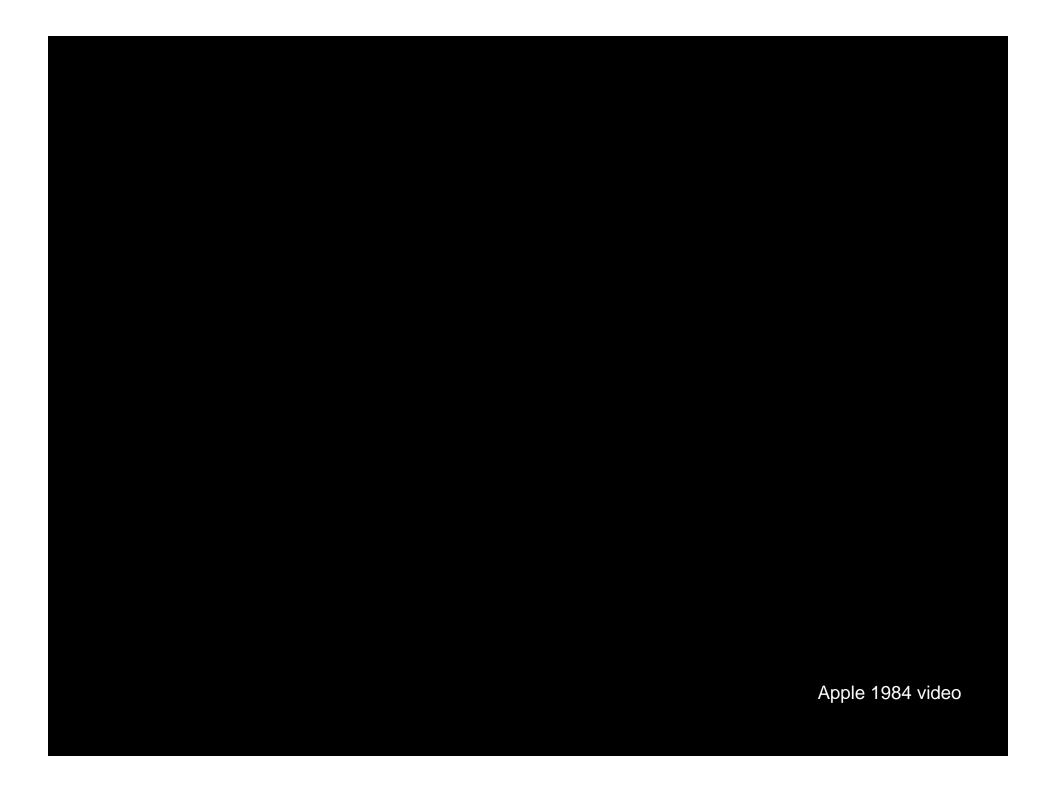
Y2K84



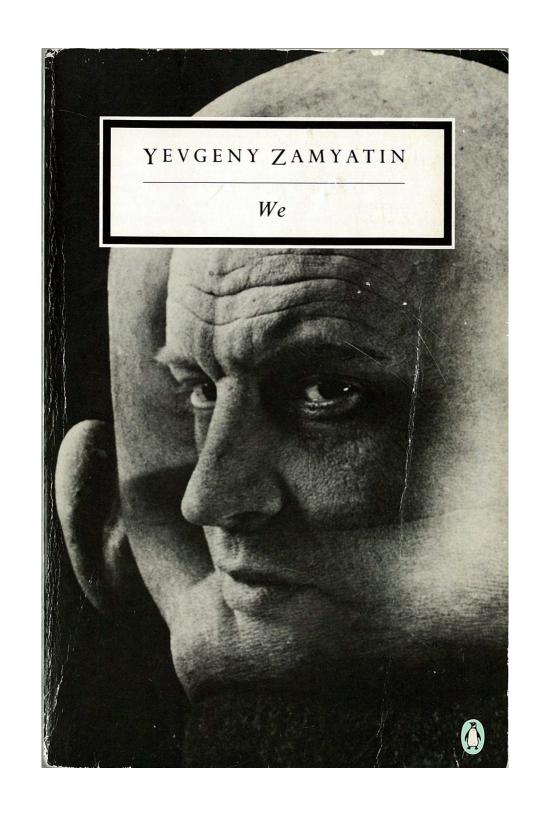


Tim Love Vice Chairman Omnicom Group 28 February 2008







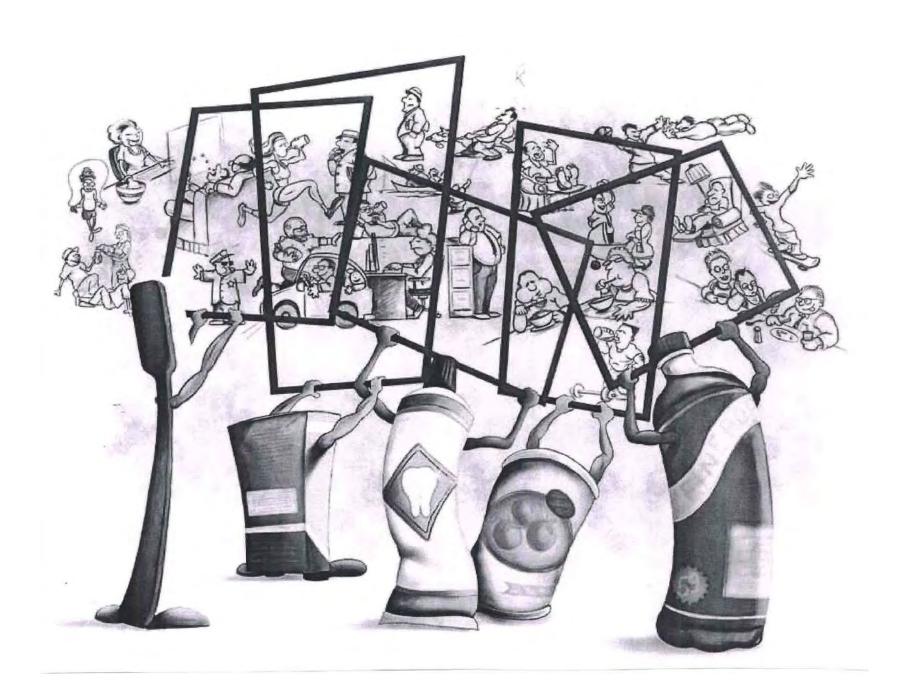




Adam Smith

Wealth of Nations





An Economy needs 4 types of capital

- *Human capital*_— labor, intelligence, culture and organization.
- Financial capital cash, investment and monetary instruments.
- Manufactured capital infrastructure, machines, tools and factories.
- Natural capital resources, living systems and ecosystem services.

