Wall Street Journal*. Regulators have also cut the amount of time available for advertising on some stations as much as in half, and have also limited the number of beer ads to two between 7 p.m. and 9 p.m. The steps were taken because of viewer complaints that commercials were too graphic and too frequent during dinner, the report says.

BRITAIN’S FOODS STANDARDS AGENCY is seeking input from government, schools, industry, and others for an action plan on food promotion to children. This follows a meeting of the independent food safety watchdog in which it recommended stringent rules on marketing food and drink, but didn’t go so far as to ban advertising to children, which had been discussed. The agency, set up by Parliament in 2000 to protect the public’s health and consumer interests in relation to food, is seeking ways to address alarming levels of obesity, which have doubled among six-year-olds in the past ten years and tripled among 15-year-olds. Among its planned initiatives is a review of the sponsorship of TV programs.

BELGIUM, CANADA, FRANCE, NETHERLANDS, and the U.S. are also in various stages of discussion and restrictive proposals about obesity and advertising. ●



JUNE 9–11
2004 EUROPEAN EFFECTIVE COMMUNICATIONS SYMPOSIUM (JUNE 9) AND EUROPEAN ADVERTISING EFFECTIVENESS SYMPOSIUM (JUNE 10–11) ADVERTISING SEMINARS INTERNATIONAL
 PLACE: *Hotel Atenea Mar, Barcelona*
 RESERVATIONS: *asi@dial.pipex.com, www.asi.eu.com/*
 PRICE: *€1780 for both; €675 communications only; €1260 advertising only*

JUNE 10
IAA SUMMER BALL IAA NEW YORK
 PLACE: *The Rainbow Room, New York*
 RESERVATIONS: *1-646-495-5160; iaaus@att.net*
 PRICE: *\$375 per person; \$5,000 table of 10*

JUNE 16–18
BUSINESS MARKETING ASSOCIATION BMA INTERNATIONAL CONFERENCE
 PLACE: *Omni Interlocken Resort, Broomfield, Colo.*
 RESERVATIONS: *www.marketing.org*
 PRICE: *Member \$795; non-member \$395; one-day \$395*

JUNE 22–23
FIPP AND APP (THE SPANISH B2B PUBLISHING ASSOCIATION) 4TH FIPP INTERNATIONAL B2B MAGAZINE CONFERENCE: “B2B ON TARGET”
 PLACE: *World Trade Centre, Barcelona*
 RESERVATIONS: *www.fipp.com; app@app.es*
 PRICE: *Member €802.50; non-member €909.50*

JUNE 25
IAS AND IAA SINGAPORE A NIGHT AT THE RACES
 PLACE: *Singapore Turf Club*
 RESERVATIONS: *instadv@singnet.com.sg or 65-6220-8382*
 PRICE: *NA*

RECMA 2003 ESTIMATED BILLINGS BY REGION 12 MONTHS ENDING MARCH 2004

RANK 03-02	NETWORK	OWNER	TOTAL WORLDWIDE ¹ IN MILLIONS OF US\$	U.S.	EUROPE ²	ASIA PACIFIC
1-1	OMD	OMNICOM	19.3	8.3	5.7	1.4
2-3	MindShare	WPP/GROUPM	19.2	9.4	4.4	2.9
3-2	Starcom MediaVest SMG	PUBLICIS GROUPE	18.9	11.9	3.1	1.5
4-4	Carat (without Vizeum)	AEGIS MEDIA	17.8	4.7	9.8	1.4
5-5	ZenithOptimedia	PUBLICIS GROUPE	15.5	6.8	4.6	2.4
6-6	UniversalMcCann	INTERPUBLIC	15.1	7.4	3.1	2.1
7-7	Mediaedge:cia	WPP/GROUPM	14.6	5.3	5.0	1.2
8-9	MediaCom	GREY GLOBAL GROUP	13.6	5.0	5.7	0.6
9-8	Initiative ww	INTERPUBLIC	12.5	5.1	3.3	1.1
10-10	MPG Media Planning Group	HAVAS	8.6	2.9	4.3	0.1
11-11	PHD	OMNICOM	4.9	4.1	0.6	0
12	Vizeum launched in 2003		1.9	-	1.6	0.2
TOTAL 12 NETWORKS			161.9	70.9	51.2	14.9

Source: The RECMA Report
¹Total worldwide figures also include Canada, Latin America and rest of Europe
²U.K., Germany, France, Italy, Spain

COMING EVENTS

AUGUST 19-20
IAS AND IAA SINGAPORE
7TH SINGAPORE
INTERNATIONAL
AD CONGRESS

PLACE: Grand Copthorne
Waterfront Hotel
RESERVATIONS:
instadv@singnet.com.sg
or 65-6220-8382
PRICE: Member S\$580;
non-member S\$1,160

AUGUST 20
IAS AND IAA SINGAPORE
EFFIE AWARDS
CEREMONY & GALA

PLACE: Grand Copthorne Waterfront
Hotel
RESERVATIONS:
instadv@singnet.com.sg
or 65-6220-8382
PRICE: Member S\$120;
non-member S\$180

SEPTEMBER 7-10
IAA 39TH WORLD CONGRESS
"BREAKTHROUGH
INTO THE FUTURE"

PLACE: Beijing International
Convention Center, Beijing
RESERVATIONS:
www.iaacongress-china.com;
international@china-aa.org
PRICE: Member US\$1,100;
non-member US\$1,300

SEPTEMBER 14-15
THE 2ND ANNUAL
ADVERTISING FESTIVAL

PLACE: Concorde La Fayette, Paris
RESERVATIONS:
www.theadvertisingfestival.com;
Cindy Rodges
cindy@theadvertisingfestival.com
PRICE: €700 for all events
plus 19.6% VAT

SEPTEMBER 22-24
RESULTS INTERNATIONAL
CONSULTING
5TH GLOBAL MARKETING
COMMUNICATIONS CONFERENCE

PLACE: Hotel Le Meridien Park
Atlantic, Lisbon
RESERVATIONS: Carlos A. Yépez
cyepez@grupoconsultores.com
or 34 91 702 1113
PRICE: €1,508 including VAT

"sticking to its knitting" apparently means different things to different companies. According to Alycia de Mesa, a freelance brand identity consultant, in an article on Interbrand's brandchannel.com, the key to how far a brand can stretch lies in identifying and agreeing upon core competencies and the core essence of a brand. She notes that Virgin, for example, has stretched its brand across some 200 businesses from wine to bridal gear to financial services, and General Electric has a portfolio of 21 different organizations from rocket engines to MRI machines to light bulbs. GE, she says, did a lot of work on what its core competency is, and "that's leadership....Selling leadership in everything they do. They have figured out how to replicate leadership whether they're making MRI machines or rocket engines." ●



first signs of commercial advertising in north korea

Recent signs of the beginnings of commercial advertising in North Korea have raised questions of whether a market economy could be at its very initial stages since advertising usually occurs when there is an increase in discretionary expenditures and a bit of competition.

"Our understanding is that the commercial use of out-of-home displays for product advertising is a very recent development," says Ron Graham, managing director, Poster Publicity Asia Pacific. "Any previous out-of-home use would have been government information only."

A Lehman Bros. Japan report also noted the appearance of boards in Pyongyang



Lehman Bros.

This board recently appeared in several Pyongyang locations, according to a Lehman Bros. Japan investment report. The report concluded that beneficiaries of future activity would most likely be South Korean agencies, Cheil Communications and LG Ad.

that, the report says, seem to cross the line from being strictly a political statement to commercial advertising.

One board in several locations shows a famous singer with an auto, which presumably would be produced by a proposed joint venture, according to the Lehman report. The text refers to the joint venture and Korea and suggests that the

car "will make your heart pound!"

Graham says that these are early indications of an emerging advertising industry and while there will be growth in North Korea, he warns that it's very "embryonic." Poster Publicity, which has been involved in campaigns in South Korea, is one of the world's top ten advertising markets, for Estée Lauder, Oracle, UBS, Visa, and Volvo. ●

C O M I N G E V E N T S

SEPTEMBER 29
IAA FRANCE
BETTER BUSINESS BREAKFAST
"HOW TO MAKE A
GLOBAL SUPERBRAND"
PLACE: Le Press Club de France,
Paris
RESERVATIONS:
Ingrid Paun 33-68-543-27-89 or
bbw_paris@yahoo.com;
Mary L Rega 33-68-68-04179
PRICE: Member €50; non-member €70

SEPTEMBER 30
EACA ANNUAL DINNER AND
EURO EFFIES AWARDS
PLACE: Theatre of the Plaza Hotel,
Brussels
RESERVATIONS:
dominic.lyle@eaca.be
PRICE: N.A.

OCTOBER 22
IAA SWEDEN
BREAKFAST SEMINAR:
"ROI—IS ADVERTISING
REALLY WORTH IT?"
PLACE: Summit, Stockholm
RESERVATIONS:
ronnie.eide@iaasweden.org,
46-70-557 4295
PRICE: Member SEK200;
non-member SEK450

OCTOBER 24–27
MAGAZINE PUBLISHERS OF
AMERICA AMERICAN
MAGAZINE CONFERENCE
PLACE: Boca Raton Resort & Club,
Boca Raton, Fla.
RESERVATIONS: Dierdre Pannazzo
dpannazzo@magazine.org
PRICE: NA

NOVEMBER 10
IAS AND IAA SINGAPORE
SINGAPORE ADVERTISING
HALL OF FAME
PLACE: Ritz Carlton Hotel
RESERVATIONS:
instadv@singnet.com.sg
or 65-6220-8382
PRICE: Member S\$98;
non-member S\$180

continued on page 41...

ready...aim...sniff

Is a new air cannon that can target individual people with an aroma marketing's next toy?

