

Brand Evangelist

For Ogilvy & Mather's
Shelly Lazarus,
it's all about the brand.

by Sharon Shinn

An old saying warns that “You never get a second chance to make a first impression.” Shelly Lazarus might amend that to say, “You should never miss a chance to make *any* positive impression.” Lazarus, CEO of the ad agency Ogilvy & Mather, is a fervent believer in the concept of 360-Degree Brand Stewardship, which holds that a company never stops thinking about the impact its brand makes on consumers.

“Anyone who owns a brand would be wise to think about every point of contact that brand will have,” Lazarus says. Web sites? Showrooms? Direct mail? Lazarus believes each one should be designed to reinforce the customer’s perception of the brand.

Brand management has been top of mind for Lazarus since she began working at O&M in 1971. After serving in various positions, including general manager for Ogilvy’s direct marketing unit in the U.S., she took the CEO role in 1996 and became chairman in 1997. Now she and the New York-based agency share their philosophy of 360-degree branding with their roster of high-profile international clients, including IBM, Dove, Kodak, and American Express. The agency recently signed on to handle the campaign for Johnson & Johnson’s sponsorship of the 2008 Olympics in Beijing.

Lazarus’s own brand identity is so strong that she is highly recognized—and highly honored—in the business community. In 1994, she was named the Woman of the Year by the Advertising Women of New York, and she has received a host of other awards from New York business organizations. She was also the first woman to receive the Distinguished Leadership in Business Award from Columbia Business School, where she earned her MBA in 1970.

While Lazarus serves on the boards of many charitable and corporate boards—including General Electric, Merck, the American Museum of Natural History, and the World Wildlife Fund—she also devotes much of her time to groups that promote women in business. She is a member of the Advertising Women of New York, the Committee of 200, and the Deloitte & Touche Council for the Advancement of Women. Since 1998, she has appeared without fail on *Fortune* magazine’s list of the 50 most powerful women in business in America.

“I never looked to be a role model, but I accept that I have become something of one,” she acknowledges. “When I’m asked to speak or meet with people, I do it willingly, because I think it’s important to young women to have someone who can help them sort through all their questions.”

In fact, she offers powerful advice to women *and* men who are leaving business school to pursue careers: Embrace change, love what you do, and prepare yourself for the fast-moving pace of today’s business world.



The most overlooked segment of potential brand building is the internal audience—all the employees of the company. They're out in the world interacting with people every day.

You've spent most of your career with a single company, a feat that is increasingly rare in business. What made the fit so good between you and Ogilvy & Mather?

I think its culture—its values and way of working—was completely aligned with the way I saw the world. It also had a creative environment I enjoyed, and I loved working with the people. I didn't think I could ever find better partners than the people who were here.

Many of today's business students will take jobs in the field of advertising and marketing. What are the biggest challenges they'll be facing?

They'll be dealing with a market that is truly global, which was not true for most of history. For example, we just acquired a global account, Winovo, a Chinese company that has one headquarters site in Beijing and one in Raleigh, North Carolina. It has decided to move its marketing center to Bangalore, India. That's the nature of business in the world today.

The rate of change has also accelerated. Just when you think you've figured out the industry, all of a sudden there is technological change, organizational change, new competitors from countries that weren't previously in the field, and new ways of doing business that were unthinkable before.

How can schools prepare their students to work in such a fast-paced global market?

The most important thing is to embrace change, to enjoy it, and to remain completely open-minded. Some people find change frightening. They almost have to train themselves to say, "I'm not going to be frightened by it. I'm going to be exhilarated."

You're a passionate proponent of "360-degree branding." How do you sell clients on this idea of integrated branding?

The idea of 360-degree branding springs from reality. I say to clients, "How do *you* think about a brand? How do *you* develop thoughts and feelings about any brand?" They can see for themselves that it's not just a question of advertising, because the chances are they don't remember the advertising. But their brand awareness is developed as they look at the cereal box every morning, or as they deal with the customer service department at the Lexus dealership, or as they remember how the coffee tasted the last time they were at Starbucks. They realize that brand awareness is built by a thousand different interactions over time, where each one slightly builds or weakens their impressions.

People used to believe that, to build a brand, they needed to run a series of ads. The big "aha!" moment came when they realized that advertising is one way to build a brand, but they have to pay attention to other things. Clients are afraid that it will be expensive to build the brand at every point of contact, but they're paying for these things anyway. Car manufacturers might spend a fortune building dealerships. As long as they're building one anyway, why not build it within the context of a brand? Any product has to have packaging. Why not make the package reflect the brand? Every time people pick up the package, they will get a communication about the product.

What parts of their branding message do clients most often fail to address?

The most overlooked segment of potential brand building is the internal audience—all the employees of the company. They're out in the world interacting with people every day. It would be smart for Wal-Mart to make sure every one of its employees understands what Wal-Mart's attitude is toward its merchandise and toward customer service. Every Wal-Mart employee should know what Wal-Mart stands for.

The company also needs to make sure its operators understand the brand. How should the phone be answered? How should complaints be dealt with? The company is going to train its customer service people anyway, so it should train them within the context of the brand.

Other overlooked points of contact are delivery trucks! Potentially, they are gorgeous moving billboards driving all over the world. People used to just paint them white, but they can be used to deliver a message about the brand.

Today's business schools are more and more focused on building their own brands. If a business school had retained you to help it promote its brand, what kind of strategy would you advise?

