

Face value

Queen of Madison Avenue

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Shelly Lazarus of Ogilvy & Mather explains how advertising has changed during her long career—and how it hasn't

FOR the advertising industry, the Academy Awards ceremony on February 25th is “the Super Bowl for women”. It is the second-most-watched television show of the year in America after the annual American-football championship game, and television-advertising slots are priced accordingly. One of the advertisements that will be shown this year will be a 30-second spot for Dove Cream Oil body wash, a new product being launched by Unilever, an Anglo-Dutch consumer-goods giant. The company is screening the winning entry in an online contest in which consumers were invited to create their own advertisements. This follows on from Dove's quirky and award-winning campaign that featured ordinary-looking women and departed from conventional notions of beauty.

Mark Schafer



The spot captures something of the spirit of advertising today, with its combination of old and new media, “user-generated” content and an effort to engage the consumer rather than simply push a product. The driving force behind the campaign is not some young hotshot, but Shelly Lazarus, the 60-year-old chief executive and chairman of Ogilvy & Mather, one of the world's biggest advertising agencies. It is an illustration of how a 35-year career demands an ability to move with the times, without losing sight of a consistent underlying discipline.

The change is what is immediately apparent. “When I started in the business, television ads and three print ads were enough to advertise a brand,” says Mrs Lazarus. Advertising was a straightforward business: agencies had to devise a good idea for an ad and then choose the right publication or broadcast slot in order to catch consumers' attention. Today advertising is far more complex, thanks to technological advances, social shifts and the far greater sophistication of both advertisers and audiences. Modern consumers demand to be wooed, not berated. “We have gone from intrusion into consumers' lives to extending an invitation to them,” says Mrs Lazarus.

Ogilvy's past campaigns for Dove are good examples of this latest approach, starting with the “Campaign for Real Beauty”, launched in 2004, which set out to banish stereotypes and spark discussions about beauty. It became one of the most popular campaigns of recent years and won numerous awards. Last year Ogilvy persuaded Unilever to launch the Dove “self-esteem fund”, a worldwide campaign to persuade girls and young women to embrace more positive images of themselves. “Only 2% of women in the world think they are beautiful,” says Mrs Lazarus. User-generated content is just the latest trend in advertisers' efforts to establish closer contact with consumers, and with women in particular. About 70% of all decisions to buy something are made by women, according to industry lore. “The

consumer isn't a moron—she is your wife,” as David Ogilvy, who founded the firm in 1948, liked to say.

Mrs Lazarus started working at Ogilvy & Mather in 1971 and has been there ever since. In that time the industry has consolidated and new forms of media have proliferated. Ogilvy & Mather was swallowed in 1989 by WPP, a British advertising giant, in a hostile takeover. (Today adland is dominated by four giants—America's Omnicom and Interpublic, Britain's WPP and France's Publicis.) The takeover caused an exodus of executives and blue-chip clients including American Express, which withdrew nearly all its business. Mrs Lazarus stayed on board and helped to win back clients. “Staying with the brand” is one of her guiding principles. It also led to one of her biggest successes: when Lou Gerstner, then boss of Amex, and Abby Kohnstamm, his marketing director, moved to IBM in 1994 they transferred IBM's \$500m business to Ogilvy.

In response to the rise of the internet and other new media, Mrs Lazarus decided to bring together previously separate creative departments in many Ogilvy offices across the world. The idea was to offer clients what she grandly calls “360 Degree Brand Stewardship”. Internet types sit together with television, print, outdoor-advertising, direct-marketing and public-relations specialists. This helps them dream up ideas that work across all types of media, rather than devising separate campaigns for each one. Coming up with an “integrated idea” is also handy when Ogilvy presents a new campaign to a company boss. Chief executives are now more involved with their companies' brands than they were when she began her career, says Mrs Lazarus. They realise the importance of reputation and image, and want their companies to be seen as good corporate citizens—all of which requires a new approach to advertising, she says.

Plus ça change...

In spite of all these many shifts Mrs Lazarus thinks her job is in some ways not so different from when she started. Interactive, direct and other forms of non-traditional advertising accounted for more than half of Ogilvy's revenue last year compared with about 15% ten years ago. But what you still need is a great idea, she says. Another constant throughout her career has been her reluctance to pitch for business. It costs five or six times as much to acquire a new customer as it does to retain an existing one, so she aims to attract new clients through the quality of her work for others. (Ogilvy made an exception when it pitched, unsuccessfully, for Wal-Mart's advertising business last year. Mrs Lazarus says she does not regret the decision to break her usual rule.)

Mrs Lazarus has given some thought to her succession. She says she believes in running her company in a collegial way and has groomed several people who could take over as chief executive. Some are betting on Brian Fetherstonhaugh, head of the company's direct-marketing branch, a job also held by Mrs Lazarus in the course of her career. The ground rules of direct marketing have not really changed in all these years, says Mrs Lazarus. Nor have the principles of good advertising.