An article in the April 3 issue of *New Scientist*, the British science weekly, says marketing specialists could seize on the air cannon as a way of tempting a shopper by directing the scent of the latest perfume or an expensive blend of coffee right at his or her nose without even alerting someone else a few meters away.

It could be in-store in conjunction with a video ad or along the street as a pedestrian passes a related outdoor board. The device uses a camera mounted on top to track the target's eyes and aim at the nose with precision.

The magazine reports that the air cannon was developed by Yasuyuki Yanagi and his colleagues at the Advanced Telecommunications Research Institute in Kyoto, Japan, as a technique for directing evocative smells to people exploring virtual-reality environments.

According to the article, Tim Jacob, an expert in the psychology of smell at Cardiff University in the U.K., says attractive scents like freshly baked bread are known to keep customers in a store longer. Until now, stores could disburse only one scent, but with the air cannon different scents can be fired at different individuals.

That raises another question: Will the next wave of demographic research now have an olfactory segmentation? ●

Did you know that pay TV revenue is expected to surpass spot ad revenue in Europe in 2005, becoming the largest component of Europe's TV economy? ZenithOptimedia makes this prediction in its recently published Television in Western Europe to 2012 report. ●



Tham Khai Meng co-chairman, Asia Pacific, Ogilvy & Mather Worldwide, writes about how Singapore retains its position as Asia's print capital in "Around the World" on page 38. His evidence includes ads such as this one for the new Nintendo Gameboy Advance that demonstrates even the "second coming" isn't enough to distract a player from the game. ●

peter stringham

Multi-tasking is a job requirement for this head of global marketing at “the world’s local bank”

Change is an understatement at HSBC these days. In the past four years, the financial institution has harnessed dozens of brand names and created a single one, recognized globally and locally.

Now the financial services organization is undergoing a massive agency review putting up for grabs a budget some say approaches \$600 million annually. Meanwhile, the bank is experimenting with sole sponsorship of a global television series, a first for HSBC, and according to CNBC, which produced and is airing the programs, it’s the first time a single brand has sponsored a truly global TV series.

Leading these efforts is Peter Stringham, who joined the bank three years ago, after spending most of his career at agencies in North America. As group general manager and head of marketing for HSBC, Stringham is trying to perfect the global-local balancing act.

With Lowe & Partners as the lead creative agency and ZenithOptimedia the lead media specialist, the brand is positioned as “the world’s local bank” to appeal to its customer base of 31 million in scores of countries. Regardless of decisions made about advertising and media assignments, the basic strategy is not expected to be totally overhauled as the bank takes great care to assure customers that it understands cultures are different and so are their needs.

That positioning is reinforced in advertising that has run globally in TV and print.

Meanwhile, Stringham is experimenting in appealing to a demographic globally that hasn’t been paid much attention or at least not as much as he believes it should. And that’s people over 50. Stringham wants to raise the bank’s profile as a provider of solutions for this emerging market. He cites the stats that by 2050, the over-50s will outnumber young people for the first time in history, bringing massive lifestyle and societal changes.

“We want to establish HSBC as the brand which understands the needs and aspirations of a unique global generation heading towards retirement,” Stringham says. With a market where

70% of assets will be held by the over-50s, “there is a real need for a new approach to investment planning and wealth management...as well as a need for society to prepare to support this trend.”

What really hit home was not only the fact that more people are going to be retired than ever but also that people are living so much longer. For instance, he says, 75% of all the people in history over the age of 80 who ever lived are alive right now. “Suddenly the idea of the next generation of people living to 90-plus in developed countries will be quite normal,” he says. “If you’re going to live until 90 and you retire at 65, what are you going to do for 35 years? You can only play so much golf.”

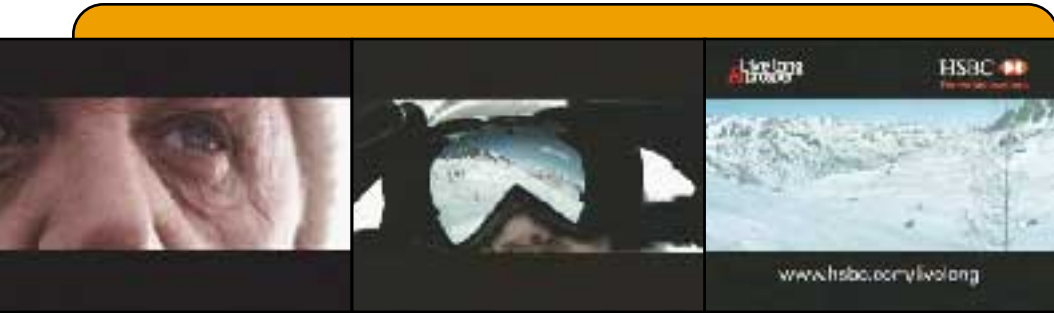
Stringham says when he looked around at information about this topic, everything was “kind of corny,” “talked down to this audience or missed them altogether.” He didn’t see anything that was a good fit for HSBC’s messages.

So he challenged the media to come up with some programming that would address this topic in a positive way to start people thinking about their futures and that of society. The result is a CNBC six-part monthly series that celebrates active retirement, called “Live Long & Prosper.” The series is airing in more than 60 countries. Each 30-minute program is expected to attract an audience of one million people.

The programs address the realities of an aging global population, their lifestyle habits, and social issues including their work ethic, health concerns and family aspects.

*Peter Stringham,
HSBC’s global marketing
change agent.*





A TV spot airing with the program encourages viewers to go to the www.hsbc.com/livelong site to "find financial solutions for the rest of your life."



When Peter Stringham couldn't find a vehicle that gave a true depiction of the 50s+ generation, he decided to be the sole sponsor of a global series that carried an accurate message.



"Live Long & Prosper" celebrates the older generation's contribution to the societies in which they live as well as raises questions about the need for planning for old age.

HSBC is supporting the series with a Website designed by CNBC Europe, a series of commercial vignettes, and print ads in publications, such as *The Financial Times*, *The Wall Street Journal*, and *Time*. ZenithOptimedia negotiated the sponsorship.

Stringham says HSBC is sponsoring the series to "demonstrate [the bank's] commitment to taking the needs of an increasingly aging demographic seriously. ... This program tackles the issue on a local and international level which matches our strategy for reaching our key target audience groups. The series is human, friendly, relaxed, and informative, focusing on local people in their local environments, but with global insight into this important issue which we believe has yet to be given due prominence."

He notes that banks have always had programs targeting the young, students and young adults as well as families. Lifestyle events—graduation, marriage, births—have always been seen as triggers for financial matters, he says, and even retirement, but in a different way. Retired people traditionally have been treated as only wanting to put money into savings and maybe occasionally to take a cruise.

As for what the next step will be in reaching this burgeoning market, he's not sure. "This is highly experimental," he says. "We're going to see what happens."

But he is sure it's a demographic segment that HBSC needs to be in: "In every developed country right now, at least 70% of the wealth is held by people over 50. It's such a huge demographic shift, it's something that we want to carefully attract and make sure we are heavily involved," he says. And he's also sure that the concept of retirement is going to be very, very different from the past. ●

The search for an answer to the question posed by the title of the Cover Story has taken *internationalist*

down a tortuous path, one that doesn't yet have an end in sight. But the journey has led to some valuable

insights about current thinking of marketers,

agencies, media, and related organizations on this

marketing accountability:

is roi

unquestionably important topic. In fact, it has so many

aspects that the story in this issue will kick off a

periodic series touching on a wide variety of topics that

fall under the accountability umbrella, including the

growing use of procurement specialists, media audits,

tying agency compensation to results among others.



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a bitter pill?

When marketing people hear the word ROI, defense mechanisms turn on automatically: Eyes roll, hackles are up, backs stiffen.

Yet despite such initial reactions and public grumbling about ROI having no place in the marketing arena, there is recognition that the issue of accountability—often referred to simply as ROI—is much more than just bad medicine. In fact, many thoughtful advertising and marketing people acknowledge that accountability is significant, although difficult to measure, and that the demand for it is not going to diminish, much less disappear.

“This issue has legs,” says Gordon A.

Wyner, exec VP-strategy at Millward

Brown Group, a



CFO does pre and post testing of campaigns for advertisers such as Allianz Group.



andrew sibley

Cisco Systems
FELTHAM, U.K.

“If you’re responsible for anything, then you need to make sure that you are spending your money wisely, that you’re getting a good return.”

WPP Group market research agency, which helps companies sort through some of the complexities.

Where the eye rolling occurs is when marketing is held to ROI standards in the strict financial definition of the term related to bottom-line results and without taking other factors into consideration.

Although nudged to the forefront by the tough economic times of the past few years, the economy was only one impetus. “Companies are being more accountable full stop,” says Nick Mawditt, head of research at CNBC Europe, “and they are finally drawing advertising and marketing into that way of thinking.”

In fact, marketing productivity and marketing metrics have been voted for the past few years as the most important business issues by the Marketing Science Institute, the high-brow Cambridge, Mass., non-profit organization that brings together executives from the world’s leading marketers and academic scholars.

“Clearly, in my conversations with people, it tends to be the No. 1 or No. 2 issue people are talking about,” says International Advertising Association CEO Frank Cutitta.

And in a 2003 survey of 90 senior marketers at technology companies, many said they have abandoned strategic programs because they can’t meet the demands of showing measurable results due to a lack of reliable tools. From this survey by IDC market intelligence and advisory firm, one can begin to understand the impact:

The \$4 billion in marketing spending this group represents is a huge chunk of change being shifted out of strategic program elements, the initiatives that build brands and image.

