

Beautiful corporations Corporate style in action

Note to the reader: This book was written in 1999 and published by Financial Times Prentice Hall in 2000. It is offered here in abridged form with some added emphasis (**in bold**).

Cover Material

Does your company create a strong sense of identity for you, your suppliers and your customers?

Whoever said looks aren't everything was lying. Fortune magazine's 1997 review of the best managed companies showed that a strong sense of purpose and identity were two of the factors which made the best companies stand out from the crowd. In other words, if you're good looking you will have an edge.

The dictionary defines beauty as "delighting the senses and pleasing the mind". Truly successful, sustainable businesses need to recognize the contribution of designers, architects, stylists and other specialists who can influence potential for growth and dignity in successful organizations.

Beautiful Corporations focuses on an area previously regarded as simply as intangible to show how excellence in total communications style, attitude and execution can and will, if properly managed, deliver tangible business benefits. It shows how successful managers combine business practice with a certain style and thereby communicate positive corporate attitude to gain sustainable competitive advantage.

In this millennium, communicating positive attitude through all available media will be the prerequisite of survival.

Foreword by Anita Roddick

Business dominates the global stage. It is faster, more creative and wealthier than governments, particularly the governments in developing nations who depend upon its expertise. Listen to the economists, and you get the sense that, if we just get out of the way of big business, an unregulated global economy will knit the peoples of the world together into a seamless quilt. In that world, workers earn decent wages, work in modern conditions, and spend their money on goods and services they only dreamed about before. In that world, human rights follow increasing prosperity, and nations are more and more reluctant to go to war with one another because they have too much at stake in each other's economy. In that world, multinational corporations are the driving force for the common good.

But multinationals are also the driving force in this world, where the flipside of globalisation is glaringly obvious: forced labour, sweatshops, children forced to work long hours, the poisoning of air, water and land, the dislocation of entire communities, brutal dictatorships, gross inequalities of wealth. Global planning institutions, like the World Bank, the IMF and especially the World Trade Organisation, are part of the problem. They ignore mounting evidence of a very real social catastrophe: poverty, not just economic and spiritual but also poverty of the imagination.

The reality is ugly. Paul Dickinson's antidote is obvious: beauty. If that sounds too glib to countenance, give his proposition some deeper consideration and it starts to make sense. I share his belief that business needs an aesthetic dimension to communicate its messages. Attention to aesthetics appeals to our finer instincts. So the more 'beauty' there is in business, the more it functions as a force for positive social change.

What Dickinson attempts to show is how this evolution is not a superficial process. As he so rightly points out, business has overtaken politics as the primary shaping force in society, which means consumers are 'voting' every time they flex their spending muscle, and that in turn makes the vigilante consumer into a powerful organism, capable, as we have seen, of humbling even the likes of Shell and Monsanto.

And how are businesses going to reach this consumer in the future? Dickinson would answer truth, beauty, goodness. Romantic? Perhaps. But there is real pragmatism here as well when he outlines the problems of identity management and the repercussions of 'values-free' business practices.

We are already rethinking our approach to the global role of business. The beautiful corporation is an honourable goal.

Anita Roddick, Chairperson,
The Body Shop International, plc.

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"This book brings together ideas associated with aesthetics, sustainability, social justice and the business bottom line, to tell a new story of the emerging role of corporations amidst changing world conditions. If part of the task of creating a positive future is to imagine its shape, Dickinson's practical optimism in the face of challenge makes a significant contribution."

Gill Coleman, Director, New Academy of Business

“The idea of Beautiful Corporations is a critical one. The time is perfect for this book to arrive. The corporation that will dominate tomorrow’s business landscape will pursue the social as well as the financial agenda.”

Sean Blair, Design Director, Design Council

The successful 21st century manager will have to learn to migrate from the muzak economy of the shopping centre to the Mozart economy to mass customization and a richer quality of life.

Everywhere companies and their brands are shouting for our attention in the global language of design. Only the most memorable win. Consumers now expect to experience the pleasing sensations of style and beauty from the companies they deal with.

Beautiful Corporations shows how a strong corporate “personality” is a competitive advantage or differential that the most successful companies utilize as part of their overall strategy.

Corporations rule the world. Beautiful Corporations is about their design and attitude.

“Paul Dickinson argues for businesses that increase their profits by being responsible and sustainable. But this is not the dull choice; it requires integrity of organizational design, readily apparent as beauty. As citizens we can recognize and reward beautiful corporations. I welcome Paul’s hopeful messages and his challenge to act from values as a consumer and non-consumer.”

Professor Judi Marshall
University of Bath School of Management

SETTING THE SCENE

About this book

Everywhere companies and their brands shout for our attention in the global language of design, and only the most memorable win.

This book explains some of the strategies used by successful companies to manage their communications, and offers advice and guidance on best practice.

Naturally there is more to success than simply looking good. In terms of meeting customers needs, providing value for money and acting responsibly, companies have to actually be good.

Consumers now expect to experience the pleasing sensations of style and beauty from the companies they choose to deal with. The pressure does not emanate from customers alone, employees too demand the flexibility in work that technology now permits. Most knowledge workers, including the author of this book, would rather be on the beach. Increasingly we are demanding and receiving that benefit to secure our commitment to the enterprise.

In the next millennium, communicating positive attitude through every available media, from corporate advertising and design, through all written communications and the tone of voice used, to the ergonomics of the workspace itself, will be the prerequisite of survival.

Lowering prices or increasing volumes forever cannot successfully maximise our happiness as if we were machines with infinite capacity to consume. What makes us happy is style, beauty, positive attitude and pleasing experiences. Neither the accountant nor the engineer can deliver these alone. Truly successful, sustainable businesses need to recognise the contribution of designers, architects, stylists and other specialists in human factors who can better honour the inherent potential for growth and dignity in the life of mankind. Saying that the purpose of business is profit is like saying the purpose of life is breathing.

This book will show how successful managers combine business practice with a certain style and thereby communicate positive corporate attitude to gain sustainable competitive advantage. The disciplines focussed on are explained through case studies showing best practice in the use of design.

The universal concept of beauty provides a way for us to study these issues. The dictionary defines beauty as 'delighting the senses and pleasing the mind'. This book rejects any particular overarching philosophy of business. Instead it will demonstrate that the correct route towards fulfilling the potential for human happiness is to be found in the way things are done as much as what is done.

Many experienced managers in industry will read the title of this book and think, 'It's the bottom line that counts, that's what is beautiful'. It may surprise the reader to know that beauty - a certain style - adds value to your enterprise on the bottom line. To act without some semblance of style is commercial suicide. Humans respond to humanity and intelligence with attraction, and that results in sales.

We all want to live in a beautiful world, but economic development sometimes destroys more than it creates. **The big idea in the twenty-first century is this: if you and your company are not part of the solution, you are part of the problem.**

This book will show how all these requirements converge in the world's greatest companies to create the style of the successful, the beautiful corporations. The terms 'corporate identity' and 'brand' will be used somewhat interchangeably and the assumption is made that the reader is comfortable with these distinctions. Brands usually refer to products, and corporate identity to companies, but organisations such as Shell, IBM and Coca-Cola could be described as both corporate and product brands.

As a communications consultant I have spent my career trying to improve the quality of design for some of the world's largest organisations. It is my belief that if globalisation is to be justified it must represent an aggregation up to a higher plane of aesthetics, rather than a drive down to the lowest common denominator. That may require more diversity, rather than less.

There is obviously much more to the achievement of profits than design style alone, and this makes establishing a direct, immediate link between excellence in design and profits rather difficult to establish, although there are notable exceptions such as the new Apple iMac.

The success of the iMac is an example of how an enormous amount of money can be made by simply doing something differently. Apple's London-born design director, Jonathan Ive, is only in his early thirties, but he has created many millions of dollars of value for Apple stockholders, and helped relaunch the company with some beautiful, innovative products.

Car design is an area where most of us enjoy the work of some of the world's greatest designers. Car manufacturers are eager to promote their corporate brands above the name of any individual so car designers are usually restricted under contract from letting anyone know who they are. But our heads often turn when we see their work. In the UK we spend around £22 billion annually on cars, and aggregate global sales of the main car companies are spectacular. To see the peak of product design, look at cars.

There was once an excellent advert for a Mercedes sports car that shows this principal in action. Featuring a large photograph of the car, the slogan simply said; 'It's better than it looks'.

What is corporate style and can a corporation be cool?

It has been said that if a person has style, it is something they never think about. The implication here is that style is an intrinsic characteristic that cannot be acquired. Like physical beauty, style is a positive attribute that we look for in those we encounter. We like it when we see it.

It is this acknowledgement that style is intrinsic that causes us to link it to corporate attitude, with issues such as integrity and honesty being prerequisites for success.

Some business theorists led by Thomas Frank, author of 'The Conquest of Cool', have suggested that the idea of 'cool', which emerged in the 1960s, has been appropriated as official style of our business civilisation. Originally, the cool symbolised by James Dean and Jimmy Hendrix was a revolt against the existing order and it was revered as the next, better iteration of our society's development. However, at this political juncture, famously described as The End of History by Francis Fukuyama, there is nothing new ahead except bigger companies with more power. They will perhaps provide for both the mainstream and its alternative. In Frank's rather chilling words; '... the over-arching facts of economic life are that the society we live in is exploitative and joyless, but it (corporate cool) also offers us this ready-made opposition that you can buy off the rack.

'Globalisation and the triumph of markets worldwide is resulting in this sort of conflict between the 'hip' and 'square'. This conflict is replacing older social conflicts like those between the workers and owners. That is the genius of this ideology, the sort of bogus conflict between hip and square is all over the world now, it is the international language of advertising.'

Such complex concepts as 'cool' were first communicated and applied to brands and corporations through advertising. It has been suggested that the Volkswagen first established their credentials as a cool company through previously unheard of ironic advertising in the 1960s. This communicated that the brand had humanity and wit.

The fact that even the greatest corporations cannot make money from creating and selling art, or building activities with cult followings such as snowboarding or skateboarding. That even with their billions of dollars they cannot lead youth culture or inspire love or affection, means that a great proportion of human ingenuity and invention will perpetually lie outside of their capabilities. But they constantly try to acquire it. But the gentrification of this idiosyncrasy kills it. In Frank's words; 'The wolf of capitalism is perpetually chasing the cool sheep'.

The American media analyst Sara Vowell describes cool as comprising two essential components, which are a sense of justice and a sense of humour. When you know what justice is it means you have a heart, and when you have a sense of humour it means you have a brain. This is entirely consistent with Darwinian theories of attractiveness.

Vowell believes that at the end of this century, caring is the brave thing and it communicates authenticity. Genuineness is important because you can tell when an organisation is lying to you. Trust is the key element in generating social capital.

There is a real need for integrity in the development of an organisation's culture. Companies including Nike, Microsoft and Apple have attracted debunking because of the gap between their projection of reality and the reality of the underlying company. Achieving a corporate reputation embracing honesty and integrity will never be easy.