The same one I'd advise for business clients: Look at every point of contact. I suspect that, given the age of the people applying to business school, most people derive their first impressions from the school's Web site. If I were advising a business school, I'd make sure the Web site absolutely reflected what the school stood for and what its differentiation was. I'd make sure that it was inviting, that it brought people in, and that it gave them all the information they might need. If people don't feel good about a school after visiting its Web site, they're probably not going to continue looking at the school.



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Speaking of Web sites, you've said that you expect interactive site design to become a bigger part of the package Ogilvy & Mather prepares for its clients. How does such interactive marketing change the relationship between the company and the client?

I think about my early days in direct marketing, when we were always trying to simulate a dialogue with customers. Now with all the interactive media, we can actually have an ongoing conversation with customers. This is nirvana! What I find troubling and frustrating and puzzling is that, even though we have the interactive technology, so many companies just put banner ads on the Internet. That's like taking out small print ads. There's no interactivity in them—they just give information about a product or service.

With interactive Web sites, companies gain the ability to ask customers questions, ask them to design products, ask them what they think. Some sites are better at that than others. For instance, Amazon.com tries to engage customers in a dialogue. As soon as you order a book on Amazon, you're told, "People who ordered that book are interested in this other one." More companies need to figure out how to have that kind of dialogue with clients.

Years ago, I designed a Web site for Jaguar, and what people loved most was that the site allowed them to design their own cars. People would stay on the site for 20 or 30 minutes picking their colors, their interiors, their wheels. From this, Jaguar could tell what options were most popular, so they used the site for market research. Asking customers questions and getting them to enter a dialogue—that's what the Internet is all about.

The world of business has changed dramatically since you were earning your MBA in 1970. What do you think you learned in your business classes that most prepared you for your career?

People often ask me, "Do you need an MBA to work in marketing and advertising?" I always give the same answer, which is, "Business school gave me a way to think about a problem." A client might ask me, "How do I build a brand?" or "How can I establish a communications program?" But I start farther back. I say, "Give me the business problem you're trying to solve, and then we can talk about what marketing can do within the context of the problem."

Business school gave me that broader context. I'm not the ad lady who comes in with a 30-second commercial. I like to think that what I put on the table is a solution to a client's business problem or opportunity. And without business school, I never would have gotten that perspective.

What do you think is most essential that today's MBA students learn before they go into the world?

The basics are the same. How do you read a financial statement? How do you assess a balance sheet? Students should learn the principles of marketing, such as how to get consumer insights and how to figure out the real value of their offerings. But the context they're working in has changed. Because of the Internet, issues of reputation and brand are global and instantaneous. Everyone knows everything within the space of half an hour. That was never true before. You had time to gather your thoughts and figure out how you were going to communicate.

Today there are also the issues of ethics and governance. When I went to business school, there was a conversation about doing business ethically, but we didn't have the situation everyone is dealing with now, where everything is scrutinized and there's so much more regulation. There is a whole different set of factors that executives have to consider when they're making a business decision today.

When you earned your MBA from Columbia Business School, you were one of four women in the class.

Today women make up about 30 percent of most MBA classes, which is better than in the past but still hardly impressive. What do you think business schools need to do to attract more women?

My impression of organizations in general is that some are naturally diverse and others aren't. And it doesn't matter if they meet all the statistics of having this many women or this many people of color—some places don't feel diverse and others do. And in those places that feel diverse, I don't think anyone notices the percentages any more.

I think what business schools need to strive for is a diversity of cultures, and I don't just mean paying constant attention to how many women they have, how many African Americans, or how many foreign students. I mean, they should welcome people with different points of view and different backgrounds—people who were literature majors or worked in theater. A business school should promote a sense of all peoples, views, and walks of life and make everyone welcome. Then the whole experience is richer.

When you speak with business students—men or women—about their upcoming careers, what advice do you give them?

I tell everyone that the real challenge is to find a career you love. If you don't like what you're doing professionally, your life will never be in balance.



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I've also observed that you can fit into your life everything you love to do, and you have trouble fitting in anything you find frustrating, tedious, boring, or unfulfilling. The goal is to find a professional life that you look forward to every morning, and then get rid of all the stuff that's meaningless. A friend of mine said to me years ago, “Dust has no emotional content.” There's nothing fulfilling about cleaning your house or doing laundry, so give those things away. Fill your time with the things you love—and one of them should be your professional life.

You've been deeply involved with education, serving on various boards at Smith College, Columbia School of Business, and the Judge Business School at Cambridge University. How do your insights about branding fit into these educational settings?

I have discovered that, on any one of these boards, if I bring up the issue of the school's brand and what it actually stands for, I can derail the conversation for three hours. Everyone has a point of view! But the conversation is a good way of getting board members to specify the values of the school and the choices they want to make.

For instance, Columbia Business School is known for being strong in finance. Is that what we want to stand for,

or do we want to be broader? If we want to be known as a place that's strong in marketing, what resources would we draw on and how would we communicate our brand?

With all these schools, I provide the outside-in perspective. I ask questions. How does the world see you? How do prospective students see you? How do prospective faculty see you? How does the rest of the university see you? Is the university proud of where you stand among business schools? What does Columbia University represent? What does Cambridge University represent? How much does the business school derive from the mother institution, and how much does it give back? It can be a great conversation.

You've had an impressive career so far. What are you proudest of?

The fact that I've taken a company founded 60 years ago by a man with a point of view about communication and advertising, and that I've managed to bring it into the 21st century while keeping the basic principles and values as strong as they've ever been.

Is there anything else you'd like to accomplish?

Figuring out the world! It changes every week!