The demands aren’t limited to the tech industry nor to any particular geography. Nils Welinder, a former agency owner who is now an ad search consultant in Stockholm, says, “More for less and cash back tomorrow have been the mantras the ad industry has lived with for the last few years,” he says. “If that’s accountability or just recession I don’t know, but I have a feeling it’s come to stay.”

As the broader topic of shareholder accountability and corporate governance gains steam, agencies have realized that accountability is something they need to deliver to their clients too, CNBC’s Mawditt says. “We are helping that process... Every media owner should stand up and say this product offers something to your audience.”

CNBC Europe has just announced a guarantee to advertisers that any campaign running on its channel will have a positive impact as evaluated by the channel’s proprietary quarterly Viewertrack survey. If that doesn’t happen, the schedule will be adjusted for an ongoing campaign to improve results or there will be an incremental discount for future campaigns.

“[It is] incumbent upon media owners to justify and account for the expenditures on their channels, while demonstrating that all campaigns make a measurable impact,” adds Mick Buckley, CNBC Europe exec VP-commercial director.

Even before the guarantee, the channel monitored shifts in perceptions for advertisers such as Deutsche Bank, Dubai 2003, GE, HSBC, Oracle, and Sun Microsystems. Xerox is one of



david
clark



TV Networks
NEW YORK

jonathan
howlett



BBC World
LONDON

andrew sharp



Universal McCann
LONDON

“Advertising does tend to work.
The question is how much.”

bill
sidwell



Hewlett-Packard
HOUSTON

the first to participate under the guarantee program.

Publications also find they are doing more measurement, especially across borders. *CFO* uses an online survey tool from WebSurveyor to do pre-campaign and post-campaign measurements and conducts about a dozen surveys a year. “It’s a terrific way to add value to a marketer’s investment,” says Alex Clemente, *CFO* senior VP-sales & marketing.

Agencies do need to be able to show they are delivering too, agrees Andrew McLean, chief client officer at Mediaedge:cia. “In today’s environment, agencies can’t afford to...skimp on post analysis [in a rush to get on with the next project]. Any agency that doesn’t do rigorous post analysis leaves itself open to being viewed by a media auditor.”

That said, however, he welcomes the growing use of media auditors because he believes the process assures a higher level of accountability by the media business and raises it to the stature of professional service companies.

For the leading media specialists, accountability has been more than just a topic of discussion.

At Universal McCann, Andrew Sharp’s title as exec VP-director of accountability reflects this.

“It would be a mistake to think people weren’t interested in ROI 25 years ago,” Sharp says. “They looked at sales and advertising to see if there was a relationship and they dumped campaigns and brands that weren’t succeeding.”

But the advances have come from the ability to collect more data and use PC power to perform statistical analyses more efficiently, he says. His group uses modeling and performs total communication analysis to investigate where budgets hit a point of diminishing returns. “It offers very huge efficiencies for clients,” he says.

Along with insight about budget levels and communications effectiveness, the agency often comes up with more general advice. For one financial services company, Universal McCann

advised against having a rigid program for launching products because of the volatility of the economy, which may make certain financial products unattractive at the time. “They hadn’t really thought about that,” Sharp says. For a telecommunications client, looking into the effect of advertising on changing its reputation revealed that the company was sending out messages, although not obviously contradictory, that were canceling each other out.

“It’s rare that the investigation produces something that is a shocking surprise,” he says. “Advertising does tend to work but the question is how much. The amount you might put into TV or print might change quite dramatically depending on the results.”

Although scrutiny began with media spending, assessments are not expected to stop there. Max Gosling, regional director of Asia Pacific and president-CEO/Japan of McCann Worldgroup, believes that in the near future ROI will cover creativity and all aspects of the communications process. And he thinks measurements should be conducted on a continual basis, especially to show brand growth.

As for the argument that there is a conflict between ROI and creativity, he dismisses that notion. “No, there never has been,” he says. “Over the years, a number of studies have demonstrated that effective campaigns also win creative awards. Effective advertising is also the most likely to receive the highest scores on likeability with consumers. Those who say that ROI blocks creativity are those who do not have faith in their creative product.”

Emma Cookson, global head of strategic planning for Bartle Bogle Hegarty, has a somewhat different perspective. She sees the whole accountability phenomenon as falling into two areas: a “pay less” attitude, the bailiwick of procurement specialists and media auditing companies, and a “get more” attitude, more open to quality considerations.

“Proving how much communication affects the bottom line and in what way is extremely labor intensive and requires a big investment, especially in time,” she says. “I don’t think [people] are prepared to put the effort in it, particularly because it’s retrospective. You can’t know in

advance what the resulting bottom line is going to be. You can make an intelligent assessment after the fact, but it's always retrospective, and you know how fast the world of marketing moves nowadays. Everyone... wants to get on to the next thing."

Regarding the media themselves, some see nothing new in having to show what they're delivering. "You always get grinded on 'show us the delivery,'" says David Clark, VP-global marketing partnerships, MTV Networks. "The difference here is that marketers are starting to think that ROI always has something to do with sales. They need to look at their entire marketing plan, of which we are just a piece."

And that's where the geometrically growing complexity starts and some disconnect occurs. "ROI is being used and misused most often as a stick to beat with," believes Jonathan Howlett, director of advertising sales at BBC World.

Measuring advertising effectiveness defies simple analysis since various marketing activities have different purposes, he notes. Yet, "many companies evaluate their marketing campaigns by looking solely at sales as if the marketing efforts were a single-faceted activity."

Howlett says he expects to deliver on what he can be accountable against. "I can't say that if you advertise on BBC World, you're going to have fantastic [campaign] results. I can tell you what I can deliver against [such as viewer measurements], but you can't ask people to be accountable for what they don't control.... The media owner is responsible for promises of reach and cost per thousand metrics. We all have accountabilities, but is this ROI?" he asks.

He isn't alone in questioning whether media, agencies, and others are being held to an accountability standard that involves factors over which they don't control.

"In some instances, I think agencies and media are probably being held accountable for things they can't control," says Wyner.

Consider, for example, a campaign for a brokerage firm encouraging the opening of new accounts, he says. There are a number of things that can be measured: the number of calls coming in, inquiries, account sign-ups. But even that doesn't book revenue, which occurs only when a

customer starts using the account, he continues.

"If the agency is being held accountable for revenue generation, I think that's too strict a standard." But he would expect the agency to pay attention to the quality of the customer it brings in with the work they are responsible for.

"They need to figure out where advertising and other marketing spend elements fit into the picture and what is the strategic intent of those. Once you've said what you think it can do, try to isolate the linkages, the cause and effect between the spending and the behavior you're trying to induce. Then you can start to say here are some metrics to see whether it did it or not, and then you can judge who is successful at achieving those goals," Wyner says.

The most knowledgeable clients recognize that bringing marketing under the accountability umbrella is complex, but many are wrapping their arms around it bit by bit.

"We have just started to become more sophisticated in this area," says Werner Geissler, president, Procter & Gamble Northeast Asia.

Last December, P&G made official a marketing ROI position whose responsibility is to put some numbers to how well certain forms of advertising are paying off. Even before that, the company began using complex mathematical models to reallocate some 10% of its global ad budget.

Some companies are beginning with involving procurement specialists in everything from the appointment of agencies to the selection of media; others are hiring media auditing firms to make sure their communications agencies are providing value; still others are tying agency compensation to results. IDC recommends that marketers earmark 5% of every program execution dollar for the measurement of performance.

Rachelle Berges, global media director, Motorola, suggests that most effective solutions may be a combination of inside and outside resources since it's sometimes difficult for outside consultancies to get the full picture of the dynamics within a large business simply by conducting a data audit and interviews.

Intel is one company at the forefront of relying heavily on internal specialists in sourcing to get the most out of the money the company spends



**nick
mawditt**

CNBC Europe
LONDON

**frank
cutitta**

International
Advertising
Association

NEW YORK



**andrew
mclean**

Mediaedge:cia
NEW YORK

**max
gosling**

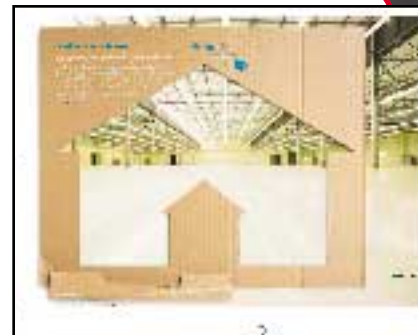
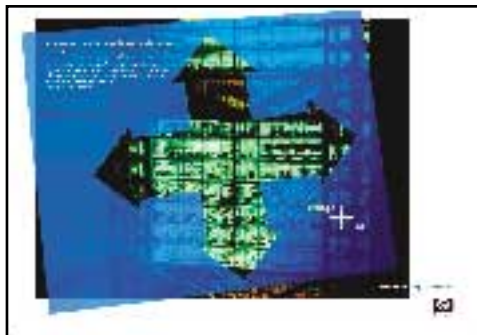
McCann
Worldgroup

TOKYO



**emma
cookson**

Bartle Bogle
Hegarty
NEW YORK



on marketing and advertising around the world. Its global marketing services group has been negotiating professional services related to marketing communications since 1996. Drawing on supply chain techniques, the group is involved in all aspects related to effectiveness and efficiency including agency selection, negotiation of contracts,

performance standards, and agency audits, and works in tandem with the areas that manage advertising.

Regardless of the approach, there is increasing activity. Bill Sidwell, director of global brand strategy & management at Hewlett-Packard, is a big advocate of bringing marketing into the

accountability fold because he believes that gives marketing a "seat at the CEO's elbow."