This concept lies at the heart of a successful enterprise. A company such as Pizza Express offers good food, at a reasonable price, in a nice atmosphere. As it has grown it has continued to express the original owner's vision. Delivery of this kind of consistency and fidelity to the underlying spur of business is a form of integrity. Even if such a company is purchased some time after founding by a vast conglomerate, if it is a strong business with a strong ethic, it should not really matter.

Citroen have always had a certain style and appeal. Interestingly this often reflects from the product to the customer and then back to the product. The lifestyle legend of associations around the Citroen 2CV is a good example of this.

Although it can be easy to tire of what the great media analyst Marshall McLuhan called the 'ceaseless barrage of advertising messages which daily assault us', in the UK we are lucky. The UK advertising industry is spectacularly innovative and stimulating. Germain Greer has described marketing as the great cultural phenomena of our times. This challenging statement comes at a time when leading figures in the arts are rejecting concepts such as 'Cool Britannia' and a perceived 'dumbing down' of culture. It is up to the corporations to address that issue. Advertising will be public art or sinister exploitation, depending on the capacity for companies to act with taste, a developed aesthetic sense, responsibility and intelligence.

In the words of David Korten in his chilling book, 'When corporations rule the world';

'When control of our cultural symbols passes to corporations, we are essentially yielding to them the power to define who we are. Instead of being Americans, Norwegians, Egyptians, or Mexicans, we become simply members of the "Pepsi generation," detached from place and any meaning other than those a corporation finds it profitable to confer on us.' This is the dark side and we must avoid it.

What is creativity in design?

Throughout this book I avoid using the word 'creativity' to describe artists working in the communications industry. Because there are billions of neurones in the brain, every single human thought from every human, every second, is completely different to all others. It follows from this premise that everyone is exactly equally 'creative', and what people call the 'creative' process is a far more complex area involving high and low quality output. This in turn raises the question, from whose perspective?

In one sense the word 'creative' is lazy shorthand for a series of complex concepts. The same charge could also be made of the word 'brand'. For this reason I will try and break these terms down into their underlying meaning.

Why Beauty?

The world is enjoying unprecedented wealth, our technology is fantastically advanced and progress is accelerating. However, we live in a time of great human suffering and a looming environmental crisis. Many pressure groups argue that global commerce has dislocated hundreds of millions of people. They say that the wealth we enjoy is partially the result of externalising our costs of production to the world's poorest nations. These issues will not go away. We all have an absolute, unshirkable responsibility to ensure the world we are creating for our children, is beautiful.

I believe the underlying concept of beauty can be explained in a technical sense. This book is written from an atheist, Darwinist perspective. It is possible to see millions of examples of the great theory of evolution, some obvious and others less so. For example, I believe the global obsession with sports news and the relative performance of our athletes, our team or our country in sport are the inheritance of ten thousand generations of warlike, communicative mammals, eager to gain knowledge regarding the key survival skill of war.

Within the Darwinist framework, the concept of beauty as applied to attraction between the sexes is simple to understand. Typically, fit and healthy people without deformities will be identified by prospective suitors as the most desirable partners for making babies and thereby maximising the chances of survival of their offspring and the species.

But how does this simple conception of beauty apply to a beautiful sunset, a poem, painting or opera - or to a corporation? Underpinning our mind's sense of attraction, in all environments is a basic set of instincts that are drawn towards the 'good' and reject the 'bad'. In this context, good and bad are simplistic terms used to describe presentation; they are not philosophical positions. However, they serve to illustrate the point.

So, to give an extreme example, in the 1930's the Nazis emerged under the fiendishly clever designer, Albert Speer, as the most visually arresting, unified and thereby seemingly coherent political organisation in Germany. Our animalistic instincts perceive unity, visual consistency and quality in communications as commensurate with order, which we believe to be capable and competent, and this translates into attraction. In business, it is this attraction which fuels transactions and profits. But we should not worry too much that the new super global brands and corporations are riding on the back of a modern communications discipline whose first major exponents were the Nazis. Mother Nature equipped us with instincts that can, eventually, sniff out Nazis.

Let us look at beauty in a sunset, poem, painting or opera. When we see the sunset, with its ' . . . glorious overhanging canopy, fretted with golden fire' as Hamlet said, it is a fairly good sign that the climate is okay to rest, perhaps to try and grow crops, to stay. The process of natural selection has taught us to stop and stay with beauty. The sea calls us for the same reason. Those that were attracted to living by the sea, with all the food sources it provided survived. Those that went back inland often died. That is why many of us love the sea. It is an instinct.

Instinctive attraction

In an opera, painting or poem we perceive other human consciousness, and through these art forms we actually experience them directly. They can move us emotionally and we enjoy this. The meaning of art is to communicate actual living experiences directly, not a description of them that we need to interpret, but the real thing. Like cassette tape, good art records how the artist felt and plays it back to us.

Mother Nature is a hard taskmistress, and she would not reward us for spending out time with idiots. In actual fact, over millions of years, those that did like spending time interacting with idiots all died. A pre programmed recognition of coherence and quality in logic has been developed in our minds and we use it to sift external stimuli. So after thousands of generations of natural selection, what do we, the ones that survived, really like? We love the intelligence and ingenuity of life. Over time our instincts inform us of the nihilistic terrors of Nazism, even if the fascists do communicate a superficial visual coherence. In the final analysis, our intelligence establishes the underlying attitude of an organisation and can ascertain at the most instinctive level if it is 'pro life'.

As a communications consultant I have spent many happy but frustrating years with colleagues trying to find meaningful product differentiation between one bank and another, one petrol retailer and another, and so on across all industry sectors. 99% of the time, there simply is nothing to choose between the two. That is about to change forever. The sustainability crisis, climate change and numerous other limitations to growth in physical production are about to arrive, not single spies

but in battalions. Business can and will have to address this crisis. It represents both threat and opportunity.

This is the central idea behind the concept of Sustainability Product Marketing introduced later in this book.

What is life? Is it chaotic or ordered?

As previously stated, this book is written by an atheist, Darwinist. From this perspective, life is the cause of all perceived order. What defines life over chaos is replicating order, what defines intelligence over randomness is ordered systems of thinking.

Our living experience creates a perception of the external world, and this is an action that intrinsically generates the philosophical concept of order and applies it to what we see, hear, touch and smell. The defining characteristic of this order that emerges from chaos is replication. That is what defines life over randomness.

A great poem uses the ordered protocols of the written word to evoke a recognisable reality with love, longing, terror or some other emotion summoned up by the imagery. So it is with painting and music.

And for corporations? This book will make the radical case that human attraction to order, replication and the intelligence required for survival are fundamental to the way consumers perceive corporations. As corporations have grown in stature, the way they act and communicate, their attitude and style, is what makes them winners or losers.

Corporate consciousness

Charles Handy has observed that corporations can cheat death and live forever. Aire de Gasse has written a fascinating study of this issue in his book 'The living company'.

The tendency to anthropomorphise the corporation is well established amongst the business elite. Technology is a key driver of the unification of corporate intelligence. In the words of Bill Gates in his new book, Business @ the speed of thought:

'To function in the digital age, we have developed a new digital infrastructure. It's like the human nervous system. The biological nervous system triggers your reflexes so that you can react quickly to danger or need. It gives you the information you need as you ponder issues and make choices. You're alert to the most important things, and your nervous system blocks out information that isn't important.

Companies need to have that same kind of nervous system: the same ability to run smoothly and efficiently; to respond quickly to emergencies and opportunities; to quickly get valuable information to the people in the company who need it; the ability to make decisions quickly and interact with customers.’

As our great corporations mutate into living entities, the new science of corporate intelligence will manifest itself more profoundly. To quote Gate’s intriguing book again:

‘To begin creating a digital nervous system, you should first develop an ideal picture of the information you need to run your business and to understand your markets and your competitors. Think hard about the facts that are actionable for your company. Develop a list of questions to which the answers would change your actions. Then demand that your information systems provide those answers. If your current system won’t, you need to develop one that will – one or more of your competitors will.’

In a telling revelation on the emergence of corporate consciousness, Gates goes on:

‘You know you have built an excellent digital nervous system when information flows through your organisation as quickly and naturally as thought in a human being, and when you can use technology to marshal and co-ordinate teams of people as quickly as you can focus an individual on an issue. It’s business at the speed of thought.’

The Internet is the protocol that has emerged to govern computer interaction at the end of the 1990s, but the inevitable trend was discernible far earlier. It was Sun Microsystems who coined the enigmatic but ultimately profound phrase; ‘The Network is the Computer TM’, as early as 1991, well before the Internet has permeated the public consciousness.

When reviewing the Internet revolution for the Financial Times, Christopher Price has observed:

‘The value of a company’s physical assets are giving way to the intangible value inherent in its brands, research and development, consumer relationships and market knowledge.’

This book is about the next great phase in capitalist development. Giant companies are beginning to divorce their wealth, their talent, and perhaps even – to borrow a religious word – their souls, from physical manifestations.

In the next millennium it will be the corporate attitude – the essence - which will favour certain corporations over others. And this trend will become increasingly relevant as the sustainability crisis emerges into the public consciousness.

Past, present, future

Throughout history there have been great corporations. Some people include the church and the army amongst their number. But in this book I concentrate only on profit orientated commercial organisations. That is of course just about all any business has ever been, dating back to when we lived in caves.

But there is something altogether different about the modern large-scale corporate enterprise.

Richard Barnett and Ronald Muller have described the process eloquently; ‘The men who run global corporations are the first in history with the organisation, technology, money, and ideology to make a credible try at managing the world as an integrated economic unit. What they are demanding in essence is the right to transcend the nation-state and in the process, transform it.’

As David Korten puts it; ‘There is no conspiracy, though in practical terms, the consequences are much as if there were. Unlike real people . . . corporations are able to grow . . . amassing power indefinitely. Eventually that power evolves beyond the ability of any mere human to control.’

This is where we are today.

Is this new order an anti-democratic tendency? Perhaps. Or perhaps the exact reverse. Malcolm McIntosh, European Director of the Council on Economic Priorities has described it with supreme elegance.

‘Choice. The foundation of a successful market economy. The bedrock of personal citizenship. I shop therefore I am! I choose therefore I have freedom. When I shop I vote. I vote for a certain sort of society, local and global, by choosing organic fair-trade coffee. In making my choice I hope that as an informed member of society I am minimising my environmental impact, contributing to a change in farming practice and significantly aiding economic and social development locally and globally.’

Have we voted for the corporations that run the economic engine of our world, at a million tills, on a billion occasions, in a hundred countries? Or perhaps, more frighteningly, is any human really any longer in charge of the industrial process? Have we surrendered our democratic and political will to a system, to a process, to a market? The answer to that question is probably the heart of modern politics. This book will not attempt to answer it. But it will introduce the characters in this great play of human history, and suggest a way forward.

It will show what a modern corporation looks like, literally, and show how human ingenuity has amalgamated into a new global style. Perhaps the end of history, perhaps a new world order.

