

THE CONSUMER IS BOSS (and she's a she!)

For folks in the mass manufacturing, marketing and media businesses, tomorrow has touched down. 2006 was a year when technology and choice checked a good number of companies into reality, and knocked a fair few out. The reality being that the consumer is boss, that she wants to love and share you, and that if you're not connecting with her you're already her ex-lover (not good for your reputation, especially in Italy).

2006 was a year for the ages, a year when ones and zeros blowtorched the old production and distribution model into antiquity. The mass marketing model started splintering five years ago, but you'd be amazed how many movie and marketing jocks still think it's a top-down, force-fed, one-to-many universe.

Something big is happening, and it's not coming out of Wall Street. It's coming out of your daughter's bedroom, maybe your sister's. She can film and distribute a hit movie with her mobile, broadcast her garage band on YouTube, create a storefront on Amazon, live life in MySpace or virtual Laguna Beach, buy a car or start a business in Second Life, trade a MiG-21f plane on eBay, download a Disney movie before its cinema release, design furniture for Muji, skip TV ads and make them her way at CurrentTV, cripple a major commercial brand with a viral video, and as an online news reporter or blogger - she can pay for your retirement. That's the start of it.

The guts of it is that producer-broadcasters no longer control access to consumers. Thanks to content explosion, multiplying delivery platforms, brand dilution and screens everywhere, you do. You decide what you want, when you want it, where you want it. And for kicks or for cash, you can handle production, broadcasting, ratings and distribution.

In an earlier article I highlighted this power surge from brands like Nike through distributors like Carrefour toward consumers. Now we're fully in control, and the old production model is struggling to keep up.

Desperate to crack fragmented, mega-niche markets, conglomerates are power shopping for companies that can cluster consumer passions. Video-sharer YouTube and social networker MySpace were early acquisitions. As life migrates online and advertisers follow, search engines, media players, tech companies and content creators are jostling, buddying up, re-modeling for a piece of revenue pie.

A renaissance is no cake walk, as Italy knows. Of the world's 2,500 biggest companies, 383 lost their CEOs in 2005, and almost half of them were fired.

In a sense it's consumer democracy, a sense that's rippling through culture. More votes were recorded in the 2006 *American Idol* finale than GW Bush received in the last presidential election.

For coalitions of power and money, the real 2007 challenge is to let their audience set the agenda. A basic principle of Lovemarks, is that to be loved, you have to give love. Brands don't and aren't. Lovemarks do and so are. The principle runs across business, politics, everything. To be loved, you have to let go (ultimate case study, your kids). Consumers now are smarter than companies and they reconcile them to their desire. Success is about handing over control of the brand, running some risks, and adapting fast.

Chevrolet rightly risked it this year – then copped it - when it asked Web users to make their own video spots for an SUV. "How Big Is Yours" headlined one entry. "Ours is really big! Watch us fuck America with it." A sharp signal that without a long game - a sustainable lovable story - no company can stay irresistible.

2007 will be a year of Great Expectations, and they will come direct from the Consumer Republic. Here are five challenges marching into the lobby of enterprise.

1. Meet me one on one

The days of machine-gunning product benefits at a mass audience watching one screen are over. When you can get great stuff at a great price on demand, it's planet parity. Preference comes down to the relationship, to the emotion, to the connector that feels the heart and pulse of a consumer's life.

For mass brands, mass personalization is the next game. Physically or virtually, it's about taking creativity down to the personal local level, then being connecting and getting connected. It's why MAC pays its artists the highest hourly rate. They can focus intensely on bonding to give customers the feeling of an authentically artistic experience, so she cancels her marriage with Marco to hang with Marcie. Digital artwork just invented by UK/US scientists changes to suit viewer's mood and emotions. Pretty cool.

And to attract you today, I have to listen to the shifting sands of generations. Maybe you're a Boomer (born 1946 to 1964)? Then the older you get, the younger you feel. 50 is the new 30 because Boomers want to "Live Long and Prosper", like Mr Spock. Could be that you're a digitally-adaptive Gen Xer, (1965 – 1979)? If I target or categorize you, you'll shoot my head clean off. An "always on" Gen Yer (1980 – 1994)? Reality TV is so over, says Y, and so is MySpace. If I try too hard or sell too hard to Y, I'm selling to thin air. These digital natives - one day all of us - don't read news on paper. They

breathe sisomo, sight, sound and motion. I can do news, entertainment, ads or whatever, but it better feel like a screen and it better be cool.

