

# The Obama Challenge

**B**arack Obama will have more hopeful supporters than any president since FDR, be they Democrats or Republicans. Is it not some element of fate that Obama, who wants to bring about change in so many ways, will have a chance to do so under the cover of crisis?

Obama's campaign of change, as much as anything, is about changing the mindset of citizens to believe that investing in the future of the world is a responsibility, not an obligation. His message of responsibility includes the welfare of the environment, the well-being of each American, and the long-term prosperity of the economy. His message is about creating energy options, improving infrastructure, and new health insurance and health care systems.

He desires a virtuous circle of responsibility, to establish that every person owes something to the country, while America has a responsibility to its citizens and to the rest of the world; it's less about "me" and more about "us."

The depth of the economic crisis will allow Obama to inspire, instigate, and trigger change, all disguised as levers to pull the economy out of its nosedive, thus providing jobs and incentives for new industry and services. While Obama no doubt would have preferred a little less crisis in his crises, an economy in near free-fall provides him with a Trojan Horse called "Survival."

Is this a gift horse called "Survival?" As the new president becomes the most powerful potential game-changer of all time, is this an opportunity for every business to change for the better, the smarter, the more efficient and effective? Can business participate by investing along with Obama in doing something different that has a purpose beyond just revenue and profit?

Jim Stengel, the outgoing global marketing chief

at Procter & Gamble, thinks so and he's betting his own money on it. Stengel has started his own company focused on "purpose-based marketing," which Mr. Stengel says is about defining what a company does — beyond making money — and how it can make its customers' lives better.

"Marketing is in need of a major overhaul," and "trust in brands is at an all-time low," says Stengel. According to the *Wall Street Journal*, Stengel points to P&G's Pampers brand, which several years ago decided it had a higher purpose: helping moms develop healthy, happy babies, rather than just keeping babies' bottoms dry.

As the *Journal* reported: "To drill home that message, the company offered parenting advice and teed up experts on an array of parenting topics. It also did research on why babies don't sleep, a study that eventually yielded a design change in Pampers to give them a more cloth-like feel. The new design keeps babies warmer, helping them sleep better. The brand won market share. Stengel says there were several reasons for the gain. The repositioning helped inspire employees. It built trust and an emotional connection to the consumer. And it helped differentiate the brand."

## MAKING LIVES BETTER

Is there a way that every brand can participate in improving the lives of its customers beyond simply selling a product? Certainly, there are many products and services like Pampers that can have a larger purpose in improving peoples' lives or by improving the environment. What are the humanistic elements to look for that can become the new "added value?"

Home improvement and hardware retailers can inform customers about products that are renewable, and use renewable resource, or are better for the

## One should never waste a good crisis... and by all accounts this one will be a doozy.

environment, either in their use or in the way they are discarded. What if apparel retailers provided a service to distribute unwanted or used clothes to the various charitable agencies like Salvation Army, Goodwill, or the local community charities? Wouldn't more unwanted or used clothes find their way to a second life and wouldn't more than a few customers appreciate the service and feel more connected to that retailer?

Apple's newest MacBook is entirely recyclable and uses less toxic materials, like mercury. Every brand should be looking for ways to improve its contribution to the planet beyond the consumption by the consumer.

Restaurants could provide more information about the dietary content of their servings to help diners make informed decisions on taste versus health. Restaurants could partner with qualified health services to offer further information and guidance to customers looking for more help and offer incentives that are health-related.

What about products and services that do not inherently offer added value in their use? Can the brand extend its value to the customer by linking it together with a community need, an environmental need, a social need? As the economic crisis worsens, businesses of all kinds will disappear, both large and small. Deflation and recession mean fewer brand choices, a lower tax base in each community, and fewer corporate citizens to sponsor community events.

If the local car dealer who supports the Little League team fails, who will pick up the sponsorship? While it is meaningful to keep it local, wouldn't Wal-Mart or Best Buy gain immeasurable goodwill by sponsoring the local team?

Couldn't most brands provide incentives or discounts that would enhance the environment? Obama's programs will create tax incentives and other business incentives to involve the private sector in promoting a better place to live. Perhaps there's an opportunity to develop promotions that involve "green" transportation vouchers in return for customer participation with the brand.

### A MARKETING SEA-CHANGE

The term sea-change has been used often in the last 15 years to describe how new technologies and information alter how consumers live their

lives and how they consume products and services. Those changes were organic and evolved from entrepreneurial and natural circumstances. For the most part, marketing has not been a major contributor in elevating the art to meet the new opportunities.

It seems as if, like other industries, marketing has refused to realize that it needs (as Jim Stengel puts it) an overhaul. During the heyday of television, from the '50s through the '80s, marketers were responsible for the success of brands and the upward mobility of the country through good ideas. There was a saying in those days that applied to many brands, in this case, coffee: General Foods made coffee; Ogilvy made Maxwell House.

Since the decline of the thirty-second commercial and the rise of technology and finance as the governing bodies of corporate America, the art and science of marketing has been relegated to a media-planning function with the sole purpose of sticking a brand name in front of every eyeball regardless of whether it is in a bathroom stall, a taxicab, or viewing a handheld device. Context doesn't matter, message is irrelevant, *entertainment* is the content.

Not only has marketing squandered its heritage of ideas but it has squandered its responsibility to be more productive, effective, and important in the grander scheme. Obama's cult of change for the greater good has already inspired hundreds of thousands of people to apply for jobs in his administration. People are ready to contribute and participate.

Business, through its marketing leaders, has a new opportunity to make a contribution by developing ideas that make a long-term contribution to the welfare of its customers beyond the next sale. This time is a new opportunity for marketing to lead, leaving a mark every brand can be proud of, while creating a fan base of enthusiastic and grateful consumers. ■



**SPENCER L. HAPOIENU** is president and co-founder of **Insight Out of Chaos**, a database and direct marketing company. He can be reached at [spencer@iooc.com](mailto:spencer@iooc.com) or (212) 935-0044.