Corporations making history

History is full of events of little or no significance to future generations. But there are exceptions. The explosion of organisation, scientific discovery and communication, backed by military strength that characterised the Roman Empire, has many echoes today. University buildings, state monuments and religious works feature Latin text. Interestingly, Hitler and the Nazis closely imitated much of the symbolism and heraldry of the Roman Empire for their nasty, short lived, putative world government.

The concept I wish to introduce which follows from this assertion is that major advances in society, and in recent years these have been predominantly technological, have the immediate effect of validating in the public consciousness the authority of the political system which prevails at the time of their introduction.

At any juncture of significant scientific achievement citizens develop admiration which accrues to the prevailing governing authority. For example, Lenin described Communism as: 'Soviet power and the electrification of the whole country'. Companies in 1928 such as Radio, Wright Aero, Ford and American Telegraph and Telephone validated the craze for speculation through the genuine offer of technologies that were destined to transform mankind. The Nazis applied the industrial techniques of Henry Ford to aircraft production and used them to develop aircraft fleets exceeding 1,000 for the first time, promising to 'rub out' UK cities. They almost did.

So, in our age, the global miracle of combining refrigeration, guaranteed safe to drink fluids and caffeine for millions of people equates to Coca-Cola. For others the profound magic of travel, miles in the air, at hundreds of miles per hour, in near perfect safety, means Boeing. The numerous miracles of modern computing belong not to Babbage, the computer's inventor, but to Cisco, Intel and IBM.

In a subtle, mysterious but profound way, these brands have slowly come to define our age, our capabilities and the essence of human achievement.

What this means in practical terms is an increasing recognition on the part of the general public for a diminished role for Government. Following the privatisation revolution that has gripped the world, Government physically undertakes less and less. There is perhaps a Responsibility deficit in society that urgently needs addressing. That is why I recently completed an excellent MSc in Responsibility and Business Practice run jointly by the

University of Bath School of Management. I would recommend the course to any reader.

Society goes on changing faster and faster at the hands of corporations. Modern marketing up until this point has been concerned with ensuring consumers buy products. Corporations have been fairly exclusively concerned with maximising returns to shareholders. With a multifaceted validation of their activities provided by the volcanic chocolate box of technological innovation, corporations have advanced the speed of the world to such a fever pitch, that it is about to suffer ecological catastrophe. And governments have now probably withered to such an extent that they cannot help. So the runaway train is still rolling down the hill faster and faster until it hits the buffers and we are all destroyed. Professor Judi Marshall of the University of Bath School of Management calls this a crisis of systemic proportions. The system itself is faulty.

There is a tremendous commercial opportunity to fix that. But unlike Churchill, whose call to arms promised nothing more than blood, pain, tears and sweat, this challenge promises higher margins, increased market share and sustainable profits.

It is useful to try to evoke something of what is going on with regard to the three interconnected agents of this revolution in our times namely technology, globalisation and the environmental crisis.

Technology

The typesetting industry has disappeared, along with most filing clerks, typists and numerous other seemingly essential trades in the world. Time spent on-line is rapidly approaching time spent watching television in our households. Data has already passed voice conversations as the main traffic on most telephone networks. This is all happening so quickly, and the character of network development means there is no reason at all to believe it will slow, quite the reverse in fact.

Use of mobile telephones has exploded to 200 million (*in 2007 it is over 2.8 billion*) – one in thirty of all humans - and like each of these trends in the convergence of computing and communications, a network effect is in operation, referred to as Metcalf's law. Each new user of any system increases the utility applying to all the users.

All this technology does not come cheap. The seemingly unending boom in technology spending can largely explain the North American economic miracle. Perhaps the Reagan Administration's massive investment in high technology weapons had more practical spin-offs than the rise of Boris Yeltsin.

Perhaps that happy combination of defence research fuelling technological innovation could point the way forward. Charles Handy has suggested optimistically that; ‘We could, for instance, define the environment as the new target for defence expenditure, fending off our own deterioration.’

Globalisation

Globalisation is the full expression of the basic human instinct to trade. The unprecedented level of international trade prevailing today is a consequence of many factors including the near global adoption of capitalist commercial systems, the development of international agreements, rising disposable incomes in the industrialised economies, and above all, technology. Affordable air transport has massively increased tourism, computers have facilitated increased logistical capability and card organisations such as Visa have globalised money.

Globalisation is the word on most social scientists lips. The 1999 Reith lectures by Professor Anthony Giddens, Director of the London School of Economics were on the subject ‘Runaway world’ and examined the role of global companies in both economic and political terms. Trans-national corporations are the new agents of commerce and industry. Their size brings them increased purchasing power and therefore lower priced goods. This self-reinforcing trend increases their scale and makes them larger still. There will be many areas of commercial development, which are not suited to global companies, but what they can take, they will. They have streamlined IT and finance. They can write off research and development against vast turnover, and can source production from the lowest cost manufacturer. There is no reason to believe the trend towards globalisation will reverse. It will accelerate.

Edward Luce has written in the Financial Times that; ‘. . . the logic of economic globalisation has resulted in a split between a class of increasingly liquid and international blue-chip stocks and derivatives on the one hand, and a more domestic category of small cap stocks and derivatives instruments on the other. The outperformance of the S&P 500 against the Russell 2000 index of smaller cap stocks, or the FTSE 250 against the FTSE SmallCap Index, over the past three years is testimony to the growing sway of cross-border investors who seem to have neither the time nor the patience to invest their cash in smaller equities.’

At the 1999 World Economic Forum conference in Davos, Switzerland, on the subject of 'Responsible Globality, Managing the **Impact of Globalisation**', the German President Roman Herzog spoke of the need for a: "global economy with a human face. Globality forces us to seek not only a new financial and economic order but also a world social order."

The Times commented on the conference; '. . . in a world in which the state is shrinking and corporations are going global as nations cannot, executives have to take on some of the responsibilities traditionally the preserve of politicians if the forum's stated aim of 'Improving The State Of The World' is to be addressed.'

From every perspective of the business world comes a concern at the practical impact of globalisation. Jon Corzine, co-chairman of Goldman Sachs & Co, said at Davos: "Globalisation needs to have a heart if it's going to be triumphant and not just dominant ... It must be seen as a popular crusade that benefits every sector of society."

Jeffrey Garten, Dean of the Yale School of Management and former Under Secretary of Commerce in the Clinton Administration has eloquently expressed the dilemma:

'Defence contractors such as Lockheed Martin, the result of a 1995 merger, have successfully pushed for NATO expansion and for related military sales to Poland, the Czech Republic and others. Combined entities such as Boeing-McDonnell Douglas will tighten their already formidable grip on U.S. trade policy. Companies like Exxon-Mobil Corp. will deal with oil-producing countries almost as equals, conducting the most powerful private diplomacy since the British East India Company wielded near-sovereign clout throughout Asia.'

Clare Short, Minister for Overseas Development says: "My view is that globalisation is as big a historical shift as the move from feudalism to industrialisation. It means we have to find ways of making sure capital serves people and not the other way round."

Organisations such as the Joint Forum of Indian People Against Globalisation (Jafip) have been established comprising some 55 member groups of farm and labourers unions, representing millions of members. Jafip has campaigned for India to leave the World Trade Organisation (WTO), an engine of globalisation. Protests have been in response to stark events such as the 450 suicides of peasant farmers in two states that were alleged to be in response to WTO policies such as the removal of import tariffs on edible oils. The spokesperson Medha Patkar has said; 'So-called modern technology has worked against the natural resource-based community, undermining self-reliance and creating vulnerability through dependency on pesticides and fertilisers, and on the market.'

In our own culture too there is a challenging interface here, particularly in the service industries, between the hard economics of the market pushing wages down to the minimum, and the humanity we want to see our society fostering as we strive to improve the livelihood of all individuals.

John Maynard Keynes said that it is better to export recipes than cakes. In this farsighted analysis he predicted both the infinite potential for the exchange of media, but also the threats of globalisation:

“Ideas, knowledge, art, hospitality, travel - these are the things which should of their nature be international. But let goods be home spun wherever it is reasonably and conveniently possible, and above all, let finance be primarily national.”

The environmental crisis

The first point to make is that we should not be paralysed by guilt or depression as a result of this impending doom. It is not your fault or mine. But we can make a fortune fixing it. In fact, quite soon the only way to make money will be to contribute to the solution of a problem. And the bigger and more serious the problem, the faster and fatter the profits will be.

Living, thinking and doing business sustainable means first of all an acknowledgement that the entire ecosystem is in jeopardy. It is, but we must learn to fundamentally accept that fact. As the eminent environmentalist, Paul Hawken, author of ‘The Ecology of Commerce’, has commented; ‘All living systems are in decline’.

From this realisation, everything else follows as night follows day.

In 1998, 50 million acres of forest were destroyed. These numbers seem impossible to grasp, but just consider what an acre really is and what a million really means.

The environmental problem which threatens us most directly is climate change which destroys the self regulating temperature mechanism of the Earth. The distinguished scientist James Lovelock demonstrated many years ago that our planet has a self regulating climate system. It is in no way fantastic that nature has produced a self regulating temperature system for the earth. For example, you have one in your body.

In essence, the environmental crisis can be best understood with the following simple test. Look around you, in the supermarket, at the shopping centre, look at the traffic. There are currently six billion humans on spaceship Earth. Six hundred million have cars. Human use of technology results in the emission of 20 billion tons of CO₂ into the

atmosphere each year. Do you think our life support system can support all this consumption?

The financial system

The three areas of change described above are interwoven with our idolisation of the simplistic science of economics. The measurement of Gross National Product or GNP, has been described by Maralyn Waring, the former Head of Public Accounts for the New Zealand Government as 'chronically malevolent'. Under this system, oil spills and other catastrophes increase GNP, while all forms of domestic work, care for the disadvantaged and other acts of compassion are unmeasured. Politicians' exclusive focus on achieving growth in GNP leads to expanding the money measured side of society to the detriment of all others.

However, the absolutely fatal flaw with GNP is what it does not measure. It does measure each country's total 'sales', like a Profit and loss account, although it counts all sales as profit. The terrifying reality is that there is no Balance Sheet to accompany the profit and loss account. So the GNP figure offers us an ultimately one-dimensional perspective on our financial position. In accountancy jargon, we are liquidating our environmental assets for nothing more than a false statement of profit.

Is there really a problem?

On March 5th 1999, the US State Department reported that air temperatures were the hottest in 500 years and tropical sea surface temperatures were the highest in modern record, which caused the largest death of coral reefs ever witnessed.

UK Environment Minister Michael Meacher has described the impending catastrophe of Climate Change as '... the greatest challenge in human history'.

In his book entitled 'The Second World War', Winston Churchill explains how he was asked by President Roosevelt the question; 'What should we call the war?' He wrote as follows: I answered without a moments hesitation: 'The entirely avoidable war'.

Within this bleak context, I believe it is certain that the supreme power of markets and corporations will focus to ensure catastrophe is avoided.