... a masterpiece. —Tom Peters

Riding

the Waves of Culture

Understanding Diversity in Global Business

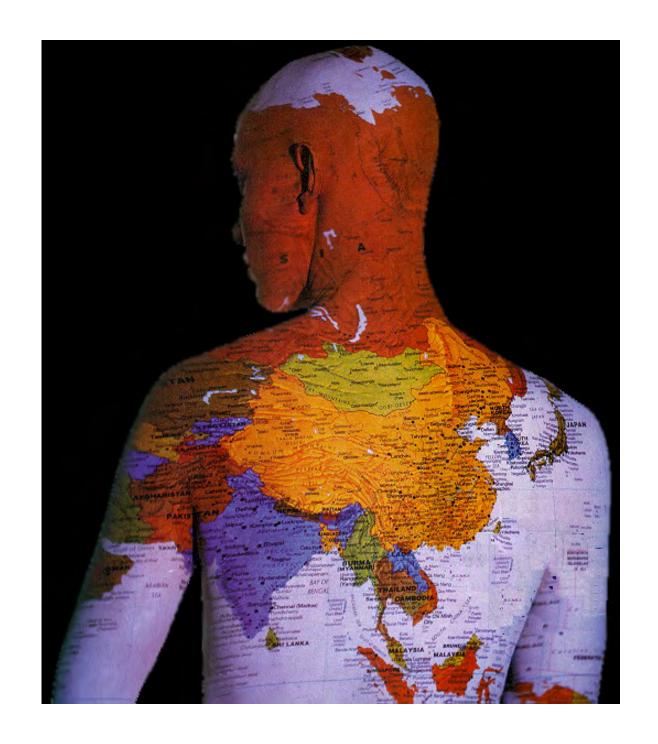
Second Edition

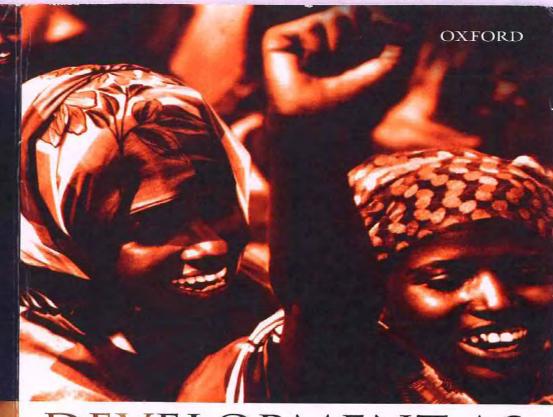
Fons Trompenaars Charles Hampden-Turner

Changing View of Nature

Era	Kind of Nature	Philosophies	Focus of Control
Primitive	Organic	Natural: natural world	External control
Renaissance	Mechanism	Mechanical: technical world	Internal control
Modern	Cybernetic	Scientific: social world	Reconciliation of internal/ external

Source: Trompenaars & Hampden-Turner





DEVELOPMENT AS FREEDOM

WINNER OF THE NOBEL PRIZE FOR ECONOMICS

Amartya Sen

THE END OF POVERTY

FOR OUR TIME

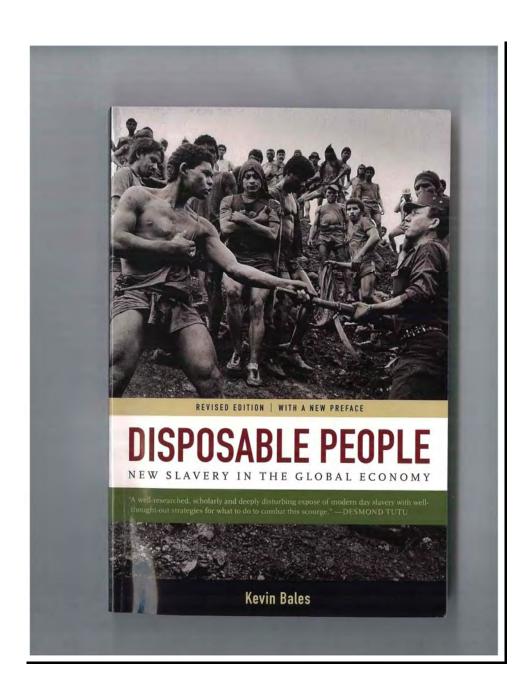
JEFFREY D. SACHS

FOREWORD BY BOND

Definition: Universal Compatibility

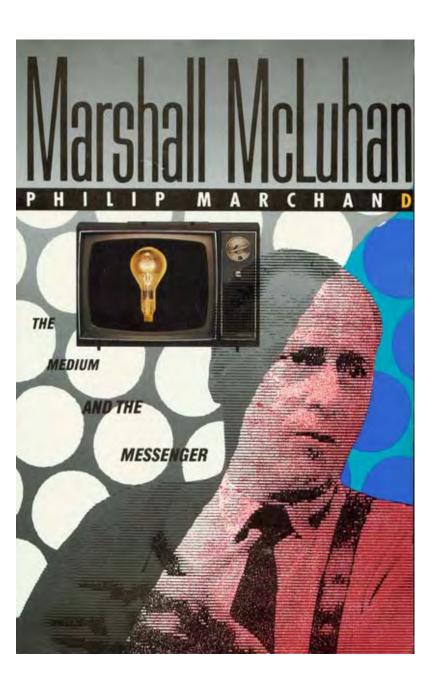
"compatibility between disparate services in a communications or information processing network used by a plurality of participants."











Marshall McLuhan: The Effect of Communications Technology

"The Medium is the Message: An Inventory of Effects" 1967

"War and Peace in The Global Village" 1968

"The Mechanical Bride: Folklore of Industrial Man" 1951

"The Gutenberg Galaxy: The Making of Typographic Man" 1962

"Understanding Media: The Extensions of Man" 1964

Marshall McLuhan:

"Understand media/understand man"

Predicted Massive Social & Economic Change



We don't know who discovered water, but we're pretty sure it wasn't the fish.

The Media Is Now Truly Globally Dispersed Supercharging Perception







VIEWPOINT

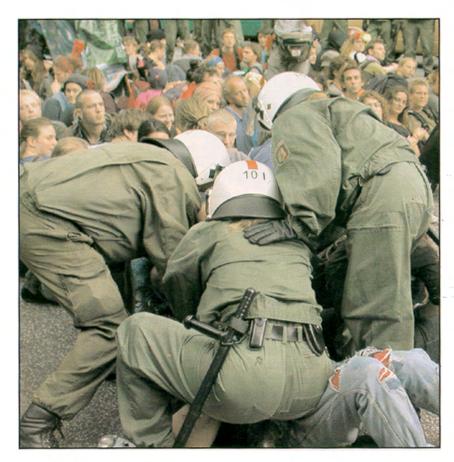


Coping with anti-globalization

BY JAGDISH BHAGWATI

lobalization-a focal point of hostile passions and sometimes violent protests—has become a phenomenon doomed to unending controversy. Advocates cite its virtues and its inevitability. Opponents proclaim its supposed vices and vincibility. Central to many of the protests against it is a trilogy of discontents about the idea of capitalism, the process of globalization and the behavior of corporations. And all three of these discontents have become interlinked in the minds of many protesters. Globalization's enemies see it as the worldwide extension of capitalism, with multinational corporations as its far-ranging B-52s.

As the 20th Century ended, capitalism seemed to have vanquished its rivals: fascism, communism and socialism. The disappearance of alternative models of development provoked anguished reactions from the old anti-capitalists of the postwar era, who ranged from socialists to revolutionaries and remained captive to a nostalgia for their vanished



Anti-globalization protests are increasingly violent.

and famines in remote areas of the world, they have no way to cope with it in terms of rational, appropriate action. In 1999, for example, kids protesting the World Trade Organization's Seattle meeting dressed as turtles to denounce the organization—unaware that the WTO's judicial body had recently ruled in the turtles' favor. True, there are several serious NGOs with real knowledge and legitimate policy critiques, but they are not the ones agitating in the streets.