For the longest time, it was difficult to quantify the investments, the outcomes, and the strategic influence of marketing, he says. "Now that there has been a shift from [marketing being an] art to being a science, there is a greater ability to quantify all these investments."

Several of those interviewed for this story made a point of emphasizing that what shouldn't be forgotten is that the sole reason for

marketing is to grow sales. "The whole purpose of marketing is to get a return on sales," says MTV's Clark. "It always has been and always will be."

P&G's Geissler says while ROI is important, it's only one quantitative measurement.

"Marketing is all about the creation of strong and profitable brands that can endure the storms of time. In order to achieve this you sometimes have to make investments that short-term don't yield an adequate return but are critical for the long term health of a brand's equity and the loyalty of consumers towards a brand," he says.

On the other hand, he adds, the spending money for media, promotion, and similar activities, is a factor that often must go into pricing considerations, just as raw materials, and is just as much subject to scrutiny so measurement of effectiveness is important. "We have to honestly assess whether consumers are actually prepared to pay for [this kind of investment] or not."

One way HP began transforming marketing to a scientific mindset was to centralize and coordinate all marketing expenditures under its first chief marketing officer, appointed 18 months ago.

"Before that, everybody that had dollars was spending them, and you had disjointed often fragmented, inconsistent messages and activities being delivered in the marketplace. We span a customer set that includes everything from the living room to the boardroom. Now it's all coordinated through the CMO," explains Sidwell, who works closely with CMO Michael Winkler on the issue of accountability.

He says HP is gaining understanding that marketing has much more impact and value as a strategic business enabler and a growth and profitability enabler than just as a functional enabler.

"If you're spending \$3 billion on marketing, how do you know what you're getting for that



Spending for all Hewlett-Packard advertising including its positioning campaign running globally is coordinated by the company's first corporate chief marketing officer. Agencies are Goodby, Silverstein & Partners for creative and ZenithOptimedia for media.

investment if all you're doing is measuring market share. That's an inaccurate estimate. I'm sure some companies may be looking at this to cut budgets but capital markets are saying you aren't going to grow [just] by cost-cutting."

That doesn't mean HP is not looking at the cost-cutting side of the equation also. For example, the company has a strong procurement group. "By developing consistent and disciplined systems and processes, we are spending HP's money wisely and getting better and greater return.... Procurement specialists are bringing a discipline to this part of the marketing process, helping to eliminate redundancies and waste; helping us get greater value for shareholders," Sidwell says.

Another company, Cisco Systems, is focusing its efforts in a different area, spending considerable time with demand generation to assess what's working. "If you're responsible for anything, then you need to make sure that you are spending your money wisely, that you're getting a good return," says Andrew Sibley, advertising manager for Europe, Middle East, & Africa.

One place that the company does a great deal of analysis is with its online advertising, related to impressions, response rate, click-thru rate, visitors to Website, and other metrics right down to how many leads are delivered to the sales force, the metric considered the fairest assessment of success for this activity.

It's not accurate to make the leap to say the campaign generated X revenue, Sibley says. "The sales force will say, quite rightly, that the ads didn't sell the stuff we did.... So even when you're measuring the demand that the campaign generated for qualified leads, that's as close as it gets [to revenue]."

And yet another technology company, Computer Associates, has put in a number of new tools to improve accountability over the past 24 months, according to Michael Paradiso, VP-global media director.

One, now being phased in, uses software from Aprimo Inc. to give the company "a full view of marketing," Paradiso says. "We [can] do multiple research studies from a media standpoint to gauge product awareness, brand awareness, advertising awareness. We have a direct tie-in to our sales systems to understand [what

happens] when direct marketing programs go into place" from responses to the programs through the company pipeline as they're acted upon and lead to interaction with the sales force.

"Being able to say if we cut this money, we could lose this number of clients gives you tangible results to take back to management to say that these programs are valuable," he says. "Every company should start and build from there," he advises, acknowledging that it can be difficult when the timing of programs is critical. But he says it's well worth it. "Having that accountability allows you to learn from your mistakes and hopefully grow your budget."

Paradiso says he hopes to have the tool up and running globally for CA in more than 50 countries in the next 18 months.

"This is a major initiative and positive step that allows us to have more understanding of the budget process, marketing programs, and where money is being spent," he says.

At many clients, interest in accountability is coming not only from top management, which having invested considerable funds in both marketing and also ways to measure it, wants to know what return that investment is bringing, but from other areas of organizations from operations to finance. More and more, other areas are involved in forking out the funds from their budgets for what are essentially marketing-related activities: loyalty programs, for example. Their demands for results for the money they are spending are no greater than the demands being placed on their own budgets.

All the more reason to expect that the demands for accountability will grow even greater. ●

David Kilburn contributed to this story.

gordon wyner

Millward Brown Group
FAIRFIELD, CONN.



"In some instances, I think agencies and media are probably being held accountable for things they can't control."

michael paradiso

Computer Associates
ISLANDIA, N.Y.



"Being able to say if we cut this money, we could lose this number of clients gives you tangible results to take back to management to say that these programs are valuable."

waiting for the day after

Remember the Pacific Island sitting on the international dateline in Umberto Eco's *The Island of the Day Before*, where today never comes? In some way it's like India where there is no tomorrow, only the day after. You know, a whole sub-continent that has been waiting for the day after.

For multinationals that have interest in the Indian market and are prepared to wait for that day—it is an opportunity that cannot be ignored. The Goldman Sach's report on the BRICS [Brazil, Russia, India, and China] countries estimates that in another 28 years, by 2032, India will be the third largest economy, having overtaken Japan. And China will be the world's second largest, after the U.S. But China already boasts a GDP more than twice the size of India's, although the two were roughly the same size only a decade ago.

Most people look at the Indian market through the lens of China's explosive success; the two markets are, in fact, so different that they may as well be on two different continents. These two Asian neighbors could not be more dissimilar—though both top the billion people mark—their individual history and their cultural heritage separates them. As far as I know there is nothing in the Chinese culture that discourages the individual from accumulating wealth and from enjoying a better life in the here and now. Albeit there was a brief interregnum of 30 years—a historical aberration when China's populace was forced to shun individual wealth. However when Deng opened up the Middle Kingdom in the late '70s, the Chinese created the biggest expansion in consumption in the history of the world.

Contrast that with the fact that every Indian has grown up in a culture that has abhorred personal wealth and worshipped self-denial, where our schools, religious gurus, and political leaders inveighed daily against materialism and immediate gratification. Where the governing elite encouraged the redistribution of poverty rather

“ [India and China] are so different that they may as well be on two different continents. ”



than the creation of wealth. All of which resulted in the bottling up of consumer needs and the consequent abysmal Hindu rate of growth. And, oh yes, a fear of foreign companies—after all, not many nations were taken over by a company. Remember the East India Co.

But that was yesterday. The '90s saw the opening up of the economy—the lifting of the bad policies of economic autarky, tariffs, and industrial licensing. Not surprisingly, last year the economy grew at a brisk 7%. And now it has everyone's attention—but how long will it take before we witness the frenetic consumption fever like that which grips East Asia? How long before the market gobbles up the volumes of cell phones and automobiles that China did last year?

Although India opened up 15 years after China, there are signs that it will make up for the lost time. The reason is simple; nearly half the country, 47%, is under 20 years old. Think how quickly these young people will forget the prudence and frugal lifestyles of their parents. The recent signs would suggest not too long.

Having spent most of my adult life in advertising with J. Walter Thompson in all three major Asian consumer societies—Indian, Chinese, and Japanese—one thing is for sure: the catch-

up game moves with astonishing speed in this part of the world. Just as China's growth amazes us today, India's young will surprise us by their capacity for assimilation and their speed in adopting the new.

Most people tend to get bogged down with the comparative numbers of these two emerging markets, forgetting that the Chinese market was a lot less promising in 1989, a decade into its opening. It would have been unbelievable then to think that China would absorb the millions of PCs and Nike sneakers that it did in 2003. It's well known that most multinational corporations did not make any money there until the late '90s; they slaved away, learning the marketplace for years before hitting pay dirt. They exhibited remarkable commercial patience then, and now they have to do the same in India because the question for international marketers is not whether India is worth the trouble today, it's more like, am I ready to miss out on another China-size opportunity in the next five to seven years?

While everyone is familiar with the inadequacy of the hard infrastructure: missing roads, power shortages, poor telecom facilities, and too few schools, the less visible soft infrastructure comprising a tradition for democratic government, a functioning but overloaded justice delivery system, and a deep reservoir of enterprising managers is distinctly promising. Add to that the much talked about layer of English-speaking, tech-savvy population and you have a market leverage that was and is still missing in China.

But marketing to a multicultural India is no cakewalk. Advertisers need to keep a few things in mind when looking at the booming Indian consumer market.

Adapt or die. Pizza Hut introduced a 100% vegetarian Peppy Paneer Pizza to meet the preference of the Indian consumer. Unlike KFC, they prospered by customizing their products to suit the very esoteric tastes of the country's different culinary zones.

Understand the diversity. The past shortage of milk in the southern and eastern parts of India makes Horlicks a ubiquitous health drink there. However, an abundance of milk in the northern and western regions has stunted its growth in these regions.

||
India's
young will
surprise us
by their
capacity for
assimilation
and their
speed in
adopting the
new.
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Multicultural India, with the added complexity of at least a dozen languages, boggles the mind. Nevertheless, Pepsi knows how to create a single national brand by weaving its story around the exploits of the country's beloved cricket heroes.