THE ROLE AND IMPACT OF DESIGN

Cultural currency is something that you cannot buy

The idea behind cultural currency is that if you are involved in events and activities with people who are at the forefront of innovation, the leading fashion designers, product designers and so on, your organisation will thereby be part of the process of developing change.

Running exhibitions on design in collaboration with credible government or other agencies provides a way to achieve recognition and achievement that is way in excess of what can be gained through simply buying advertising in a magazine, or commercials on TV. Anyone with money can buy commercials. But if you are in editorial, if you are challenging perceptions, you are making the story.

The marketing budget for NASA sending a rocket to the moon is zero. The act is so fantastic that the entire world's media will trek along without any hype. If you are involved with something progressive and exciting about initiating change, people will want to know about it. That is what the media is there for.

For design company 'Jam' the whole business of market research is fairly sinister. Founder Jamie Anley described the methodology of consumer opinion study as trying to deal with snow on a car windscreen by using the rear view mirrors. Using the past to deal with the future.

Any company which decides to use market research to anticipate where people are going, and then wants to try and develop strategy around this information, will be forced to concentrate on expensive following of trends.

Brand strategists should not be looking out at what consumers are doing, but rather looking inwards at the company's core, and thinking about how they can be most creative with those resources. Research almost contradicts the idea of development.

For Jamie, the ideal is that in a perfect corporation, all the employees would have such confidence and satisfaction in the organisation that they would, if you met them at a party on Saturday night, want to press a business card in to your hand.

Everyone wants to be part of an organisation with vision and direction. People love to associate themselves with any project that generates editorial.

It is worth noting the unique sense of pride and fulfilment that can come from an epic enterprise such as the Channel Tunnel. When it opened, many commentators observed

how the character of this amazing new service combined with pride to make the first Eurostar train crews positively glow with enthusiasm.

THE ROLE AND IMPACT OF CORPORATIONS

This is a completely fascinating and unique time. We are perhaps the only generation to experience the unlimited exploitation of natural resources by heavily industrialised technology, before the limits to growth in physical goods consumption became apparent; and were factored in to our lives forever.

Currently brands help us navigate through an insane surplus of products and services. When we become sustainable, as we must, as we will, brands will give us more complex and meaningful information. Brands will become even more intelligent, powerful managers of our lives.

What is a modern corporation?

Companies are truly amazing organisations. As David Korten explains; ‘General Motors’ 1992 sales revenue roughly matches the GNP of nine countries with 550 million inhabitants, or a tenth of the world’s population.’ Korten fears that; ‘Unlike real people . . . corporations are able to grow . . . amassing power indefinitely. Eventually that power evolves beyond the ability of any mere human to control.’ He also quotes the political embodiment of apple pie, President Abraham Lincoln who observed just before his death: ‘Corporations have been enthroned. . . An era of corruption in high places will follow and the money power will endeavour to prolong its reign by working on the prejudices of the people . . . until wealth is aggregated in a few hands . . . and the Republic is destroyed.’

Walmart Corporation of the USA has annual sales of over \$150 billion, more than the GNP of Poland and Greece combined. Microsoft Corporation has a market capitalisation of more than \$500 billion. Contrast these figures with, for example, the UN estimation of \$9 billion as the cost of providing safe drinking water for the 1.3 billion people who suffer without it.

For both commercial reasons and as a result of pride, corporations want to show how amazing they are. The tower formerly known as NatWest dominates London, just as the Chrysler building is a major landmark in Manhattan. But buildings can no longer truly communicate the epic scale of these new standard-setting authorities. Governments have courthouses and Town Halls with which to express themselves. Corporations have to find other means. Shell International administers annual sales ten times greater than many countries. How can this power be expressed? One channel is through retail outlet design. Shell have 48,000 petrol stations, which are, as far as possible, entirely visually consistent with one another. The tremendous logistical challenge involved in achieving this result is the proof of Shells organisational capability, and a symbol of their statehood.

The increasing importance of corporate livery and recognition of this trend by the general public is a component in development of the new trend of human branding. People always desire to show they are the best in one way or another. High fashion designer labels have always been sought after. And to communicate something of the attractiveness of the labels, it is becoming more common for them to be sewn on the outside of garments.

This trend is however accelerating with the tribalising fashion statements of youth culture, including icons such as the black leather biker jacket, being superseded by the logo of highly advanced corporations such as Nike. The ubiquitous 'Swoosh' or tick logo is willingly adopted by millions of young people worldwide, and it is displayed not subtly but brazenly.

The Nike logo gives a small and probably innocent sense of identity. More disturbingly, the Swastika did the same. Wally Olins described the core elements of identity given by such symbols as providing a sense of 'purpose and belonging'. We can now see new designer entrants such as Tommy Hilfigger joining the fray, attempting to brand more and more people, who would frankly rather be branded than not. These fashion brands, including Swatch, provide a galaxy of different emotional associations and evocations that can be bought off the shelf. They are pre prepared fashion statements to accompany pre prepared foods.

Corporate development

Inventions have always become adopted around the world, the Spinning Jenny, the steam engine or railway train are long out of patent, if they were ever in it. But, recent commercial inventors have actually created lasting entities. You can trace Edison to General Electric, Ford to Ford, and Gates to Microsoft. Their special genius lies in the full corporate exploitation of the invention. Corporate development and marketing is the key. And this is a new factor in industrial development. Administrative structures that can exploit a circumstance are more important than anything else. The system is the heart of the product.

Corporations are really the standards setting bodies in contemporary society. In most spheres they have taken over from Government; where they have a presence, they are the agents of order and prosperity. Where they are not is often neglected.

The dynamics of globalisation have resulted in a move from the historic process of 'building a business' locally across generations, to the contemporary absorption of entrepreneurial skills by larger corporate entities. With very few exceptions, those individuals who wish to create products, services and organisations with critical mass

need to enter the new world market through an existing trans national organisation. In the top league, corporate success now comes in one size only, global. The acquisition of entrepreneurial companies such as Web TV or Hotmail by Microsoft provide an example of this process. But even the largest companies are responding to the trend. Examples of this trend can be seen everywhere, from the mega mergers of Daimler Chrysler and BP Amoco to the recent global rebranding of all businesses in the HSBC Group.

Even Microsoft, the exception to this rule, built its early success largely as an incredibly successful parasite, which invaded the great dinosaur that was the old IBM. Using fiendishly clever licensing agreements it managed to stay independent and thrive as a great new industry emerged.

Good and bad, the issues for design

It is not a question of looking good or bad morally. Good design is good design, but are bad companies using it? And what is a bad company?

At the most fundamental level, no company is intrinsically bad. In the modern, industrialised world, the era of criminal corporations, notwithstanding Mafia, Cocaine Cartels and exploitative military dictatorships, are gone.

No organisation has evil as its intent. Although this book will argue that, at a systemic level, governments are fundamentally impotent and a spent force in our society, they are capable of bringing demonstrably evil companies to account, and liquidating them. There are few examples except perhaps pyramid selling companies and corrupt corporations such as Polly Peck and BCCI.

So, there are no bad companies? The answer is multifaceted depending on your perspective.

If your main concern is noise near airports, bad companies will be Boeing and Airbus, British Airports Authority (BAA) and British Airways.

But what if you are most concerned about air pollution and global warming? For you the list extends to include all car companies, all oil and chemical companies, and almost all electricity companies, manufacturers, and so it goes on.

If you are worried most about stress in the workplace, and the speed of the modern world, your least favourite companies will probably include almost every corporation of any scale operating exclusively within the current norms of production and marketing.

So every company is equally bad? As stated previously, it depends on your perspective. I have great sympathy with people who campaign to limit the negative impacts of corporations in any sphere. But it can be educational when viewing a complex range of options to study the absolute extremes.

Part of the genius in George Orwell's book '1984' is his portrait of absolute evil. By graphically describing a political state embracing absolute evil in an unceasing nightmare, he shed light on the wide, complex, infinite range of political situations, and gives an absolute negative to help begin to define positive. Relevant components in Orwell's warning are the reduction in the richness of language and excessive work.

Corporations now set standards in society. Through their own operations, their bodies, they exemplify behaviour patterns that have emerged as the norms for the industrialised world. These patterns of conduct represent the aggregation of numerous estimations of appropriate behaviour by managers implementing corporate objectives with reference to a series of diverse general criteria including:

- fair (in the West at least)
- non-discriminatory
- profitable
- safe (in the West at least)
- flexible
- effective.

What is so interesting about the above list is what is missing. There is no mention of any form of meaningful aspiration, ideal, direction or much emotional humanity. This is perhaps the most damning charge that can be levelled at the modern corporation. For all their size and power, despite their profound influence, they are very largely intellectually and emotionally trivial.

Corporate marketing

Corporate branding of goods and services is many things including:

- a methodology for signifying the extension of the corporate promise of standards into a world of products.
- a unifying emblem for co-ordinating and reinforcing marketing communications.
- a 'promise' to deliver consistently.

It is this key concept of consistency which provides the overreaching rationale behind all corporate and brand design management. Of course there are different kinds of consistency. Every KitKat or Coca-Cola is identical. Blockbuster Video offers hundreds of different films, but they try and ensure they are of a consistently satisfying standard.

Many of these traditions of product promises emerged in more inconsistent times than our own. For example, Shell Petroleum has traditionally advertised itself as pure, unadulterated fuel. Although petroleum is seldom watered down in Western Europe, still today the Shell Brand values of product integrity have value and meaning in many countries in the world.

Why should a corporation be beautiful?

The great corporate designer Raymond Loewy quoted Shakespeare's Hamlet in his book entitled 'Industrial Design':

"Weary, stale, flat and unprofitable".

Management guru Charles Handy has said: 'boring places breed boring thoughts and boring people', while 'spaces with quality and style encourage quality and style in their inhabitants'.

To get to the heart of the design and communications industry it is necessary to step far away from the product. At least in the first stage of our analysis. The reason being that certain products have an appeal that goes beyond marketing. If a cure is found for AIDS, HIV positive people will seek it out, no matter what the name or brand design may be.

But what about an ice cream, beer or petrol? What about a car or a jacket? In fact, throughout most sectors of the economy, branding and communications design are extremely important. So, is good design beautiful design? The dictionary defines beauty as delighting the senses and pleasing the mind. So where does beauty come from?

Beauty and strategy

To understand how corporations are responding to the challenge faced by the emerging consensus around responsibility in business, we can look at one of the most serious problems currently faced by mankind, namely the threat of climate change. In 1998 Shell International published a brochure entitled 'Climate Change'. This includes the phrase . . .

'At the very least, mankind is carrying out a risky experiment with the planet by raising the levels of greenhouse gases in the atmosphere to levels far above any seen

in the last 150,000 years or more. We don't know whether this will be catastrophic'

So if Shell themselves are prepared to make a statement like this regarding climate change, it seems fairly certain it is a big problem.