DEMONIZING CAPITALISM

Anti-capitalism has turned into anti-globalization among left-wing students for reasons that are easy to see but difficult to accept. The notion that globalization is merely an external manifestation of the internal struggles that doom capitalism—and that globalization is also, in essence, the capitalist exploitation of weak nations—provides an explanation linking the two phenomena that resonates among the idealist young on the left. Capitalism, they argue, seeks globalization to benefit itself and, in the process, harms oth-

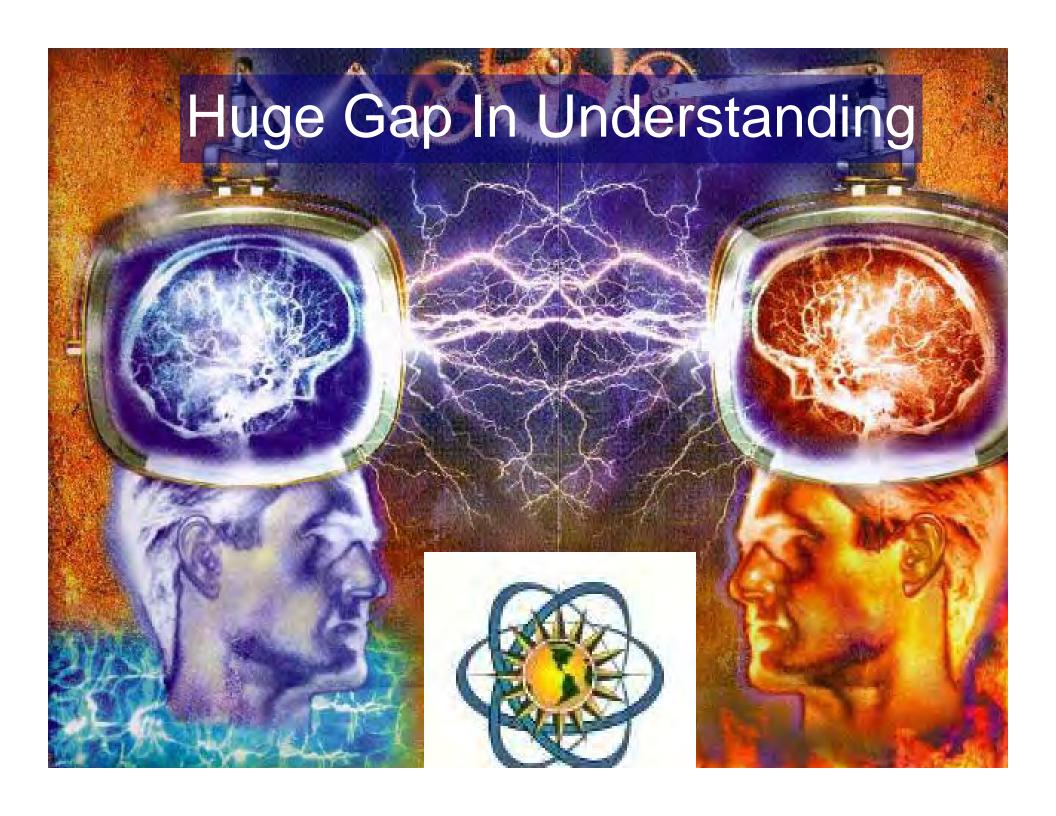
A World Where:

BORDERS

+

NATIONS

are less relevant



1. Influences of Context

- 2. Dynamics of Culture
- 3. Network Effects

New media technologies are creating:

A global economy of inclusion

These technologies have changed the context brands or any other organizing concept functions.



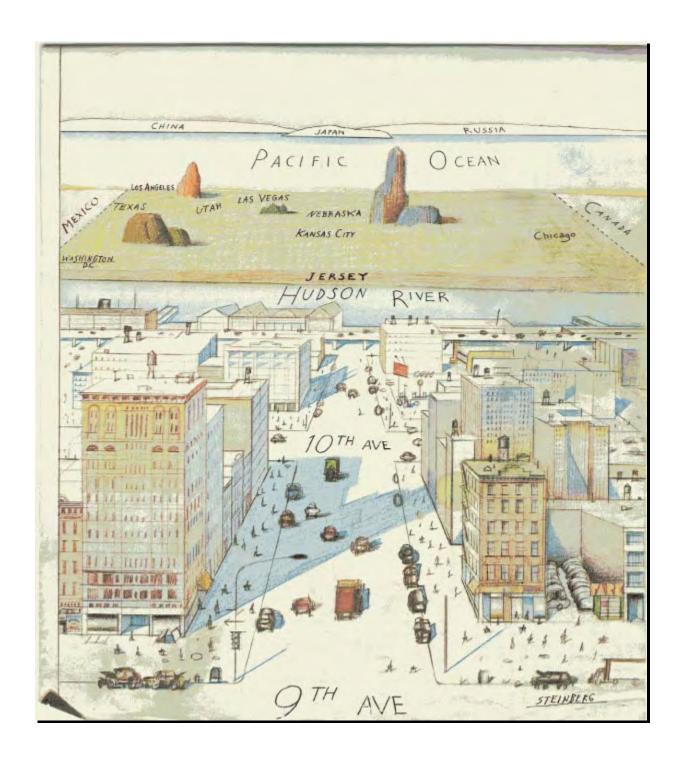
"SECOND-HAND CULTURE"





Unobjective Frame Of Reference







UTOPIA 1516









There is nothing more dangerous than to build a society, with a large segment of people in that society, who feel that they have no stake in it; who feel that they have nothing to lose.

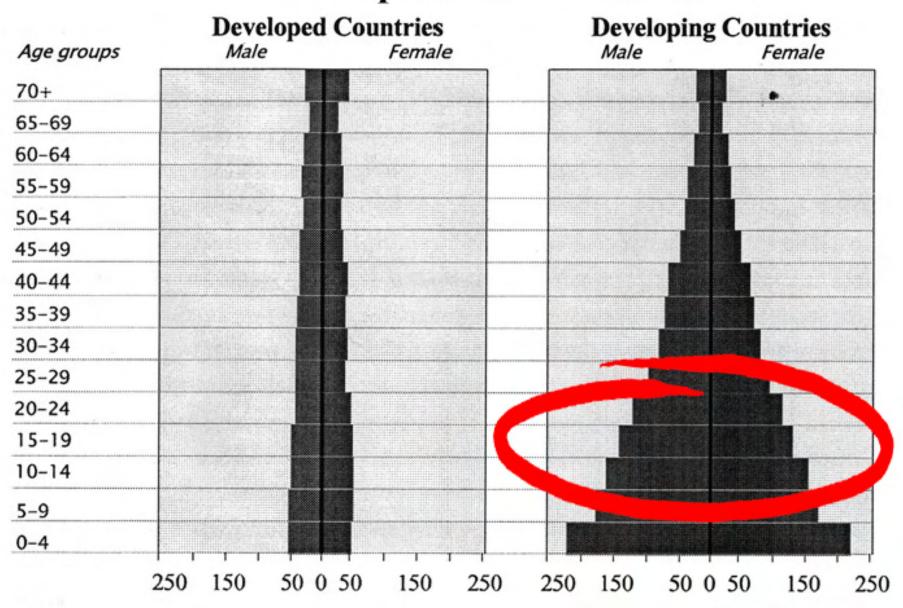
People who have a stake in their society, protect that society, but when they don't have it, they unconsciously want to destroy it."