Ignore the less affluent at your own peril. Unilever discovered the joys of selling billions of tiny sachets of shampoo to millions of rural and urban have-nots. The rich taught Daimler Chrysler that they are value-conscious too; the E-series entry succeeded only after a steep price reduction.

Don't be confused by the love-hate relationship people have with foreign brands. The successful Ford Icon is the Josh machine—a car that bespeaks dynamism and national pride. Clearly the young have forgotten the East India Co.

Diamonds are forever but Nakshatra jewelry is for now. India's most celebrated Bollywood beauty, Aishwarya Rai, is the model that the Diamond Trading Co. (formerly known as De Beers) chose to redefine the romance of diamonds and, in doing so, reinvented the global code for advertising; blindly copying global campaigns seldom works in India.

The Indian consumer, liberated at last from the binding spiritualism of self-sacrifice, is on a spending spree. The world's marketers need to get their hands dirty and their feet wet soon before the Korean brands completely take over the market. After all, they only have to wait for the day after.

But today is, of course, another story—blinding power outages along with dry taps in the heat of the Indian summer can be unbearable but the average Indian is oblivious to it as he strides the virtual world stage displacing the once unwary knowledge worker in the high income countries. He is equally oblivious to the fury generated in the election year in the U.S., where people's senators of every political hue attempt to block out the giant vacuuming noise as the low end IT-enabled jobs are moved to Bangalore. It's ironic how it took the WTO to reverse the flow of income and goods that the East India Co. started so very many years ago. ●

Ambar Brahmachary is president & representative director, JWT Japan.

australia



Everything is fair game in this rough and rowdy culture

Reflecting the cheeky culture, this Jim Beam commercial offers a special help number to the Australian macho man for those times he may be tempted to do something unmanly.



Brash. Bold. Bally. Irreverent. It's easy to run out of adjectives to describe this Pacific culture that's British, but not British, Western, but not Western, Asian, but not Asian. While predominantly Caucasian, Australia is a melting pot of races and cultures living in more harmony than in many other countries.

"Australia really defies description. There's a lot of American-style brashness and an increasing amount of sophistication," says David Redhill, an Australian, who is chief marketing officer for Deloitte in Sydney after spending more than a dozen years in Europe and the U.S.

"This is a society where there's a bar on every block, where beer and sports are king. It's like they have the Super Bowl every weekend," adds American marketing executive Les Margulies, now director of operations for Leaders in Real Estate in Sydney.

Maybe that's why beer, booze, and bluster rule the marketing game in Australia where sacred cows are gleefully dismantled.

"Most Western advertising just doesn't work," says Australian Jeremy Perrott, executive creative director for McCann-Erickson Asia-Pacific based in Tokyo, describing the Australian culture that heavily emphasizes drinking, machismo

camaraderie, and an "up-the-establishment" attitude in which people don't take themselves too seriously.

"Everything's fair game: religion, politics. Well, almost everything. You don't make fun of sports," says Shaun Branagan, now executive creative director for Saatchi & Saatchi in Hong Kong. That's why a Jim Beam campaign depicting American frat boys having a good time just wouldn't

fly in a culture that doesn't have fraternities, says Branagan.

And that's exactly why he created a cheeky award-winning Jim Beam campaign that became a cultural icon for the Australian macho man when he was creative director for Young & Rubicam in Sydney.

"We even created a toll-free number where guys could call and get 'help' when they were tempted to do unmanly things like prune roses or get mushy and romantic and write poetry. We even had stickers all over the bars for people to call in an emergency," says Branagan.

He also gets credit for creating an H&R Block campaign depicting an extremely nerdy stereotypical accountant, delivering the message that folks want their accountants to be nerds—because they'll do the best job on the taxes. "This was a very quiet ad, because we wanted to create the idea that boring accountants are a good thing," says Branagan.

Australians are looking for "No BS" messages, says Perrott. "There's just a tone of voice here that's hard to duplicate elsewhere," he explains.

The air of irreverence is well depicted in a billboard for women's panties that was partly covered with a fabric skirt that fluttered in the wind, exposing the merchandise in a uniquely Australian way.

However, there are limits. A campaign for a beer brand was recently withdrawn when it was determined that it was simply "too far over the top." The ad showed a sleeping man's tongue leaving his body and cavorting around town in search of a beer, finally bringing home the goods and pouring a purloined beer down the sleeping man's throat.

"It was just kind of disgusting," says Perrott. ●

Kathleen Barnes is a journalist and author, who has called four different continents home.



- There are more Italian and Greeks than anywhere else in the world except their country of birth.
- A wave of Asian immigration in recent years has further diversified the culture in this country of 20 million people.
- Eighty percent of Australians live in cities, but there is a back-to-the-land movement. "They're much like Californians. They love to drive SUVs but they rarely go off the road," says Redhill.
- Environmental awareness is important.

the expanding e.u.

The ten new member countries now have their greatest opportunity ever to make their mark as a “brand” as they move onto the international stage.

B Y
S I M O N
A N H O L T

Hardly a week goes by without a new story in the media about how a certain country suffers from a negative image, or how a certain city is campaigning to attract more investment, or how a region aspires to create its own separate identity from the parent country. And we face a daily barrage of places selling themselves and their wares: tourism campaigns everywhere we look, ads and

advertorials in the business press which glorify the economic, technological, and industrial achievements of states and regions.

All this activity may look like many different things, but it is really one thing: it is places trying to compete on the global market by building their brands. And this is the entirely natural consequence of a crowded marketplace where competing products need to find effective and lasting ways of attracting the consumer's attention.

Place branding is a term used to describe the systematic process of aligning the communications of a country, city, or region around a clear strategy for achieving enhanced competitive identity. It can be as modest as linking the promotions of the tourist board and inward investment bureau, or it can be a decades-long policy of coordinating all internal and external national communications—culture, sport, education, policy, tourism, exports, and trade—into a coherent, planned process.

Place branding can add value to countries in many different ways. For a poor country like Ethiopia, surviving on handouts and laboring under an entirely negative image of war, poverty, disease,

and corruption, place branding can be a way of eliciting something more than pity, of communicating that the country also offers attractive prospects for investment, export, and tourism.

For a rich country like Britain, it can be a way of updating people's perception of the place, to communicate its technological expertise, its creativity, and dynamism, alongside its more conventional images of heritage, history, and tradition.

And for the ten countries now joining the European Union and moving into a busier and more influential sphere of international relations, place branding is a critical part of their attempt to establish and retain a distinctive identity within the group.

This year, they will have the greatest opportunity they have ever had, or perhaps will have again for centuries, to make their mark on the world. Suddenly, the spotlight will switch on, and ten countries will be lining up to step onto a stage with 300 million people waiting for them to speak.

What will they say? Do they know what they stand for? Are they going to murmur predictable platitudes about their favorable tax regime, unspoiled beaches, historic towns, and skilled workforce, or will any of them be able to deliver a clear, inspiring, truthful message about itself which people can believe, remember,



Citizens of Slovenia last year submitted designs for a new flag as part of the country's effort to improve its national identity and image. It may replace the current flag (top) that was adopted in 1994. The top three winning entries (starting at 2nd from top) were chosen from among 200 submissions.

and, importantly, grow to like?

Slovenia, like several of the accession states, has been debating questions of national image and national identity for some time now, and has been tinkering with its flag and slogans; there have even been impassioned arguments about whether the country has the right name. It is widely believed in Slovenia that the flag (now being redesigned for the second time in the past decade) and the name of the country (which foreigners sometimes confuse with Slovakia) have somehow hindered the country's efforts to promote and position itself in the world, but it is extremely unlikely that these are the real reasons why Slovenia is not yet as famous as many of its inhabitants would like: that's like blaming the key if your car won't start in the morning.

One anonymous place can easily be mistaken for another, but famous countries don't suffer such indignities: Britain and Bhutan sound rather similar, and so do Ireland and Iceland, but people don't get them muddled up half as often as they do with Slovenia and Slovakia, or Niger and Nigeria.

The fact is that Slovenia, like most of the accession states, has no unified plan and no targets for promotion, recognition, or consumer recall, no clear ranking of its overseas markets and audience groups, and no timescale for reaching such targets, so it is impossible for anyone to know whether the confusion

with Slovakia is real or anecdotal, or indeed whether it matters, and whether the country's brand is moving forwards, backwards, or standing still.

The brand equity of Slovenia, like that of any other country, needs to be managed,

development, and international relations—not to mention investments of taxpayers' money—without careful and strategic consideration of the effects of these actions on the country's image, is the height of irresponsibility. Such

of the accession states.

Slovenia and its nine colleague nations have reached a critical moment in their history. Just like a small company facing a merger with a larger corporation, the question of whether their unique culture and identity will survive and prosper, or disappear into the larger, greyer, more anonymous composite brand of the European Union, is very much a question of brand power: how well do they understand their own identity and personality? How competently have they codified it? How good are they at communicating it to others, clearly, simply, accurately, and powerfully? And how faithfully do they live by it?

An expanding European Union will not and cannot do much to protect and support the fragile cultural identities of all its member states: it is up to them to look after their own interests. And it is place brand management, as much as any other factor, which will determine which countries will be strengthened by accession, and which will be impoverished by it, and perhaps ultimately annihilated. ●

Simon Anholt is the British government's advisor on public diplomacy, a partner in the consulting firm Placebrands, editor of the Journal of Place Branding and the author of Brand New Justice as well as several other books on branding and public policy.

and its government needs to take full responsibility for this crucial national asset. Indeed, it could well be argued that for a government to take major policy decisions on infrastructure, trade,

a criticism would, of course, have to be levied against three-quarters of the world's governments, but the consequences of ignorance or apathy in this area are especially grave in the case

sports marketing

Global brands limbering up for sport-related marketing activity must be wary of injury in the form of exaggerated TV audience claims.