It should also be understood that we got in to this mess with corporations and technology, and it will be corporations and technology that will be needed to get us out again. In the words of James Lovelock; 'we cannot solve the problem through a reactionary, back to nature campaign because we are so integrally part of the technosphere it would be like jumping off a liner in the middle of the ocean to swim the rest of the journey in glorious independence.'

It is interesting to note that Shell are now rebranding themselves through a major international advertising campaign focussing on the demands of sustainable development.

Profiting by climate change

There are however a group of powerful companies that could actually massively increase both their sales and profits as a result of the planet-wide efforts to address climate change. Some are listed below:

Organisations that can profit through reduced CO2 emissions:

**- Renewable energy companies providing solar cells, windmills and other devices
*Rationale: alternative to fossil fuels***

**- Videoconference, telecommunications;
*Rationale: alternative to travel.***

**- Travel companies using sailing ships;
*Rationale: alternative to unsustainable air transport.***

**- Car Hire; speed limited, computer monitored un-ruinable cars
*Rational; need to cut down on car manufacture, car hire is the logical alternative***

**- Home insulation companies;
*Rationale: alternative to heating.***

- Local food production;

Rationale: alternative to food travel; (statistics from the Soil Association show that food travels an average of 2000 miles to our dinner tables).

- Art, culture and entertainment ‘on-line’;

Rationale: ‘dematerialised’ products and services require small expenditure of energy to produce and transmit.

One of this book’s key assertions is that for each problem faced by our species; there is a particular commercial sector which can profit by addressing the problem. The key is to establish which sectors can reasonably claim that the solution to the problem is a core business activity. Other example groups are set out below:

Reduction in biodiversity and ecological destruction caused by industrial development:-

- Pharmaceutical companies;

Rationale: they require diverse natural compounds for developing new medicines.

- Tourism, travel companies;

Rationale: industrialisation reduce the attractiveness of travel locations.

- Ethical Retailers

Companies that choose to espouse a Fair Trade message, practice fair trade policies and can thereby charge premium prices.

About markets

Markets influence humans greatly. They must begin to be co-ordinated by a broader and more holistic human intelligence than simple purchasing decisions based on rudimentary economic models of so called ‘rationale wants’. The concepts of economic rationality and utility must be recast in a global, holistic and sustainable minded rationality; the only true rationality in the current crisis.

To address this problem I have formulated the concept of Sustainability Product marketing or SPM. The challenge of achieving Sustainability has been brilliantly expressed by Arne Naess, the great Swedish philosopher of deep ecology with his apron diagram. In essence the philosophy asserts:

- 1. You can think whatever you live**
- 2. You must act in a way that is sustainable (the apron drawstring, pulled tight)**
- 3. You can do this any way you like.**

What currently educates markets?

Advertising. Advertising media are currently, and traditionally, the only mass communications media for informing the buying public regarding products. Although regulated by some authorities and codes of conduct, advertisers are in no way compelled to act in the general public interest with regard to issues of sustainability. Moreover, they currently appear to have no incentive to act in its regard. It is my opinion that this represents a substantial missed opportunity by advertisers. The rationale is as follows:

If a product or service threatens the integrity of the biosphere, and the continuance of our species, and if consumers are made aware of this threat, they will avoid the product wherever possible.

Although largely untested in the capitalist system at this time, I am absolutely confident of the general appeal of this approach.

There is increasing evidence of moves in this direction from advertisers ranging from Co-operative Bank to B&Q. To give an example, within the context of the threat of Climate Change, an advertising campaign could be conducted which asserts in effect the following message;

‘Using a car when not necessary may well result in the death of your children in the ghastly storms and floods resulting from climate change. For your children’s sake please buy a videophone. The Sony videophone system sits on top of your TV and costs only £850 including ISDN installation.

Let’s survive. Let’s use videophones wherever we can.’

The radical approach above may seem to some readers bizarre and wrong, for which I apologise. But some similar thinking has already occurred in the market and been adopted successfully by major corporations.

The QUEST for beauty

The quest for beauty is not something normally associated with do-it-yourself (DIY) home improvement retailing. When British entrepreneurs Richard Block and David Qualye opened their first B&Q DIY outlet in Southampton in 1969, the business was more concerned about the logistics of using David Qualyle’s Mini for home deliveries than the lofty pursuit of ideals. Thirty years later B&Q plc is the UK’s leading DIY retailer with a market share of almost 20%, an annual turnover of £1.9 billion and profits of £188 million. In addition to its economic prowess, B&Q is also now widely

recognised as a corporate leader in the social, ethical and environmental arenas. How did the company come to recognise that 'being a good neighbour is good for business'?

In 1990 when a Sunday Times reporter asked the company's then Marketing Director Bill Whiting the following question: How much tropical timber do you sell and from which countries do you buy it? Whiting told the reporter that he could not provide an accurate answer. In fact, he could not answer it at all: B&Q just didn't know!

B&Q's former Chairman and Chief Executive Jim Hodgkinson offered the following thoughts:

"In PR terms, quite simply, if you don't know, you don't care. This actually wasn't really true. We did care, but we weren't doing anything about it. We said the right things, but we didn't back it up with any real commitment or intellectual understanding of the issues. There was no effective control in the way we bought timber... What concerned me was that there was no way of preventing timber from a badly managed forest coming into my stores. When such timber did come into my stores, it was my business that was being damaged, either in the form of customer boycotts, reduced staff morale, lost sales and of course bad PR. All this undermines the pride my staff have in the business, the goodwill of our customers and the end result - lost sales."

Following some initial research on the company's tropical timber sources, and after the matter was discussed extensively in board meetings, the company decided to appoint an environmental co-ordinator. Someone who had the ability to persuade, excite and make things happen'.

The new man, Dr Alan Knight soon realised that B&Q's corporate culture would help him to get things done. Market leadership was taken to mean just that, even in social and environmental issues. Even if there were difficulties B&Q managers knew that if it was the 'right' thing to do they should do it. Knight states that he would not have taken the job if it had been purely a PR exercise resulting in the production of glossy brochures. He was given free rein to look at the whole product range and recommend action. The message from the top was that Knight's position had to be taken seriously.

The Board provided Knight with an annual budget of £500,000 and regular, direct access to the top of the organisation.

Steps to Sustainability

Famous for its Panda logo, WWF or the World-wide Fund for Nature is the world's largest non-governmental international conservation organisation with more than five million international supporters, including over 200,000 in the UK. From its original

focus on the conservation of flora and fauna, WWF has broadened its analysis in recent years to encompass social dimensions of environmental protection and degradation.

In 1989 WWF, had set the end of 1995 as a target date for the world's timber trade to be based on sustainable resources and invited business and industry to work with it towards the target.

As part of this new collaborative strategy, WWF invited B&Q and other companies involved in the timber trade to attend the first WWF forest seminar for business in December 1990. 'Steps to Sustainability' aimed to educate industry about the world-wide forest crisis. WWF's message to business was couched in terms like 'Isn't this situation dreadful?' and 'Who's prepared to go along and work with us on this agenda?' WWF's bottom-line was that preventing deforestation was no longer merely the domain of governments but was actually a company's responsibility.

The radical end of the environmental movement adopted other tactics in their efforts to promote sustainable forest management. These groups organised mock chain-saw massacres outside DIY and furniture stores with protesters dressed as loggers graphically depicting the destruction of the world's rainforests.

In September 1991 the B&Q Board set a target that by the end of 1995 the company would only buy timber from well managed forests. Essentially Knight had convinced the Board to sign up to WWF's 1995 target.

For B&Q and the other DIY retailers, WWF was perceived as a comfortable partner. Its style and approach contrasted sharply with those of most other environmental pressure groups. WWF was the only one that appeared to be willing to consider collaboration with business and industry.

Initially, the new sustainable forests policy was perceived as an idea that was being imposed upon suppliers either by WWF or B&Q. Gradually this view changed as suppliers began to realise that the policy had the potential to provide suppliers with secured orders. B&Q sold the policy to their suppliers as a means of developing long-term relationships, enabling both to plan ahead more effectively.

B&Q buyers were expected to start grading all their suppliers on their environmental performance, including the timber policy. A league table was published each month with each buyer's name and all supplier grades listed. Top buyers were identified. Although no bonuses were given, buyers could see how their colleagues were performing. League tables were also distributed to all Directors. This introduced an element of accountability.

In January 1994, WWF and four of the DIY retailers released a joint accord signed by company managing directors 'to send a clear and consistent message' to over 500 wood product suppliers in the UK and overseas. The Accord specified that 'independent certification is the key' to meeting the target. It further stated that 'independent certification bodies should be accredited by the Forest Stewardship Council.'

Alan Knight illustrates how the Joint Accord had a major impact upon one of B&Q's suppliers:

I had a supplier come to see me just after the Joint Accord was published and he said: 'That was the last straw, I was trying to resist it, I didn't believe you were serious and suddenly I saw this Joint Accord. I don't even supply the others but when I saw that I suddenly realised this is a major change in business culture.'

The basic message of the Joint Accord was that competitors were talking to each other and that they had decided to go down the same route with WWF on independent certification.

QUEST is a supplier assessment programme B&Q has been running (and developing) for four years. Altogether B&Q deals with 500 direct suppliers. In 1993 all suppliers were assessed by questionnaires, followed by eight supplier seminars and numerous supplier visits. QUEST describes how the QUality of a product includes its Ethics and SafeTy.

A QUEST self-assessment system has now been developed for B&Q stores. Stores will be measured in areas such as compliance with legislation, waste minimisation, energy efficiency, customer and staff awareness and litter control in the local environment. Stores are to be graded on a five star scale by the head office.

WWF has demonstrated that progress on complex international policy issues is possible through collaboration with business.

There is considerable momentum for business-environmentalist partnerships. In February 1996, Unilever, one of the world's largest buyers of frozen fish, formed a partnership with WWF International to develop global standards for sustainable fisheries management. Sainsbury and United Biscuits have subsequently joined Unilever in deciding to stop the use of fish oil from industrial fishing in European waters to conserve fish stocks. Sainsbury and other supermarkets are working with the Ethical Trading Initiative to implement a code of conduct on minimum labour standards for manufacturers of Sainsbury's own-brand products.

HOW TO GET THERE

We have all grown up under a ceaseless hail of advertising messages shrieking at us. In response to this we have learnt to - at the most fundamental, subconscious level - filter out only what we want from the redundant barrage. And the result is that only those communications with a style which of itself merits attention, only those which chime with our inner sensibilities regarding beauty and truth, only those get noticed. Only the beautiful survive.

Another aspect of beauty in design is definitely an anthropomorphic tendency, examples include the VW Beetle, Porsche cars and Philip Starck spider lemon squeezer. Starck has said the squeezer is not for lemons, but rather something for a newly married man to talk about with his mother in law.

Corporate style

Hotels are one of the principle environments where an embracing, positive experience needs to be created and style clearly creates value. The great identity consultant Michael Wolff actually wrote a short booklet many years ago with the idiosyncratic title 'You are a towel', to draw attention to the powerful role such details have in the perception of customers.