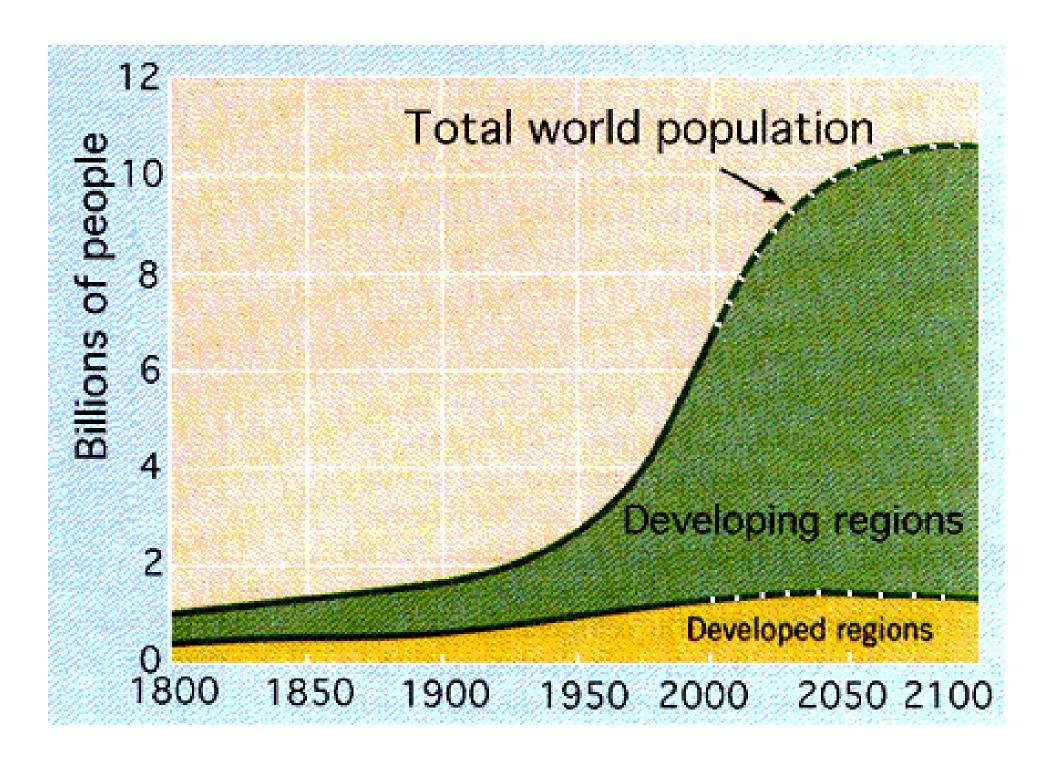
—Martin Luther King



The developing markets are predominantly a "youth culture" where Word-of-Mouth, the most persuasive media ever, is being fueled by new media technologies.

Population in Millions





World Economic Pyramid

Annual Per Capita	Tiers	Population in Millions
More than \$20,000	1	75-100
\$1,500-\$20,000	2 & 3	1,500,1750
Less than \$1,500	4	4,000

^{*}Based on purchasing power parity in US\$

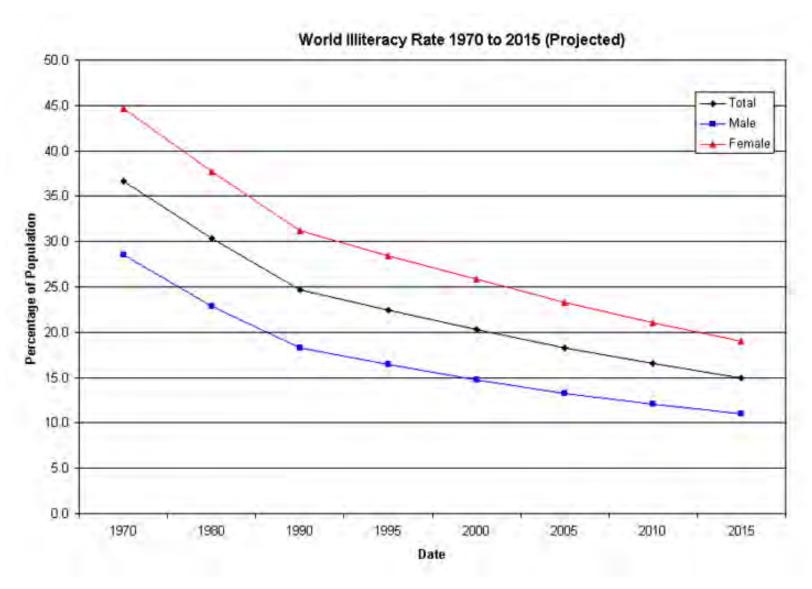
Source: U.N.World Development Reports

100 People in the World

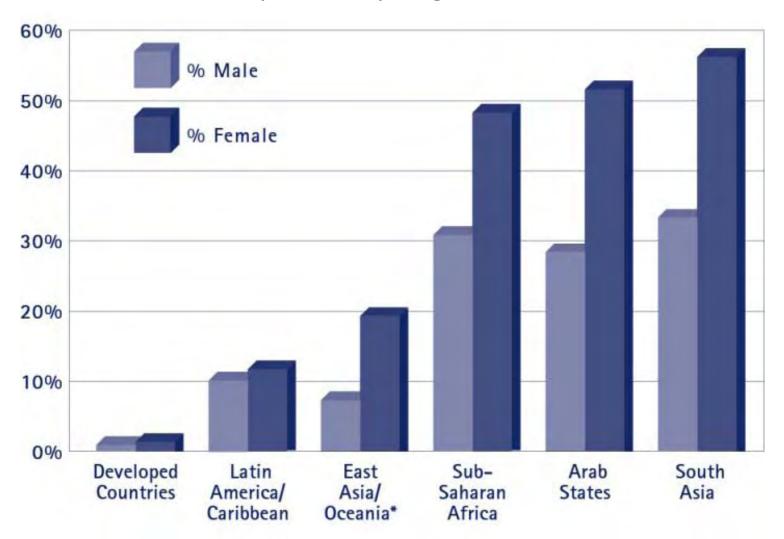
If the earth's population were a community of one hundred people:

- from Asia 60 from China 21 from India 17 from Africa 14 12 from Europe from Latin American 8 from the U.S./Canada 22 who speak a Chinese dialect who speak English who speak Hindi non-Christians 67 33 Christians Muslims 20 **Buddhists** 6 14% unable to read 67% are women.

Projected World Illiteracy Rates to 2015



World Illiteracy Rates by Region and Gender (2000)



Source: UNESCO Institute for Statistics

*Not including Japan, Australia and New Zealand

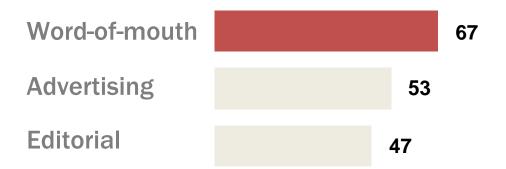
Consequences of Illiteracy

'Educate a boy and you educate a man. Educate a girl and you educate a generation.'