2. Inspire me and I'll scale you

Social media websites were the hot thing of 2006, but not exactly new. Studies show that consumers believe more of what other consumers say about brands than what brands say about themselves. One friend talking with another was always the most powerful marketing, because you'd rather believe your friends than Brad Pitt!

Making connections and building networks is fundamental to us, in weird and wonderful ways. Only one in seven switch off their phones during sex. According to the New York Times, one in three Italians finds a job through a relative.

It's the Inspirational Consumer, the viral minority, who will control choice. Now she has her finger on the digital button, we're going to market at warp speed. Already a billion people are on line, two billion are on mobile phones, and a billion are on approach. A massive networked human market is evolving. It's searching for hot stuff. It's going to run on recommendation.

Two fast tracks: 1. Inspire the Inspirational Consumer to create content and promote buzz for you. 2. Get the hell out of her way. When a user-created spoof of Shakira's "These Hips Don't Lie" video gets more Google Video traffic than the original version, and adds popularity to the song, your onto something. Throw in location-aware video camera phones that can search and network, and your something is big.

3. Talk to Mama

American feminist Camille Paglia reckons the Mona Lisa's enigmatic smile is ultimately saying that males are unnecessary. On the marketing side, she's close to right. Women are now thought to control up to 80% of every consumer dollar spent. In some US sectors like consumer electronics women are influencing 90% of purchases. From powerdrills to laundry liquid, it's women who have the financial muscle. And with a recent US study saying women now outnumber men on the Internet, that muscle is bulking .

Forget marketing to women as sex objects, superwomen, homemakers or career women. Emotion is what sells and women are the emotion experts, so touch her heart.

Take something as routine as laundry detergent. Women may not aspire to doing laundry but they like taking care of their clothes. The fabrics

surrounding her are touched by stories, emotions and memories. By sharing the role Tide in America plays in caring for her fabrics and her life, a Saatchi & Saatchi New York "Tide Knows Fabric Best" campaign grew profit over 18%. The challenge is to listen and empathize and inspire and never assume. British research tells us women enjoy shooting computer monsters as much as men do, if the violence is balanced by a good story. On that note, do a sanity check on what you supply. Zidane's Mom: "I Want Materazzi's Balls on a Platter."

4. Send me Sisomagic!

Sight, sound and motion have broken free from the living room TV. Today sisomo travels through the family of screens. Yet in all the convergence and divergence, TV has never been more popular or potent.

Estimates say more than 500 million homes will have digital TV by 2011. The average American home now has more television sets than people! All media will survive, all will be interactive within 5 years (including newspapers and magazines), and globally all will need incredible emotion.

Winners will deliver seamless sisomo, world class creative and programming content across TV (preeminently), Internet, Store, Mobile, everywhere. Thirty-second clips to half-hour sitcoms to Hollywood blockbusters, giant plasmas to miniature mobiles, emotional ideas with fit for the screen will win.

Sisomo lives in the Screen Age. It inspires new formats, stories and characters so consumers can communicate, participate and explore. It's where technology, marketing and creativity get it on. It's TV like 24, Rome and Oprah. It's web like Jumpcut.com, gaiaonline.com, Second Life and Lonelygirl15. Above all it's the magic of story, the one thing all consumers want.

5. Just Connect with me, OK?

Gone are the days of selling by yelling and distraction over attraction. The challenge of 2007 is to be connecting and be connected with emotion. It's not enough to embrace or touch – that's a one way street. You have to cross the centre line now and go deep. You have to live with consumers.

Connectivity is fun. Gaming is a \$28-billion industry worldwide. A new report tells us 64% of mobile phone owners play a mobile game at least once a day.

Connectivity is simple. Think Google. A surprisingly obvious idea -

PageRank - has changed your life.

Connectivity is immersive. In the virtual world of *Second Life*, the total amount of content being created by users is estimated as equivalent to the output of 5,100 full-time programmers

Connectivity is authentic. Don't dream of fooling consumers. They smell a rip off before the ink is dry on the tag. That's why the cell phone industry sees massive "churn". Better to be up front like the CEO Michael O'Leary of discount carrier Ryanair: "You want luxury? Go somewhere else."

And connectivity is loved, loved in infinite ways. Starbucks is about community. Illy is about coffee, the best, and consumers know it. The advertising guru David Ogilvy was right: "The consumer is not a moron, she is your wife."

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Websites: www.lovemarks.com; www.saatchikevin.com

Books: *Lovemarks: the future beyond brands*; *the Lovemarks Effect – winning in the consumer revolution*; *Sisomo: the future on screen* (powerHouse Books)