In certain industries the most important brand values can be considerations such as consistency, quality, reliability and so forth. For twenty five years BMW and Mercedes advertising in colour supplements has been broadly speaking consistent. This has the effect of projecting a sense of solidity and strength. It allows the consumer to recognise and remember each communication thereby building a large group of consistent memories inside their heads, all filed in the same place, branded with the same design.

Another example of how corporate style can leverage business benefits is through the spectacular success of Specsavers the opticians. From a modest corporate headquarters in Guernsey that provides a centralised accounting, IT and Marketing function, the company has aggregated together some 350 small independent opticians into a one company. Neil Svensen, was approached to provide a quality look and feel across the chain. He designed for the fascia of the stores a three dimensional 'pod' which focuses prospective customers attention. This resulted in a new, powerful corporate identity that has emerged for Specsavers. The brand is big and therefore communicates success, value for money and quality.

This process is a very important component at the heart of contemporary capitalism. Success results in size. Size communicates success and makes a company more

attractive to its audiences. Size also allows for economies of scale and increased purchasing power, enhanced communications and brand recognition. This in turn usually generates more revenues and more success. There are many exceptions, but generally this is one of the underlying forces driving globalisation.

How should you commission design?

To begin to answer, let's look at different types of design:

1. Operational design.

Design of tangible things, your communications, your office, the basics.

2. Strategic design.

This is much more intangible. Strategic design is the design of key organisational processes, design of strategy, even the design of the process whereby an organisation discovers its unique purpose in the world. And how an organisation is structured to achieve its goal.

Strategic design should lead the operational design.

There is a distinction between output and outcome. It is common to frame design briefs in terms of a pre-conceived notion of output. The secret is trying to frame projects in terms of outcome. Traditionally, 'I want a brochure' is a common chant. Up and down the UK today, this chant will ring out ritualistically. Behind this statement, what they really mean is:

- I want new customers
- I want to operate in a new market
- I am scared.

When you look at the real issue, you may discover what is required is a complete re-design of the organisation. It may mean a more profound method to achieve an outcome.

Beauty in the marketplace

The fashion industry, cosmetics business and many others draw upon human physical beauty in all their communications. Talent scouts with undefinable, infinitely complex criteria scour the world for the next Kate Moss or other supermodel. This activity runs in conjunction with the efforts of millions of beautiful young people who apply to join the modelling industry. Throughout history beauty has been celebrated. And although today's near anorexic catwalk waifs may seem to have not much to do with health and fitness, it is the absolute genetic 'truth' of Darwinian Natural Selection which is

manipulated to power sales of Calvin Klein products such as CK One and Eternity. Beauty sells.

Distortions from the optimum physical expression of beauty in terms of 'survival of the fittest' in the pre industrial period are caused by the 'unnatural selection' of editors in the communications and fashion industries who create stereotypes which subvert conventional biological beauty preference development.

Just as some equatorial languages have no word for snow, because the population has never encountered it, so it is with aesthetics. The dominant organisations employing the power of artists to promote their interests control in many ways the very vocabulary of thought. The power of potential censorship exercised by aesthetic arbiters cannot be overestimated. The designer and artist Anno Mitchell has studied the development of Nazi propaganda in occupied countries in her 1994 study; 'Heroism, masochism and the libidinal economy of National Socialist ethics', and it emphasises this tendency. The first thing the Nazis did after invasion was to take control of the arts policy in subjugated states.

The situation has changed somewhat since the dawn of the era of mass communication. However, it can be argued that global dream factory of Hollywood, armed and guarded by Coca-Cola, Disney, McDonalds and their like are manifesting a similarly constricting effect with regard to the breadth of modern thought.

For example, it could be argued that the compression of the galaxy of experiences around eating into 'MacDonalds', or clothing into 'Nike' represents a reduction in the diversity of language. This process could be seen as analogous to the constriction of words into 'Newspeak' in George Orwell's terrifying novel 1984.

Politically this consequence emanates from the corporate centres of power and wealth in the industrialised world out to all mankind. But the homogenising orthodoxy which blinkers is intrinsic to excessive amplification of any particular perspective and is a consequence of the huge 'mindshare' enjoyed by successful modern brands. Globalisation through corporate capitalist culture has caused this. How we respond to it is a key theme of our age.

There is a robust and simple theory and definition of art as the direct communication, or evocation of the living experience. The artist, or artists, in painting, sculpture, music or whatever, have a 'feeling', a 'sensation' or sequence of sensations, which they then inject into the art they are creating. If, and it is a big if, they are gifted or otherwise successful, they will be able to communicate to their audience some version of how they were feeling. Indeed, the audience will actually feel similar sensations to the artist, as if

their minds were joined. As if we were not alone as isolated islands of consciousness, but perhaps joined, by bedrock beneath the sea. Not alone.

It is a delightful feeling if you get it off the Spice Girls or Mozart, Picasso or Ikea.

Corporate brand power

There is a distasteful but highly instructive spoof T-shirt, which demonstrates powerfully what corporate branding, is all about. It features the logo of Pan Am, the now defunct airline. The white on blue globe will probably still be recognisable to most of us, however, instead of the words Pan-Am, it simply has the word 'Bomb'. What the T-shirt enjoys observing is that at a time of widely-felt anti-American sentiment, the bombing of a Pan-Am 747 over Lockerbie essentially led directly to the demise of Pan Am, or Pan American Airlines. The essential element of a brand, namely 'promise', so important in air travel, was destroyed.

Apple computer is a brand that can be described as a victim of its own early success. Widely credited with ease of use technology superior to that of Microsoft, its main competitor, Apple broke the mould, did well, and relaxed, a fatal error in business. The first Apple Graphic user interface, designed with significant input from the mother of human computer interaction, Susan Kare, was so far superior to its competitors that Apple did not really have to 'bother'. While the ferocious marketing and licensing entity called Microsoft toured the world stitching more and more suppliers in to their complex web of legal agreements and semi-exclusive self compatible technology, Apple marketing managers were rather too busy, as one wit commented: 'arguing over the aromatherapy rota'.

Success is a brand and a brand is success. Consumers recognise only one size. Global. The global mega brands attract the best engineering graduates, MBAs, entrepreneurs and suppliers. Sony and Mercedes body forth through their existence a basic truth; 'We were here yesterday and we will be there tomorrow, we are in for the duration'.

National Governments are hidebound by the international mobility of corporate entities. The United Nations is a political organisation comprising the elected and unelected Governments of hundreds of nations. Coca-Cola, Daimler Chrysler, Microsoft and Sony each have one Chief Executive. So what might take the UN a decade to debate, agree and ratify, Intel could do in an afternoon. In short, there is only one big brother that can save us from the systemic decline wrought by global corporate entities, and that is these very entities themselves.

General Motors have successfully used local branding strategies in their operations. We all perceive Vauxhall to be less alien than Daewoo, but their ultimate headquarters are

equally far from European shores. However, to fully leverage the immense organisational potential of the vast corporate entity behind each brand, GM have applied an endorsement to the letterhead of their subsidiaries, stating: 'Backed by the world-wide resources of General Motors'. In a business to business context, national ties are less important than global scale and credibility.

HOW TO GET THERE

When Martin Sorrell built WPP Group into one of the world's largest marketing services groups he explained his actions at the Listener Media Lunch in November 1989 as follows:

“Added value is by definition not objective, it’s subjective. It is for that reason elusive and is fearfully difficult to quantify. It’s a quality and qualities are often impossible to measure. But all of us know that added value exists. We know that added value is what distinguishes a brand from a mere product, what protects both volume and sales and even more importantly, margins.

We know that when everything we can quantify is equal, such as prices, or weight or availability, we chose that which we feel best about.

Successful businesses and successful brands need talent and imagination at least as much as they need capital. And client companies increasingly know it.

There is, I’m sure we’d all agree, a limit to how much costs can be reduced. But the only limit to how much value can be added is the limit of the imagination.”

There is certainly a great deal of truth in this. Consistent brand expression and corporate identity are essential tools in the communications mix. Most managers understand today that to ensure every marketing communication is recognised and remembered, they all need to have a consistent label so the mind can file them away in the same place, every time. This consistent exploitation of media conveys some essence of success and power.

The history of the Johnson & Johnson Credo

Johnson & Johnson are a highly successful global manufacturer of healthcare and consumer goods, with a turnover of some \$50 billion.

General Robert Wood Johnson, who guided Johnson & Johnson from a small, family-owned business to a world-wide enterprise, had a very perceptive view of a corporation's responsibilities beyond the manufacturing and marketing of products. As early as 1935, in a pamphlet titled TRY REALITY, he urged his fellow industrialists to embrace what he termed “a new industrial philosophy.” Johnson defined this as the corporation's responsibility to customers, employees, the community and stockholders.

But it was not until eight years later, in 1943, that Johnson wrote and first published the Johnson & Johnson Credo, a one-page document outlining these responsibilities in

greater detail. Johnson saw to it that the Credo was embraced by his company, and he urged his management to apply it as part of their everyday business philosophy.

The Credo, seen by business leaders and the media as being farsighted, received wide public attention and acclaim. Putting customers first, and stockholders last, was a refreshing approach to the management of a business. But it should be noted that Johnson was a practical minded businessman. He believed that by putting the customer first the business would be well served, and it was.

The Corporation has drawn heavily on the strength of the Credo for guidance through the years, and at no time was this more evident than during the TYLENOL ® crises of 1982 and 1986, when the company's product was adulterated with cyanide and used as a murder weapon. With Johnson & Johnson's good name and reputation at stake, company managers and employees made countless decisions that were inspired by the philosophy embodied in the Credo. The company's reputation was preserved and the TYLENOL ® acetaminophen business was regained.

Today the Credo lives on in Johnson & Johnson stronger than ever. Company employees now participate in a periodic survey and evaluation of just how well the company performs its Credo responsibilities. These assessments are then fed back to the senior management, and where there are shortcomings, corrective action is promptly taken.

Over the years, some of the language of the Credo has been updated and new areas recognising the environment and the balance between work and family have been added. But the spirit of the document remains the same today as when it was first written.

When Robert Wood Johnson wrote and then institutionalised the Credo within Johnson & Johnson, he never suggested that it guaranteed perfection. But its principles have become a constant goal, as well as a source of inspiration, for all who are part of the Johnson & Johnson Family of Companies. About fifty years after it was first introduced, the Credo continues to guide the destiny of the world's largest and most diversified health care company.

Johnson & Johnson

Our Credo

We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services. In meeting their needs everything we do must be of high quality. We must constantly strive to reduce our costs in order to maintain reasonable prices. Customers' orders must be serviced promptly

and accurately. Our suppliers and distributors must have an opportunity to make a fair profit.

We are responsible to our employees, to the men and women who work with us throughout the world. Everyone must be considered as an individual. We must respect their dignity and recognise their merit. They must have a sense of security in their jobs. Compensation must be fair and adequate, and working conditions clean, orderly and safe. We must be mindful of ways to help employees fulfil their family responsibilities.