- Literate women avg 2 children; illiterate women have 6–8
- 1% rise in women's literacy, 3X more likely to reduce deaths in children, than 1% rise in #doctors. (UN study 46 countries)
- For women, 4 to 6 years education led to 20% drop in infant deaths (Based on the same UN study)
- Stronger/safer economy and healthier children

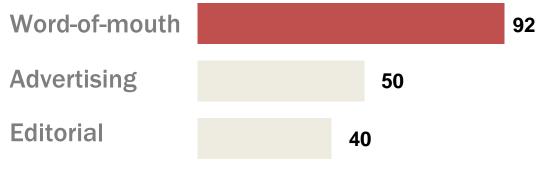
One of This Era's Key Marketing Trends

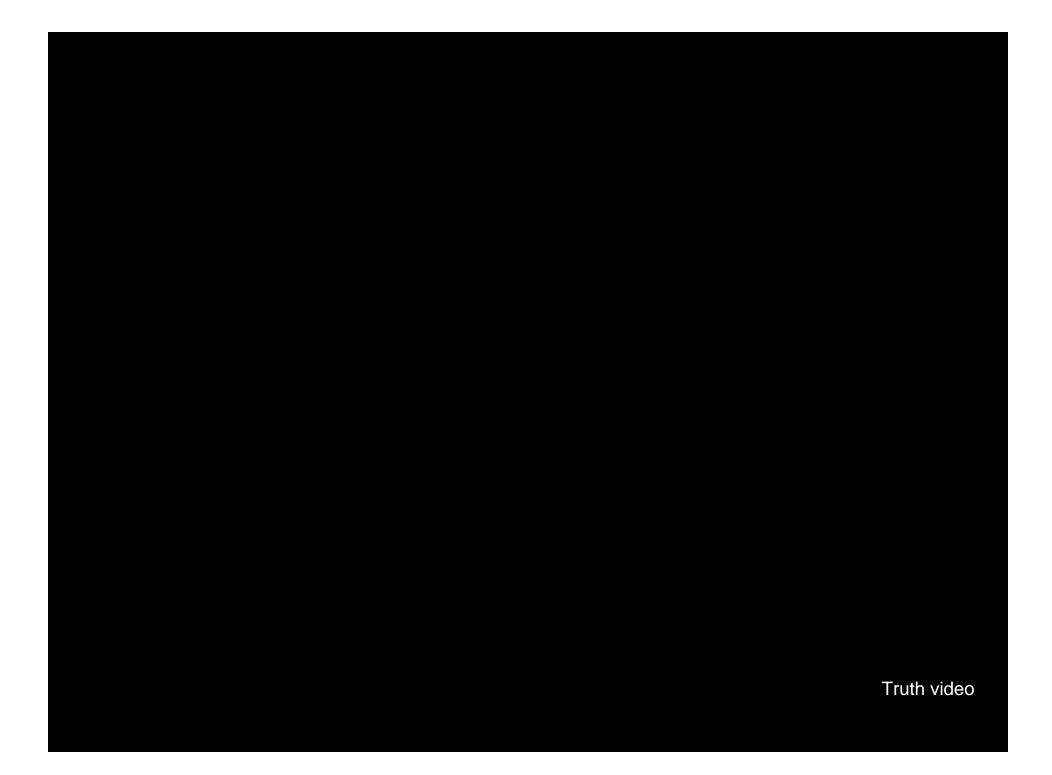
1977: Word-of-mouth valued somewhat more