B Y
C H A R L I E
C R O W E

I've recently been working with Initiative Futures, the global research and insight arm of Initiative, which noticed a yawning gap between the promised audiences before major sporting tournaments and the actual delivered audiences. Given the importance of the Olympics and Euro 2004 in fueling the international advertising recovery (at least according to Martin Sorrell), we decided to look further to see if the isolated cases were, in fact, symptomatic of an insidious trend.

Earlier this year, the Futures team noticed that, a few days before the kick-off of Super Bowl XXXVIII, American football's official website announced that the game would be watched by an estimated worldwide audience of 1 billion across 229 countries.

With this hugely attractive prediction for the game's sponsors came the assumption that over three times the population of the sport's indigenous country would be cheering on the teams.

Somehow, according to the NFL, 16% of the world's population would find a TV and sit in front of it for the duration of the game!

Not only is American

football not played globally, but also the list of 229 countries was itself an exaggeration. For example, the component parts of the U.K. were counted as four

Inflating TV audience claims has become a sport in itself.

separate countries and a number of Micronesian islands featured as eager supporters of gridiron, according to the lengthy NFL list.

Before the Super Bowl, there were as many estimates as to the global television audience as there were guesses to the final score. Predictions of global television audiences (often by the rights holders) can be way off the mark.

In fact, they may appear to be in another ballpark, even if the final outcome is still a great audience with a good profile.

In the end, 89.6 million consumers in America watched this year's Super Bowl on television, according to Nielsen. This was enough to justify the reported \$2.3 million cost for a 30-second spot and to attract some of the world's biggest brands, such as

*Charlie Crowe is
managing director
of C Squared
(www.csquared.cc).*



Budweiser, FedEx, IBM, and General Motors.

Even accounting for (unmetered) out-of-home viewing and TV viewing outside the U.S., the global audience figure for this year's game would certainly have been less than the NFL's predicted 1 billion.

Perhaps, I thought, we should accept that the enthusiasm and passion surrounding such a major sporting event would naturally be accompanied by some genuine exaggeration. But when Initiative took a closer glance it revealed that inflating audience claims has become a sport in itself among a number of the world's leading sports associations. Quite often, the orders of magnitude defy not only good media sense but belief as well.

For example, according to the ICC, the Cricket World Cup would be watched in 60 countries. However, there are only 10 test playing nations. According to FIFA, the 2002 World Cup would attract 1.5

lavish of the sponsored sports, the figures bandied around for global viewership average 350 million. We rarely hear from the rights holders that the ratings figures usually show one-tenth of this prediction. Advertisers be warned.

In assessing the figures, I had the distinct thought that, if a particular newspaper or magazine exaggerated its circulation figure by up to five times the real amount, it would be an industry scandal. So it is time to blow the final whistle on these sporting claims and for an honest assessment of global audiences.

The amount of money invested by advertisers into sports sponsorship across the world each year, into teams, individuals, or events is indicative of how crucial sport is to the building of so many brands. The year 2004 brings even more activity as the Olympic flame arrives in Athens and the first whistle blows in Portugal. It is vital to get the audience figures right.

and are the standard industry currency for evaluating how attractive a property is to advertisers. Reach refers to the total number of people watching the event and says little or nothing about the number of people exposed to a particular spot.

At the start of an event, many rights holders quote a predicted cumulative audience reach across the whole tournament as if this were an average rating for an individual match. The second factor is simply quoting the number of countries as if they had the same population, same access to television, and same importance as an advertising target. The third mistake is to confuse distribution with viewership. Just because 200 countries have access to the event does not mean they will watch it. Alternatively, the viewing audience may be restricted to a tiny expatriate population.

As the examples show, the problem of exaggeration is not confined to a particular sport or country. Given the high stakes for the marketing business this year, it is vital that advertisers receive the most valuable information. My advice to advertisers is never to believe the figures quoted in the glossy brochures and within the bold predictions gleaming out from the PowerPoint presentation. When you hear an audience figure for one of the big sporting events this year (and you soon will) ask yourself whether there truly is a sporting chance of it being correct. ●

The amount of money invested by advertisers...is indicative of how crucial sport is to the building of so many brands.

billion viewers. In fact, actual viewership of the Brazil vs. Germany match was 217 million. Last year's Rugby World Cup would be consumed by 1 billion (according to the RFU) whereas the actual global viewership of the opening game was 6 million. And in Formula One, the most

According to Futures, most inflated audience claims come down to either one, or a combination of, three factors. The first factor is the confusion between ratings and reach. Ratings relate to the average audience across the duration of a sporting event

upscale media habits

A recently released first survey of the lifestyle and media behavior of business decision makers and hard-to-reach upscale consumers in Latin America found that a small group of individuals wields a disproportionate scope of influence because of the group's share of income and decision-making powers.

The first Professionals and Executives (P&E) survey in Latin America from Ipsos-RSL and Ipsos Latin America identifies a universe of approximately 2.5 million eligible executives in the nine cities covered across Argentina, Brazil,

and Mexico. According to the findings, the universe is 59% male, an average of 43 years old, and earns three times more than the average population. Some 87% have Internet access; 55% hold credit cards; and each has taken 2.1 business air trips in the past 12 months and stayed 7.8 nights in hotels on business during that time. The results are based on telephone interviews with 1,066 respondents.

“This should be a very valuable tool for the region since it will allow planners to evaluate the reach and frequency of multiple media outlets among this very

top-level segment of the population,” said Gretchen Colón, senior vp, ad sales & business development, TBS Latin America. Turner's CNN en Español and CNN International are the principal sponsors of the survey.

The data make it possible to compare the effectiveness of pan-regional print and TV against national media in the cities covered, and cross-media comparisons are also possible since a single-source database is used, Ipsos said. The company hopes to repeat the survey again in 2005 with additional sponsors. ●

TELEVISION VIEWERSHIP

CHANNEL	LATIN AMERICA MONTHLY REACH %
Any pan-regional TV	82
Any pan-regional news channel	63
NEWS	
CNN en Español	45
CNN International	44
BBC World	20
Bloomberg	12
DOCUMENTARIES	
Discovery	65
People & Arts	43
History Channel	35
A&E Mundo	25
SPORTS	
ESPN	39
PREMIUM MOVIES	
Cinemax	35
HBO	32

AVERAGE ISSUE READERSHIP OF INTERNATIONALS

TITLE	AVERAGE ISSUE READERSHIP %
WEEKLY	
<i>Time</i>	4.8
<i>BusinessWeek</i>	2.3
<i>The Economist</i>	2.2
<i>Newsweek</i>	2.0
<i>Newsweek en Español</i>	0.6
FORTNIGHTLY	
<i>Fortune</i>	1.3
<i>AméricaEconomía</i>	0.6
<i>Forbes</i>	0.6
MONTHLY	
<i>National Geographic</i>	13.3
<i>National Geographic en Español</i>	9.0
<i>Latin Finance</i>	0.6
<i>Latin Trade</i>	0.5
<i>Latin CEO</i>	0.2
ALL INTERNATIONALS	20.8

a resilient region

The 2004 Asian Business Readership Survey (ABRS) found business travel resilient in Asia two years after travel dropped precipitously following 9-11 and after the SARS crisis.

In fact, the average number of personal air trips rose to 2.0 per year from 1.8 and business air trips to 4.3 from 4.1.

The eighth ABRS survey from Ipsos-RSL looks at purchasing and media habits of Asia's top business executives, some 234,000 people, in Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, and Thailand.

The universe is down 2% from 2001 (conducted prior to Sept. 11) although ABRS executives grew their income in every country, up to an average of US\$78,000 from US\$72,000.

More than half (58%) do business internationally; 66% read an international publication. Reflecting the increasing importance of the Internet as a business resource, nearly three quarters (71%) use newspaper and business publication Websites.

"Despite this [increase in Internet usage], there has been no falling off in reading of the publications themselves,"

said Simon Baty, ABRS survey director.

Among titles which increased their average readership since ABRS 2001 were *BusinessWeek*, *CFO Asia*, *Forbes*, and *International Herald Tribune*.

Michael Golden, *IHT* publisher, said his paper's 20% growth in business readership is the result of several years of investment in the Asia edition.

For ABRS 8, sponsored by 12 publications and three media specialists, some 6,421 individuals responded to the mailed survey, which followed initial telephone screening. ●

AVERAGE ISSUE READERSHIP OF INTERNATIONAL TITLES

	ABRS 6	ABRS 7	ABRS 8
Unweighted Sample	6,349	6,302	6,421
Estimated Population	183,220	239,156	233,898
DAILY TITLES			
<i>The Asian Wall Street Journal</i>	16%	17%	16%
<i>International Herald Tribune</i>	6%	6%	8%
<i>Financial Times</i>	5%	6%	6%
<i>USA Today</i>	3%	2%	2%
WEEKLY TITLES			
<i>Time</i>	19%	18%	18%
<i>Newsweek</i>	20%	18%	17%
<i>BusinessWeek</i>	18%	15%	16%
<i>Far Eastern Economic Review</i>	11%	13%	13%
<i>The Economist</i>	10%	10%	10%
<i>Yazhou Zhoukan</i>	9%	10%	8%
FORTNIGHTLY TITLES			
<i>Fortune</i>	15%	16%	15%
<i>Forbes</i>	7%	9%	10%
MONTHLY TITLES			
<i>National Geographic</i>	14%	15%	14%
<i>Reader's Digest (English)</i>	16%	14%	14%
<i>CFO Asia</i>	5%	8%	9%
<i>Harvard Business Review</i>			8%
<i>Reader's Digest (Chinese)</i>	10%	8%	7%
<i>Business Traveller</i>	6%	6%	6%
<i>Asiamoney</i>	5%	5%	5%
<i>Asia Inc</i>	6%	4%	3%

Source: IPSOS-RSL

PEOPLEMETER INSIGHT

Recent Nielsen Media Research's Peoplemeter data for the six months ending February 2004 in Hong Kong, the Philippines, Singapore, and South Korea have produced some findings that Jeremy Nye, head of research & planning, BBC World, says may be somewhat surprising.