Employees must feel free to make suggestions and complaints. There must be equal opportunity for employment, development and advancement for those qualified. We must provide competent management, and their actions must be just and ethical.

We are responsible to the communities in which we live and work and to the world community as well. We must be good citizens – support good works and charities and bear our fair share of taxes. We must encourage civic improvements and better health and education. We must maintain in good order the property we are privileged to use, protecting the environment and natural resources. Our final responsibility is to our stockholders. Business must make a sound profit. We must experiment with new ideas. Research must be carried on, innovative programs developed and mistakes paid for.

New equipment must be purchased and new facilities provided and new products launched. Reserves must be created to provide for adverse times. When we operate according to these principles, the stockholders should realise a fair return.

It can be argued that a growing majority of the population in the industrialised world are, as the description goes; ‘cash rich and time poor’. This phrase is exceedingly bizarre because we all clearly have exactly the same amount of time! But we are sure the reader appreciates the intention is to refer to that fast diminishing luxury known as ‘free time’.

Accompanying our descent in to ever-larger oceans of work, has come astounding prosperity, if not increased equality. So for many hundreds of millions of people, the task when shopping or selecting services in the limited ‘free time’ is to do it rapidly. However, the same astounding wealth has confused the issue by providing ever-wider ranges of products. So product brands, and corporate identities are vital elements in selection and reassurance.

This has in fact always been the case. The precursor to the modern discipline of corporate design was the heraldry of Kings and Queens. Coats of arms symbolised and defined groupings of political power. Prague Castle is festooned with heraldic imagery as a mechanism for denoting loyalty and support from disparate powers across a turbulent region.

In more recent history, the best doctors would be certified, and would display their accreditation as a method of increasing custom. Masonic symbolism was developed to provide an assurance of quality. These trends resulted in the establishment of the profession of accreditation agents.

Established traditions of corporate symbolism allow us to make split second decisions regarding huge amounts of information. For example, I might be called upon to read the following paragraph:

This product was researched, developed, designed, manufactured and marketed by a significant global corporation with an established reputation stretching back over twenty years for innovation, with a huge global installed base of devices ranging from televisions to videocameras and including PCs, Hi Fi and personal stereos, all produced to a reliably high standard with ease of use being a well defined brand value and simple clear instructions being the norm.

Or I could see the familiar logo saying:

SONY

The latter is certainly more succinct than the former.

Over millions of years, thoughts have been codified into language through words. In a far more accelerated process, categories of products and the companies behind them are being evolved through the symbolic language of brands.

Sometimes branding and packaging performs a very simple role. It allows people to know what something is. For example, those of us who shop in a hurry, and have fairly poor eyesight, dislike shopping for shampoo. In the chemist or supermarket one is overwhelmed with a massive selection which is almost impossible to comprehend. It is in fact extremely difficult to even decide what bottles are shampoo, and in frustration you may well grab the nearest bottle of shaving foam thinking it is shampoo, and take it home in error.

Brands such as Timotai shampoo combine television advertising with a distinctive bottle design. The public get to associate the bottle with shampoo. This helps selection in shops, and boosts sales.

A brand is ultimately the proclamation that a product is better than the competitors. That is the brand value encapsulated in all brands. In terms of design for businesses, corporate identity guru Wally Olins (co-founder of Wolff Olins) believes corporate

identity is about actually making business strategy visible through design. This analysis would seem to overstate the communications potential of the non-verbal language of symbols. But as stated elsewhere, the character of abstract artistic expression in the form of graphic design for corporations can communicate something of their character.

Does design of a logo matter?

This is a silly question because the key point behind this book is that design of everything matters. However, there is a particular point to be made which introduces the following section on design management. Ten years ago I had a series of discussions on this subject with the Managing Director of Rufus Leonard, designer of this book, Neil Svensen. The contention was this; does it matter if your logo is a nasty drawing of dead goat's head? After much debate Neil convinced me that it did not matter what the logo of a company is, so long as it is implemented consistently in all media with quality in the execution of each item. The logo or identity is in this analysis like a telephone number. It does not really matter what it is, but how you answer the phone is what's important.

In design the challenge is to avoid looking fragmented confused and disorganised. To seem like more than a group of small scale, amateurish companies sharing a name and perhaps some variants on a corporate colour. Instead the challenge is to look consistent, competent and focussed. Achieving absolute consistency in the implementation of a corporate design style shows the corporation on every occasion as disciplined and organised with real attention to detail. Consistency in design of this kind usually saves money through inventing the wheel just once. Most importantly, by using the corporate identity in the same place, in the same style, in the same colours, wherever it appears, the public comes to easily recognise and remember every time they see the logo. It allows consumers to file away in their brains these messages in the same place, so they build up a full understanding of the size and scope of an organisation.

This work is entirely separate from the design of 'logos'. Often design companies will win a corporate identity project by gathering examples of all the different versions of the theoretically single 'logo' together, presenting them on a number of boards showing all the different types of compliment slips etc, and then the client can usually understand immediately that something must be done. In addition cost savings result from standardisation, central purchasing and the avoidance of duplication are significant.

The corporate design manual

It is difficult to overstate the importance of corporate design manuals. They have the power to turn a single company representative with an aeroplane ticket and money, into a 'regional presence'. The look and feel of every item of stationery, brochure, advert and

sign will be identical to head office 10,000 kilometres away, if the design manual is adhered to.

Beyond manuals for just design, new media is reducing the cost, and easing the production of manuals for everything. The ubiquity of themed bars and restaurants points to one prosaic consequence of this tendency. Uniform high standards would seem to be a good thing, but we must remember that cultural diversity is the spice of life. This is a very big and important issue for all managers in major corporations. Ask yourself, did you contribute to improving the quality of the world, or did you homogenise diversity into a bland uniformity?

It should be remembered that in nature, biological diversity is the prerequisite of rich and life sustaining environments. The same must surely apply to cultural diversity. The warnings of attack from beautiful corporations apply here. If you have a chain of 300 identical restaurants beware of the competitor who may succeed by emphasising in their advertising that all their branches are different. Although manuals are powerful, they are not a conversation. They prescribe to the operating divisions what Head Office direct. They may be missing an opportunity to benefit from the diversity of international corporate operations through dialog. Body Shop International plc describe how their global campaigning effort on political issues helps to refresh the dialog between the global brand and local cultures.

Towards a New Beauty: Sustainability Product Marketing.

The fundamental concept of care and a more holistic attitude towards business practice will be the building blocks of success for the twenty first Century Corporation. Managers need to build simple easy to implement strategies that achieve competitive corporate advantage by:

- **recognising that without using care, business leaders will never build trust with employees or customers**
- **acknowledging the environment, and the sustainability crisis while rejecting ‘values free’ business strategies**
- **acknowledging employees as humans not farm animals, capable of giving only in proportion to what they receive, in broader terms than the mere financial**
- **acknowledging customers as intelligent, adverse to condescending, low quality or mundane communications, and desirous of rich experiences. They are searching for answers to complex problems.**
- **trying to raise the tone a little! Life is too short for the volumes of banal consumption we are currently chalking up at accelerating speeds. The era of values free, over consumption capitalism with its cancerous vortex of ‘work harder, buy more’, is coming to an end. The successful 21st Century manager will have to learn to migrate from the muzak economy of the shopping centre to the Mozart economy of mass customisation and a richer quality of life.**

Attack of the beautiful corporations

The successful twenty first century company will not sit idly by and allow ugly competitors to steal customers with the stale offer of lower prices. The beautiful companies will use all their communications including design, advertising, tone of voice and ergonomics to ensure customers and staff understand how entirely unacceptable the old, ‘values free’ businesses really are.

We should be outraged at the wilful mediocrity of the frightened managers of the post war period with their inhuman workspaces and drab messages. We need to rally the troops to build a more beautiful world and profit justly from this exercise. Let’s not forget that business is now, and probably will be forever, the dominant political force in society.

There is no need for a radical new philosophy. The requirements of sustainable development are simply extensions of the traditional demands of business. Unilever’s partnership with WWF through the establishment of the Marine Stewardship Council to prevent over fishing fits comfortably with the historical tradition of the company. The founder, Lord Leverhume’s had an attitude of prioritising security of supply, and this is now being applied in the modern context

to protecting the sea. In packaging design and other forms of marketing, Unilever will leverage this alliance to win market share. The result will be good for Unilever and good for the sea.

Sustainability Product Marketing (SPM).

Probably the greatest new challenge faced by business relates to the achievement of Sustainable Development. So what does this much used term actually mean? The commonly used definition comes from the Bruntland Commission and it states:

Sustainable Development means meeting the needs of the present without compromising the ability of future generations to meet their own needs.

To achieve this goal will require huge changes to the core business processes of most companies. Implementing these changes will be dependent on significant participation from consumers. Many goods will cost more, but others will probably cost less. Consumers will need to be persuaded that the changes are necessary. However, we are talking about ensuring the survival of their children, which is a powerful instinctive desire.

The process of building new, deep relationships with consumers based on the demands of sustainable development I describe as Sustainability Product Marketing or SPM. The essential idea is as follows:

1. The ecosystems that keep Earth safe for humans are quite robust; or else they would have failed by now.
2. They are in imminent danger of failing because various industrial systems have developed outputs that are so vast as to threaten nature's capacity to absorb toxins.
3. The vast bulk of industrial systems are now controlled by the behaviour of free market economies that are causing such substantial impacts from industry that the biosphere itself is threatened.
4. The demand for these resource heavy products is so widespread and popular as to defy political action, e.g. car use.
5. Because they are so large, it is generally the case that substantial financial sums are being directed toward these unsustainable activities.

6 Given for every form of expenditure there is an alternative, and the larger the market, the greater the incentive to substitute; it follows that alternatives to unsustainable industries should promote themselves as such.

7 In practical effect, this means adverts should be created which absolutely terrify the general public. There are good reasons to be terrified, and the public should be told of the risks we face.

8 Markets and advertising have been allowed to develop substantial and sophisticated mechanisms for allowing the public to select the best 'value' product in terms of price and quality.

However, with the notable exception of cigarettes and asbestos, there has been little effort expended to limit or discourage damaging products.

9 It will probably prove politically unacceptable for Governments to deliver the bad news of the sustainability crisis to the public. However, it should not cost Government to allow, and even encourage, impactful advertising and marketing of products and services that increase the chances of human survival. Indeed, it is generally agreed by political thinkers of both the right, and left, that direct state intervention in the economy is undesirable. But to permit the full and proper exploitation of the market and marketing mechanisms for both the individual and common good is both acceptable and desirable.

10 Many advertisers would absolutely love to get their hands on such incredibly powerful, meaningful product differentiation as is presented by sustainability issues. As Unique Selling Points go, the slogan: 'Danger, don't kill your children!' has some impact, and it should cause consumers to switch brands.