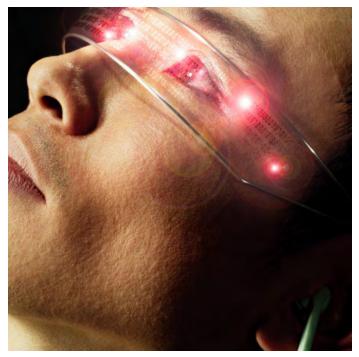


2003: Word-of-mouth far more

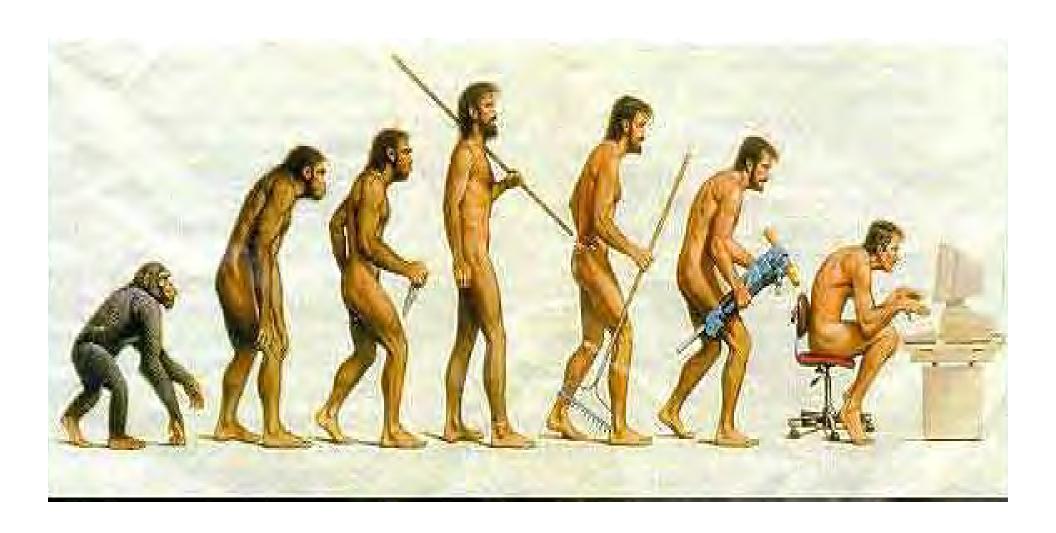










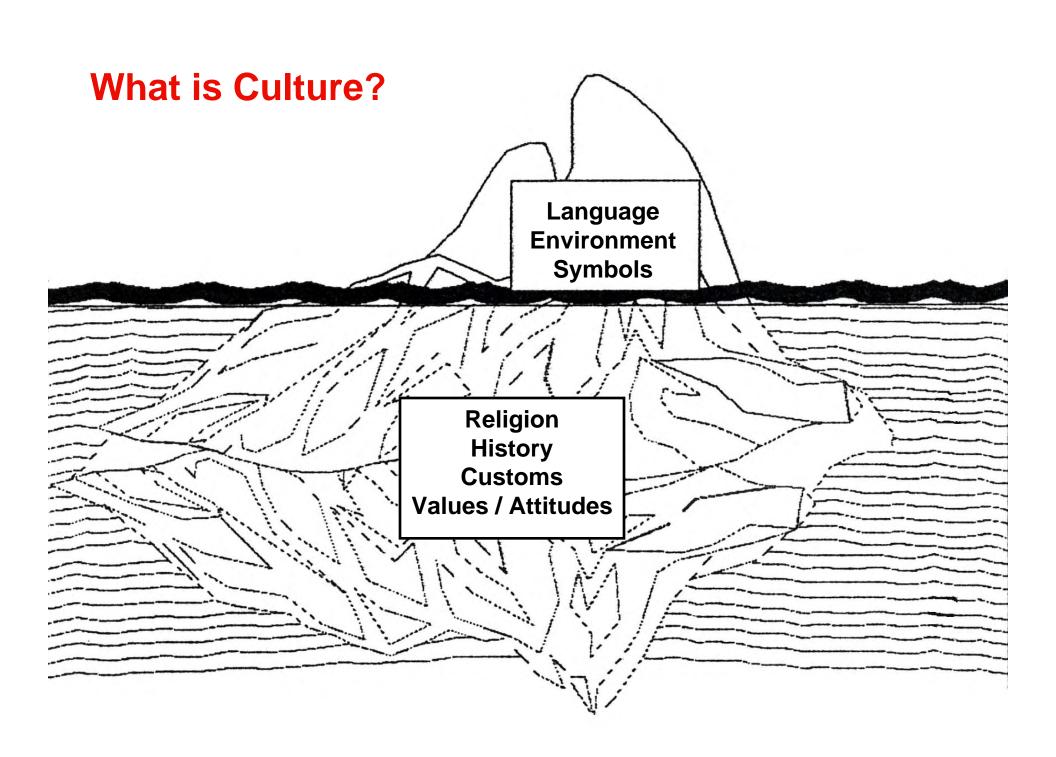




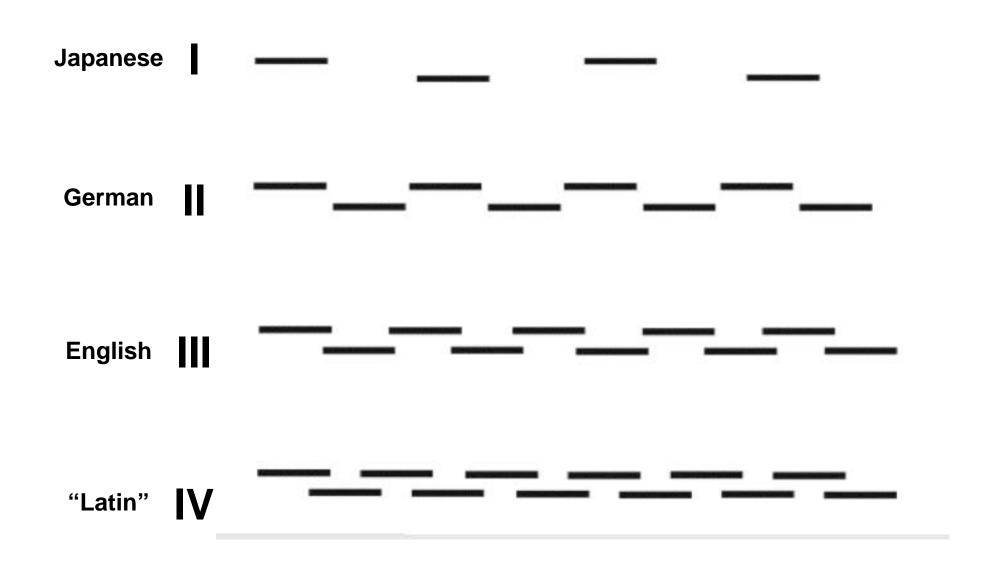
1. Influence of Context

2. Dynamics of Culture

3. Network Effects

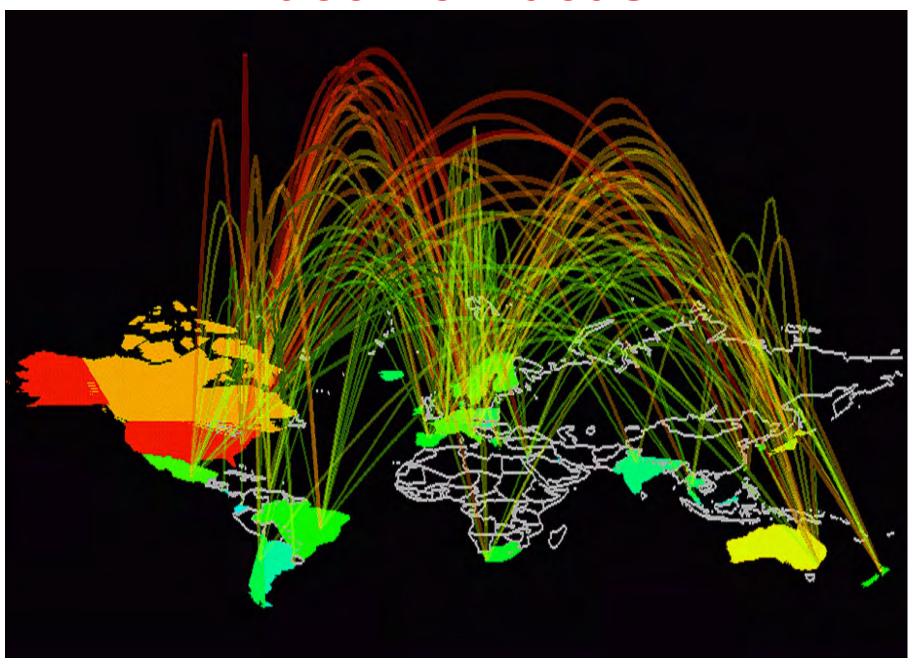


Language: How people communicate





Race For Ideas



LANGUAGES

		POPULATION (MM)	GEO WEB (MM)
1	Mandarin	836	1.1-billion
2	Hindi	333	250
3	Spanish	332	300
4	English	322	330
5	Bengali	189	185
6	Arabic	186	n/a
7	Russian	170	n/a
8	Portuguese	170	n/a
9	Japanese	125	n/a
10	German	98	n/a
11	French	72	n/a