Audiences for news channels are more discrete than indicated by other resources which suggest that there is much greater cross-over between the channels. The Peoplemeter data find that most viewers to BBC World, to CNBC, and to CNN do not watch the other two channels, he says.

He also notes that while BBC World attracts somewhat fewer viewers than CNN, BBC viewers each watch for at least 50% longer.

By Tham Khai Meng

Chewing gum, *Cosmopolitan* magazine, and “Sex in the City” are in the process of being unbanned. Civil servants can now be openly gay and pink. Blimey, you can even let off a cracker on Guy Fawkes Day!

How things have changed for the “Nanny State” that flogs graffiti offenders. Have they finally learned to let their hair down? Well, if anything, you can give them credit for trying.

With some irony, the state that is infamously seen to

stifle its media has for a long time now been the haven for print creative. When it comes to print advertising, Singapore has always been up there with the likes of Portland, Minneapolis, and Amsterdam—all smaller cities that have consistently given the big metros a kick up their collective creative backsides.

Here’s a quick guide to how Asia’s print capital stays at the top.

location: Situated at the tip of the Malayan Peninsula. Eight miles from the Equator.

About six hours from Beijing, Tokyo, Mumbai, and Sydney.

climate: 25–32 degrees Celsius. Summer all year round with monsoon storms between November and January.

population: 4.1 million.

per capita income: US\$22,500.

gdp: US\$93.3 billion.

advertising spend: US\$1.2 billion. (Gasp! That’s 0.01% of the U.S. ad spend.)

pluses: World’s ninth richest per capita income country. Well-educated population.

Efficient infrastructure. Modern metropolis. “World culture” and techno savvy. Hotwired to resources and knowledge worldwide.

A D - V I R O N

language: English. The universal medium that allows the country’s work to be seen and noted by the world at large.

talent pool: Melting pot of Thais, Swedes, Indians, Canadians, Boers, Malays, Scots, Irish, Welsh, Yanks, Aussies, Brits, Kiwis, and, of course, Singaporeans.

attitude: Strong devotees



Client

Churches of the Love Singapore Movement

Agency

Ogilvy & Mather

To demonstrate the omnipresence of the Almighty, every poster in this subway station reassured commuters with the message that God was there for them.

Client

Blush Lingerie

Agency

Saatchi & Saatchi

Wonderbra lifts breasts and makes them appear larger. So large, in fact, wearers of these brassieres have trouble seeing their own feet. Hence, the mismatched shoes.



of award cult and ad junkies underpin spirit of innovation. The celebrity and exposure gained from the international awards circuit permits greater career mobility. Thus, it's often the shortcut to bigger and better gigs.

culture: Active osmosis of creativity. Creative people will go to where creative people are. Minds migrate here to R&D, hone skills, cross-fertilize, form allegiance, have a beer, bulk up on book, and settle or leave.

executional style: Copy

led the creative revolution 20 years ago. The Bernbach style of copywriting was foundational. Today, language-neutral and picture-led ads predominate. Copy is making a huge resurgence. Brit design and typography is still influential.

craft skills: Proudly hand-made. (No guild associations or tough labor laws here.) Multi-tasking's essential. Art directors write and shoot. Copywriters plan and sell. Support industries—snappers (photographers), DI (digital imaging retouchers), filmmakers,

musos (musicians)—are prepared to “invest” in the hope of hitting the fame jackpot.

agency structures: Averages between 40 and 250 (Keep it small, stupid). Cohesive, clan-like organizations are the norm. Creative directors are involved in all projects, big and small.

client base: Big brands operating in small market—less to lose and limited risks. There is less research and less bureaucracy. Direct access to company chiefs and “problem owners” give ideas a chance

to see the light of day. However, ad literacy is still disappointingly low.

current status: Asia's epicenter of creativity. “Most awarded” agencies and creatives in Asia Pacific are based here. Exportable idea-based talent abounds. All of which makes it the headquarters for creative outsourcing for the region.

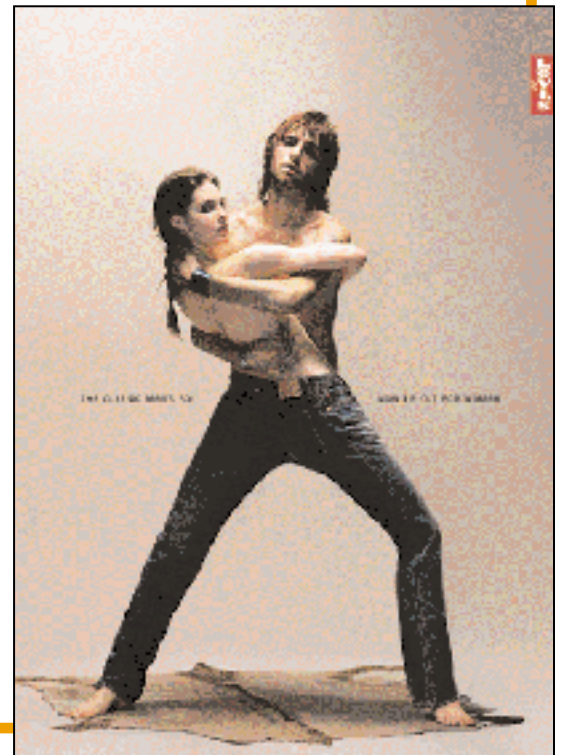
no. 1 question: Can they continue to kick ass? ●
Tham Khai Meng is co-chairman, Asia Pacific, Ogilvy & Mather Worldwide.

Client
SG Seow Choon Games
Agency
Ogilvy & Mather
The new Gameboy Advance is utterly absorbing. It makes you ignore minor distractions like piranhas ripping your feet to shreds.



Client
Levi's
Agency
Bartle Bogle Hegarty

A effortless and elegant way of telling the women folk that the classic men's 501 jeans have now been re-cut for them.



Client
Tricon
Agency
Ogilvy & Mather

For several weeks all over the island of Singapore, KFC paper bags were cheekily placed by the side of Ronald McDonald statues. “We view it as guerilla marketing. McDonald's would doubtless think of them as nuisances.”



Rolf A. Hhnedt



Rolf A. Hhnedt



Rolf A. Hhnedt



NEW YORK

International Advertising Association New York Chapter members heard Peter Weedfald of Samsung Electronics America talk about "The Perfect Information Economy."

- 1 Matt Turck, Time;
Peter Weedfald, Samsung.
- 2 Joseph Park, Mediaedge:cia; Brendan Ripp, Time; Jill Blackford, Mediaedge:cia.
- 3 Jill Goldring, Discovery Channel International; Jeff Alder, Time.
- 4 Amy Dice, People; Gita Jagarnauth, Euro RSCG Worldwide; Amy Stettler, Euro RSCG Worldwide; Karen Rooney, People.
- 5 Bill McMenamin, Nancy Adler, both Dow Jones International.
- 6 Neil Sharma (from I.), Michael Armstrong, Brad Schwartz, all MTV.
- 7 Drew Lee, LG Ad; Mike Murphy, WPP/Team LG.
- 8 Deirdre Hynes, Investors Business Digest.
- 9 Christine Englebrechtsen, Ricky Ow, both Sony Pictures Entertainment Television International.
- 10 Andrew Koriczy, Craig Ferber, both JCDecaux.

Discussing the Issues



STOCKHOLM
Members of the Swedish chapter of the International Advertising Association discuss key issues at a recent seminar.



Brian Shields, International Herald Tribune.



Helena Ramolla, Burda Germany.



NOVEMBER 15-16
FIPP 4TH WORLDWIDE MAGAZINE MARKETPLACE
PLACE: Hilton London Metropole, London

RESERVATIONS: Christine Scott, christine@fipp.com
PRICE: £487.62 including VAT; £464.12 including VAT for additional delegates of the same company; non-member: £558.12; £528.75 for additional delegates

NOVEMBER 24
IAA FRANCE
BETTER BUSINESS BREAKFAST "HOW TO WORK WITH ASIANS"

PLACE: Le Press Club de France, Paris
RESERVATIONS: Ingrid Paun 33-68-543-27-89 or bbw_paris@yahoo.com; Mary L Rega 33-68-68-04179
PRICE: Member €50; non-member €70

LONDON
International Advertising Association U.K. chapter-hosted luncheons at the Savoy attract a variety of speakers and interested listeners.

Nick Edgley (from I.), The Telegraph Group; Chris Ingram, Ingram Partnership; Angus Grieve, IAA-U.K.

Glenn Parker, Universal McCann.



Helene Holmström (from I.), Interdeco Global Advertising; Karin Södersten, Interdeco Global Advertising; Maj-Britt Neuman, Mediaedge:cia; Kenneth Reincke, Interdeco Global Advertising; Vanja Spreitz-Armborst, Financial Times.

MAY 22-25, 2005
35TH FIPP WORLD MAGAZINE CONGRESS
PLACE: Waldorf Astoria Hotel, New York
Reservations: www.fipp.com
Helen Bland helen@fipp.com
Price: NA

Search Consultants Gather

PARIS
Some 25 agency search consultants from across Europe attended AdForum's 2004 European Summit.