Reactions of business people to this general theory

I have some limited experience of communicating to business people this marketing approach. The two main reactions encountered can be summarised as rejection and a form of disempowerment. Rejection because there is a fairly deeply held opinion amongst many business people that matters to do with the environment are generally 'irritating distractions' from the main business of making money, and it is too difficult a step to contemplate how environmental issues might actually result in increased revenue. Disempowerment because even if a business person I meet agrees with the underlying philosophy, they usually say it would be an issue for the Chief Executive to address, and therefore beyond the scope of any individual manager.

Why does business often ignore issues relating to ecology?

This is perhaps a result of a tendency observed by the genius alternative economist Fritz Schumacher as dating back to the first ever introduction of Economics 180 years ago. At the time the Provost of Oriel College Oxford commented on his unhappiness with the admittance to the curriculum of Economics: a science 'so prone to usurp the rest'. Has the false science of money perhaps risen like Frankenstein's monster to rule our world against our interests?

Business newspapers and other media have grown entirely shameless in extolling the twin virtues of 'aggressiveness' and 'focus' in the strategy and implementation of successful company managers. Whilst neither of these behaviours are necessarily incompatible with the approach to business set out above, in their current manifestations, they reject the complexity and innovative perspective required to harvest the substantial commercial opportunities resulting from the sustainability crisis.

One can draw encouragement from the lack of ideological baggage carried by most modern corporate leaders, beyond the myopic focus on maximising returns to shareholders. This implies that if any one company can show that the strategic methodology and approach described above works, then all will follow instantly.

There is another response to this kind of thinking which is probably worth recording here. This relates to strongly felt, deep-seated and sometimes instantaneous aggressive rejection of any kind of business methodology that embraces or otherwise acknowledges environmental issues.

This response most commonly emanates from people who, in my opinion, have a good understanding or realisation at the unconscious level, of the irresponsible damage wrought by their own and most other companies. Such people breathe the 'values-free' oxygen of business indifference to responsibility issues and thereby prevent their conscience from 'suffocating' them. Of course the metaphor is wrong because the awakening of a social conscience would 'cure' them, but the luxurious real or potential lifestyle of a successful or aspiring corporate executive is exceedingly difficult to give up, or even seem to jeopardise through 'out of the box' thinking. All this despite the fact that the board of directors often crave that kind of innovation and request it from their operating companies, rewarding it wherever it can be found.

Corporate beauty is in the eye of the beholder

It is the central thesis of this book that, even if they employ the greatest designers and communications experts in the world, hazardous companies will not look or be beautiful. More significantly, a truly beautiful corporation will attack them, and win. Beauty is the essence of sustainable competitive advantage. Over the long

term, it is pro life. For this process to work there will need to be a major increase in political awareness through advertising.

As consumers in the marketplace are woken up to issues of human survival and sustainable development by the good companies, the bad companies will suffer. There are many examples of good companies.

In 1997 I had the good fortune to be able to persuade Intel Corporation to invest in a small campaign to migrate people away from their cars and towards videoconferencing. The objective of the exercise was to prove that it was in the direct commercial interest of Intel Corporation to address the critical issue of climate change. Cars and aeroplanes cause around one third of CO2 emissions and therefore make a significant contribution to global warming. Intel make videophones and their chips are looking for ever more demanding applications. Videoconferencing is particularly demanding so there was in this case, as there will be in many many others, a happy coincidence of interest.

I have heard numerous sincere environmentalists complain about the terrible danger posed by CO2 emissions. In the same breath they exclaim that car and oil companies are too powerful to control. The only way to effectively combat a vast industrial grouping like cars and oil is to find a substitute industry. Computers and communications companies can substitute for 50% or more of physical travel while improving quality of life. So it is both necessary and logical for computer and communications companies to use their vast marketing budgets to raise public awareness of both the problem of climate change, and the solution video communication offers. The computer and communications industries now have greater market capitalisation than cars or oil, so they have the power to do it.

The vital changes in behaviour required to avoid catastrophe will result in hundreds of billions of dollars of revenue migrating from the transport industries to the digital technology companies. As and when the largest marketing budgets come to bear we might, for example, see minute long television adverts perhaps directed by Steven Spielberg, which will absolutely terrify us regarding the risk of global warming. The result will be a fall in car sales, and a rise in expenditure on video communications. Science already informs us there is no choice. It is up to the marketing departments of digital communications companies to seize the opportunity. After all, we want our children to enjoy half decent lives.

The retailer B&Q in the UK has declared it will be 'Carbon Neutral' in the near future, either through the establishment of CO2 absorbing tree assets or other means. The Co-operative Bank, UK, a pacesetter in the new discipline of ethical marketing, has already met and exceeded its CO2 reduction targets under the terms of the Kyoto Protocol.

The Royal Dutch/Shell Group of Companies, has both acknowledged climate change in numerous public communications, and made a \$500 million commitment to building a new 'fifth' division of the Group, called Shell International Renewables. Although this investment is small in comparison to overall capital investment by the Shell Group, combined with the acknowledgement of the problem, it is a major positive step.

It was John Browne, BP's Chief Executive, who was the first leader of a major oil company to acknowledge climate change as a serious issue. This could prove a pivotal advantage for BP in marketing over the years ahead.

In the words of Ron Sommer, Chairman of Deutsche Telekom: "As we see it, our drive for success is not in conflict with our social responsibility, something we take extremely seriously." The company backs this up with innovative statements that translate in to classic examples of; 'Win-win' economics: "Modern telecommunications applications enable businesses to be run without the need for road or air travel. Greater prosperity without greater harm to the environment – this is only possible with consistent use of information and communications technology. Information is the only resource we have which can be expanded limitlessly and conveyed without harming the environment."

The process of 'dematerialising' consumerism, moving discretionary purchases from toys to interactive games, from fashion to film, will be essential for sustainable development. For business strategists, think of this shift as relating to 'sunrise' and 'sunset' industries. How should your strategies change?

CONCLUSION

Corporate evolution

Anyone in their thirties or older can easily remember back when the communist leaders of the former Soviet Union, and their counterparts in the Chinese Government, would wear a semi military tunic instead of the modern two piece business suit. That arrangement has now changed. The lounge suit is the universal standard attire for all political leaders worldwide, with the distinguished exception of Nelson Mandella.

The flags of many nations have a common look and feel. It is these traditions in dress and presentation which create the basis for consensus and conservatism. And these tendencies are all mutually reinforcing. In a different context, this process of concretisation through process has been brilliantly described by Jonathan Miller as follows:

'Language bears the same relation to thought as legislation does to Parliament. It is a competence constantly bodying itself fourth in a set of concrete performances.'

This process of acceleration in the speed of industrial development, combined with homogenisation and globalisation, is reducing the health of the world. Our political evolution has entered a period systemic contraction.

Francis Fukuyama in his book *The End of History and the Last Man*, has summoned up a fearful vision of our future:

'The end of history will be a very sad time. The struggle for recognition, the willingness to risk one's life for a purely abstract goal, the world-wide ideological struggle that called forth daring, courage, imagination and idealism, will be replaced by economic calculation, the endless solving of technological problems, environmental concerns, and the satisfaction of sophisticated consumer demands.'

At this point in history, I cannot believe the industrialised world is completely evil or wrong. Millions of people have worked very hard to build the incredible structures which support our lavish lifestyles. In many, many ways the achievements are magnificent. In terms of industrial development, our century is sublime. More than two billion people enjoy electricity, telecommunications, safety, food, warmth, radio, television and unprecedented mobility.

Two looming catastrophes threaten this phenomenal achievement. Firstly, the sustainability crisis looms large. Climate change is top of the agenda today, something

else will be tomorrow, if we survive. The machine of industrial consumption is too large for our finite spaceship earth to support. Secondly, exploitative trade permits human catastrophes to occur. Vast commercial power is exercised without responsibility. Traditional lifestyles have been disrupted to make way for the benefits of industrial production for the rich. But for more than two billion people, these benefits have not arrived. They may never arrive. As the power of global corporations increases, there is real danger that the analysis of Karl Marx will come true.

In *The Communist Manifesto* he described eloquently the combination of capitalism and industrialisation:

“It has agglomerated population, centralised means of production, and has concentrated property in a few hands. The necessary consequence of this was political centralisation. Independent, or but loosely connected, provinces with separate interests, laws, governments and systems of taxation, became lumped together into one nation, with one government, one code of laws, one national class-interest, one frontier and one customs-tariff.

. . . during its rule of scarce one hundred years, (it) has created more massive and more colossal productive forces than all preceding generations together.

. . . a society that has conjured up such gigantic means of production and of exchange, is like the sorcerer, who is no longer able to control the powers of the nether world whom he has called up by his spells.”

Although the above was written in 1872, it could have been written yesterday. We have been here before. I am not a Marxist. It was Sir Karl Popper who demonstrated in his book; ‘*The Open Society and its Enemies*’, the obvious truth that you cannot predict the future, and therefore the Marxist dialectic is utterly discredited. However, Marx analysis of unfettered capitalism should serve as a warning.

If Marx vision seems far fetched, look at the global technology industry. The communications revolution belongs to the few winners, not the many losers. Ask yourself, what is your company actually worth? Microsoft, at time of writing, is valued at more than \$500,000,000,000, about half the value of London. The wealth of the three richest men in the world is greater than that of the 48 poorest countries.

It is time for our great corporations to evolve. As Bill Gates himself has observed, corporations now have a digital nervous system. They conduct, in his words, ‘*Business at the speed of thought*’. But it is not the brain that rules the world, but the heart. Corporations must develop compassion and empathy. Perhaps they must even learn to love.

Tim Cronin, President of Saatchi & Saatchi in New York has said, 'Companies realise they're going to have to outmarket one another by reaching into a relationship [by employing emotion in advertising].'

Market mechanisms can allow this organisational 'humanity' to express itself, and thrive by the exercise. Through Sustainability Product Marketing and Cause Related Marketing, the cynical companies will be ostracised. Many of us work too hard, too many hours. And what do we have to show for it? Drive through, or do you dare walk through, the poorest part of your city or town?

Rising stress levels are partially caused by rising prosperity. As well as working that hard, we have to try and spend all that money, wisely. Edward Wilson of Harvard University calls this confusion of endless choice, 'discontent with super abundance'. In the words of Richard Tomkins, writing in the Financial Times; 'It is not more time we need: it is fewer desires. We need to switch off the cellphone and leave the children to play by themselves. We need to buy less, read less and travel less. We need to set boundaries for ourselves, or be doomed to mounting despair.'

Safety and happiness is the end game of capitalism. Reducing demand for industrialised goods through considerations of sustainability or philanthropy is a commercial opportunity. And to be honest, there is something slightly worrying about the reduction of cultural diversity through global homogenisation. Human eclecticism can and will blossom to subvert the hegemony of regressive global brands. Corporations are now co-ordinating the world's consumption. Where material negligence or crass exploitation can be discerned, they will have to reckon with assault from their more beautiful competitors. It is the beautiful corporations which will fight this good fight. And win!

Paul Dickinson, Spring 2000