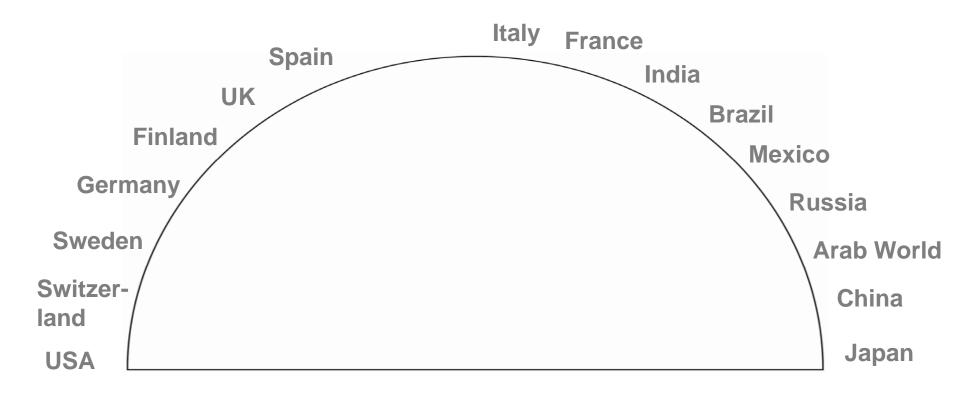
THE ELEPHANT AND THE DRAGON



The Rise of India and China and What It Means for All of Us

ROBYN MEREDITH

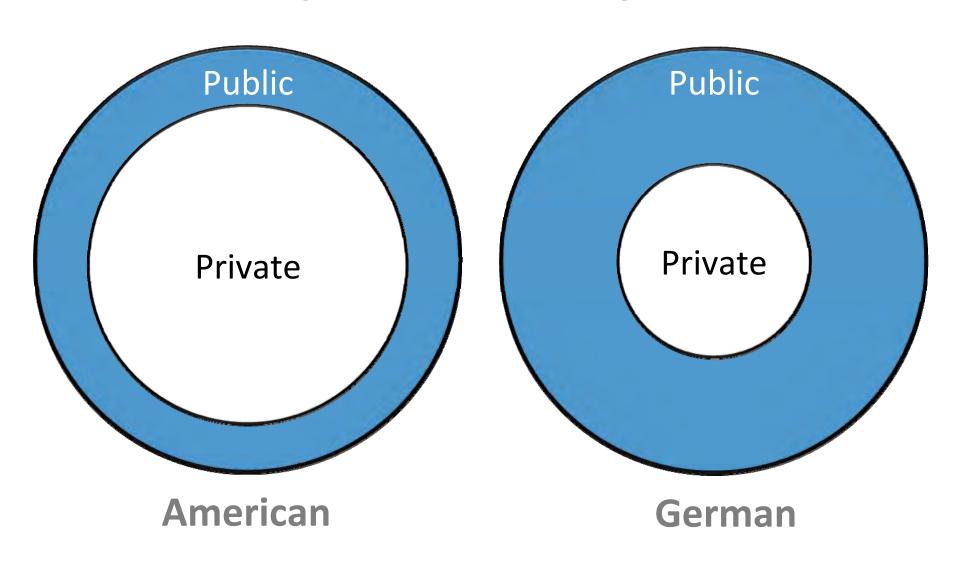
CULTURE



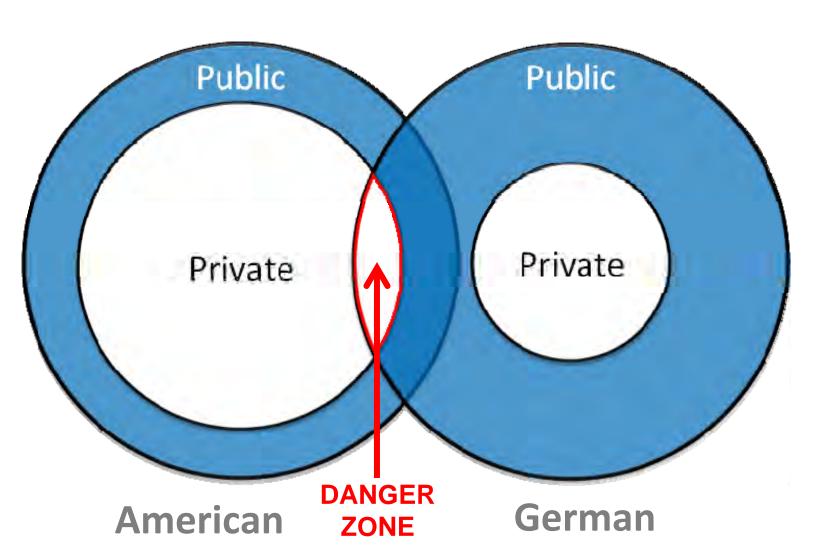
Low Context

High Context

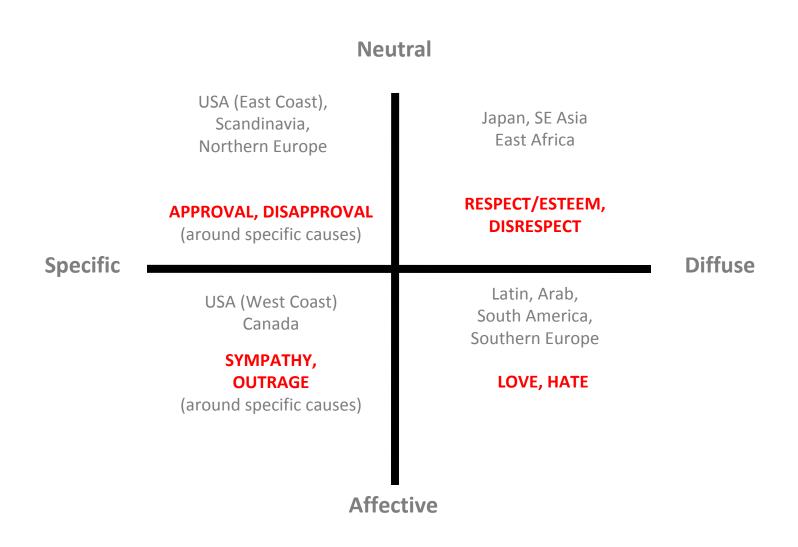
Lewin's Psychological "Life Space/Personality" Levels



Lewin's Psychological Circles "Life Space/Personality" Levels



Regional Cultural Differences



Source: Talcot Parsons, The Social Systems, The Free Press, New York 1951

- 1. Influence of Context
- 2. Dynamics of Culture

3. Network Effects

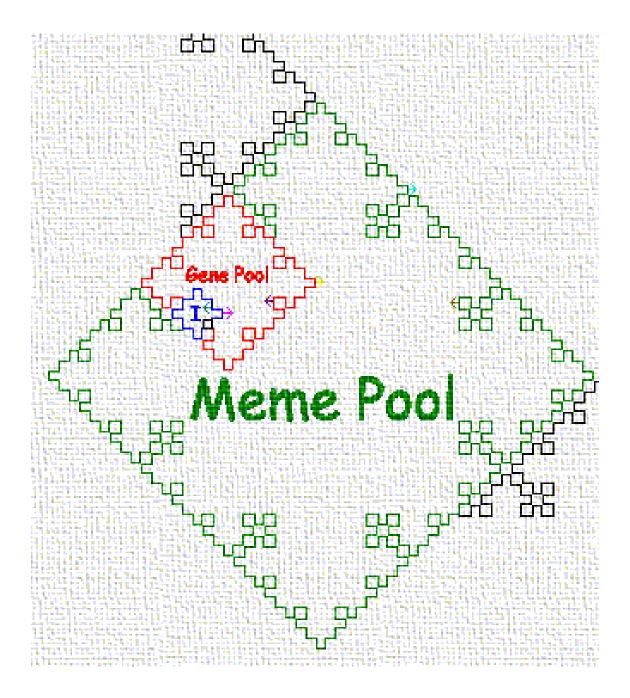


Bioscience of Ideas

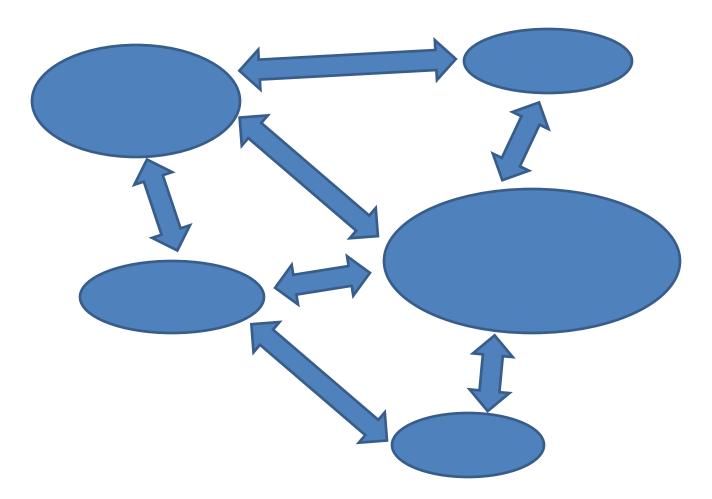
"Ideas, the building blocks of culture ...
evolve and propagate like genes."