César Vacchiano, Verónica Samblás, both Consultores de Publicidad.

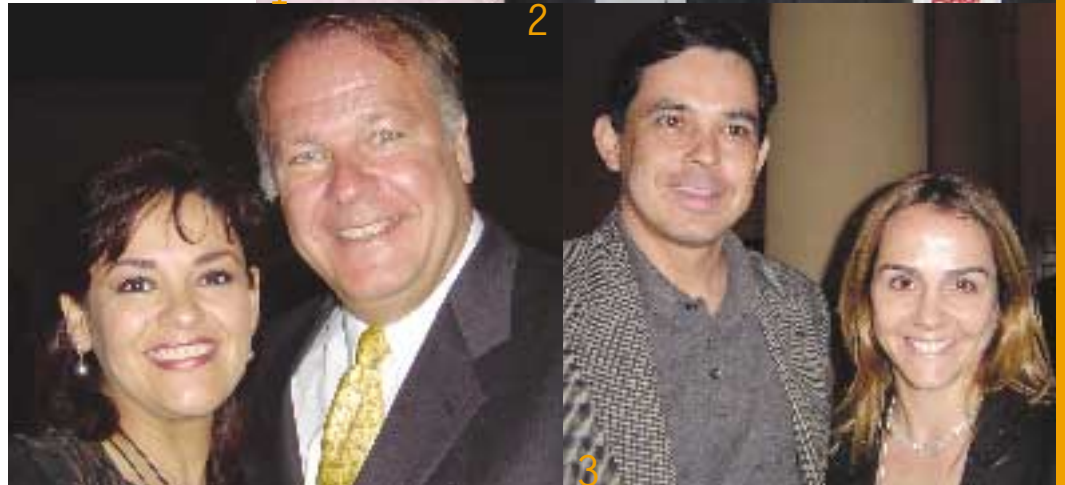
Christian Larger, Gibory Consultant; Liliane Loos, Short List.

Industry Outlook

MIAMI

Members of the Florida chapter of the International Advertising Association came to hear WPP Group's Sir Martin Sorrell give his predictions about the future.

- 1 Grace Palacios, Charney/Palacios & Co.; Sir Martin Sorrell, WPP Group; Ricardo Zisis, Harvard Business Review América Latin.
- 2 Soley Palacios, Charney/Palacios & Co.; Jerry Juska, Florida Atlantic University.
- 3 Eduardo Saenz, McCann-Erickson; Ana Torres de Navarra, Glamour en Español.
- 4 Ian McClusky, AméricaEconomía.
- 5 DeMaris Valero, Harry Neuhaus, both Animus Group.



NEW YORK

Colleagues and friends wish Will Nicholson a warm goodbye as he transfers to the Paris office of International Herald Tribune.

Naomi Bradford, BBC Worldwide; Will Nicholson, International Herald Tribune; Steve Ridley, Poster Publicity; Matt Rayner, Cheil Communications.



NEW YORK

Celebrating 50 years of the Fortune 500, Fortune magazine execs rang the opening bell of the New York Stock Exchange. From left: William Eydt, Carrie Ross Welch, Mike Federle, Chris Poleway, Robert T. Zito, Rik Kirkland, Brian Maher, Carrie Atkins.

Alejandro M. **L O P E Z** TOKYO Beacon Communications, President-Representative Director



1985 CHICAGO
Leo Burnett

1991 CARACAS
Leo Burnett

1997 TOKYO
Leo Burnett

2000 TOKYO
Beacon Communications

1993 FRANKFURT/PARIS
Leo Burnett

Jacqueline **H E R N A N D E Z - F A L L O S** NEW YORK People en Español, Publisher



1988 BOSTON
Boston Globe

1997 NEW YORK
Primedia

2004 NEW YORK
People en Español

1999 NEW YORK
Turner International

2003 NEW YORK
CNN International

1994 NEW YORK
Village Voice

1998 NEW YORK
Time Inc. International

Les **E D W A R D S** SEOUL Lee & DDB, Exec VP-Managing Partner



1981 SYDNEY
J. Walter Thompson

1989 SYDNEY
Clemenger BBDO

1996 GUAM
David DDB

1999 SEOUL
Lee & DDB

1991 SEOUL
DDB Needham DIK

1987 SYDNEY
Young & Rubicam

Richard **P I N D E R** LONDON Leo Burnett, President, Europe, Middle East, Africa



1982 LONDON
Westland Group

1997 LONDON
Ogilvy & Mather

2004 LONDON
Leo Burnett

2000 HONG KONG
Leo Burnett

1986 LONDON
Grey

Marcelo **S A L U P** MIAMI Foote Cone & Belding, Exec VP-International Media Director



1980 MIAMI
DMB&B/Latin America

1988 MIAMI
de Rojas, Salup + Partners

1996 BUENOS AIRES
McCann-Erickson

1986 MEXICO CITY
McCann-Erickson

1991 MEXICO CITY
Foote Cone & Belding

1997 MIAMI
Foote Cone & Belding

1979 SANTO DOMINGO
Siboney/FCB

Grab your thong, and bleach your teeth, it's time to head where the waves are long and the beats are kickin,' so best be stickin' your hand in the air for this here assignment! Ye olde business trip to Rio. Land of music, sun, and shine. Now why Rio when all "dabiz" is in São Paulo, the economic engine of Brazil? The largest economy in the as-yet-unannexed free states of the Americas? That's for you to explain, but we're here, so enjoy it!

ZUKA
Rua Dias Ferreira, 233, Le Blon
55 21 3205 7154

let's shop!
The big surprise about Brazil (aside from the fact that every third person is a plastic surgeon) is the shopping. So good. So inexpensive! So sexy! First, invest in Havaianas flip flops. They are comfy, stylish, the coolest footwear in one of Earth's coolest cities. On a rainy afternoon nothing beats a wander through the Fashion Mall (west end in São

arrivals
If you're not American, everything will be just fine, and the lovely people of Brazil will welcome you with open arms. If you ARE American, you'll have to get in line for fingerprints, plasma scans, and a cavity search. At the very least, you will need a visa and directions to the "long line."

Upon escape, you will be presented with a plethora of taxis to take you through the chic favelas on your way to the guarded strips of commercial oases, Ipanema, Le Blon, the marina, and Copacabana. Take a green and yellow taxi, as they offer the best suspension across pot-cobbled roads and drivers who pretend to not speak English even though they do. At no time is it acceptable to take a bus, unlicensed taxi, or other form of exotic transportation, no matter how quaint the tanned-face beauties leaning out of the windows may appear.

the general situation
Rio is gorgeous. The people work very hard, dancing all night in sweaty cubbyholes and not worrying about grave danger, such as out-of-control trucks moving down sidewalk umbrellas, or kids on bicycles who steal your wallets.

If possible, suggest lunch for conducting business meetings to focus attention and leave your evenings to sample the local delights with whoever else got lucky coming with you on this boondoggle. Under no circumstances suggest breakfast unless you

stay up all night with your client, which isn't that bad of an idea.

accommodations
Most people don't go to Rio for a day trip. So bag the hotel thing and secure a serviced apartment. A number of companies offer services. We like Christiano. His small placement company has access to great apartments around Le Blon and Ipanema, where you want to stay because you can jump to the beach in a blink, and the best restaurants are in this small area. Ask for a four bedroom with teak flooring, and don't pay more nightly than you would in a good hotel.

CHRISTIANO
RIO HOLIDAYS & APARTMENTS
55 21 81 19 44 71
Unfortunately the heyday of the Copacabana ended about the time Lola (she was a showgirl) passed away, but for those who really want hotel service, the Hotel Copacabana Palace is definitely on the money. This grand luxury hotel overlooks the famed Copacabana beach and offers the best pool scene in all of Rio.
HOTEL COPACABANA PALACE
Av. Atlantica
55 21 548 7070

let's eat!
Brazilians are famously beautiful, and much has to do with a healthy diet and mysterious phenomenon dubbed "the Brazilian value-added." McArtery fast food is not welcome here. Instead, try the many corner cafés that serve

up little paninis and grilled sandwiches, complete with exotic fruit juices like tapereba, sapote, or acai. All come frozen to help you beat the hot Brazilian sun and will stain your clothes if you spill.



When it's time for a business dinner, go to Porcão, a famous churrascaria which serves all-you-can-eat meat. It's sooooo good. Very touristy, but you still have to go, and the view over the Marina del Gloria is stunning. It might be where ranchers go when they've gone to heaven, or vegetarians go when they've gone to hell.

Another night, head over to Zuka in Le Blon. This fusion wood sauna-inspired joint is the talk of the town because the food is that good and that cheap! US\$25 will score you a seven-course menu-tasting ranging from grilled sea bass to foie gras to duck to some form of chocolaty concoction.
PORÇÃO
Av. Infante d. Henrique
Parque do Flamengo
55 21 2554 8862

Feeling frisky? Try jogging the two miles up Corcovado mountain to Rio's famous landmark, Christ the Redeemer. Or just take a taxi and the escalator, your call.

Conrado), with stops at Yachtsman, Forum, Osklen, and Hering plus a plethora of girly bikini stores. Wander up Ipanema's Jardim de Alah for mom-and-pop surf and fashion shops bursting with the coolest clothes...maybe not the best quality, but cut and style are in a league of their own.

a word about the music
Music is everywhere. You simply can't go to Brazil without checking out the beach life and the night life. Fortunately both are easy to find—the beach life is the night life. No one knows what's up in town until they've had sunset in the sand with a caprinha in hand. Take your client there, and watch the sun dip over the favelas as the little hill fires dot the landscape. Incomparable. If you never make it back, your staff won't understand, but we will. ●

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