R. Dawkins
"The Selfish Gene" 1976

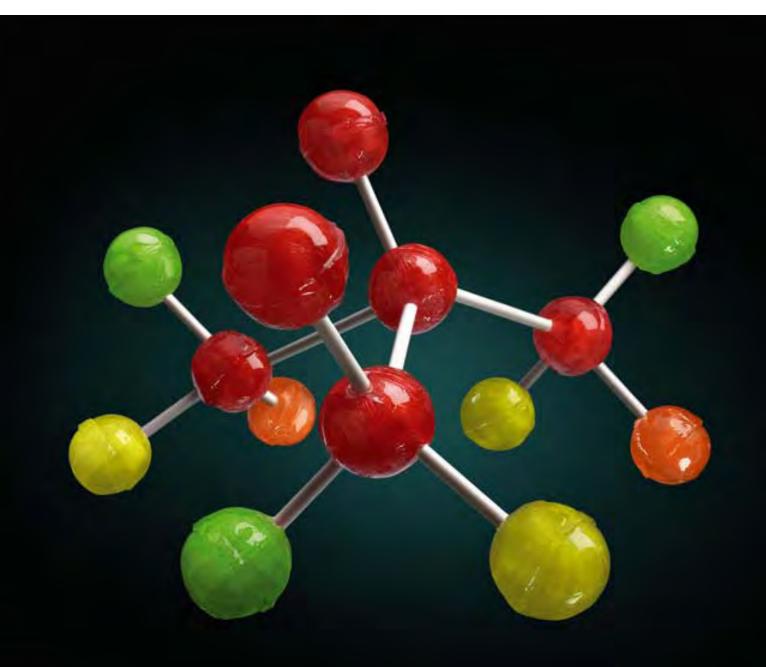




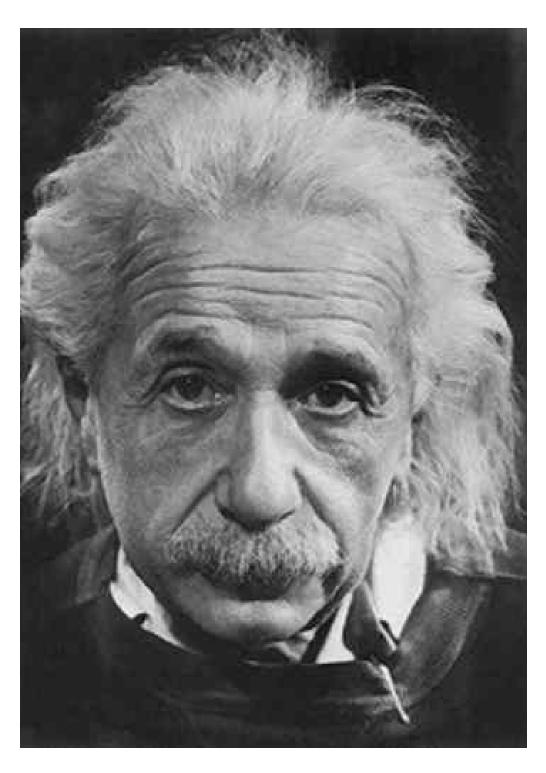
Memes Building Blocks of Ideas/Culture



Propagate by leaping from brain to brain

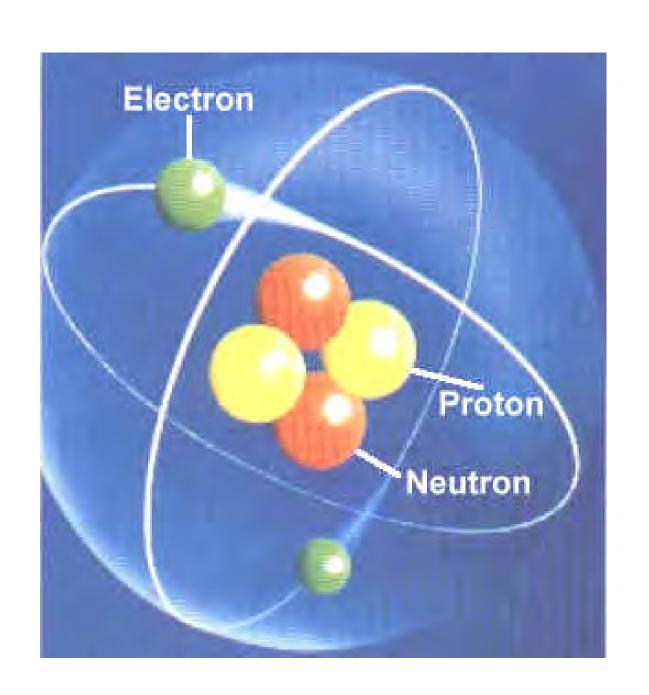






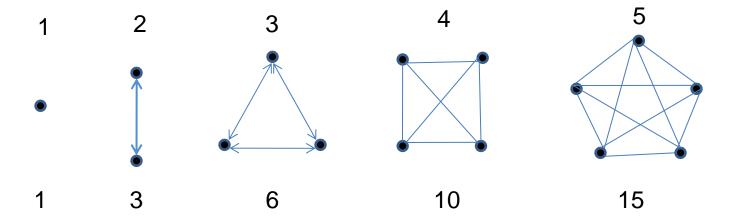
Quantum Theory

"The most important choice one can make is to choose whether the universe is friendly or not."

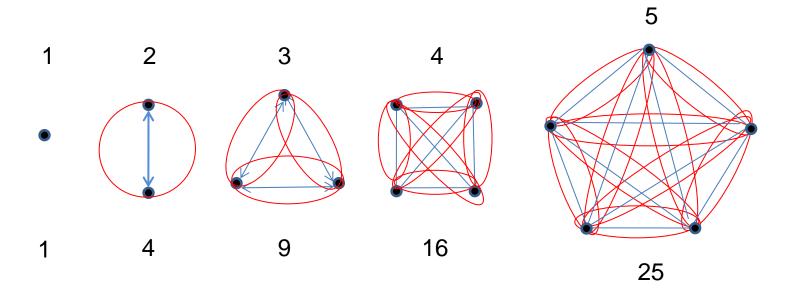




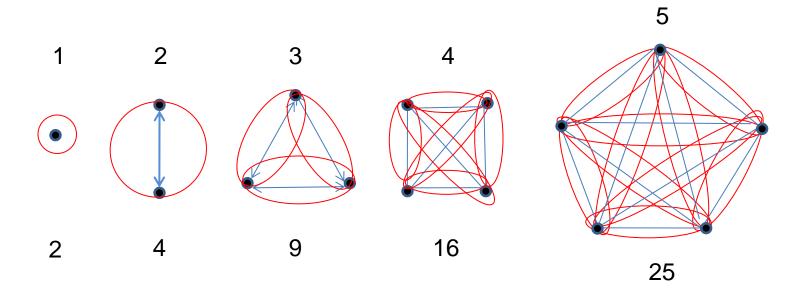
NETWORK EFFECTS METCALF'S LAW



NETWORK EFFECTS



NETWORK EFFECTS



Adopt a new frame of reference



What We've Been Doing

Think Global – Act Local Act Global – Think Local

Helped get us to see the importance of looking outside our own borders

However, it's a **geographic** concept, does not provide an ideal perspective for brand-building globally today



Why Think Like The Sun

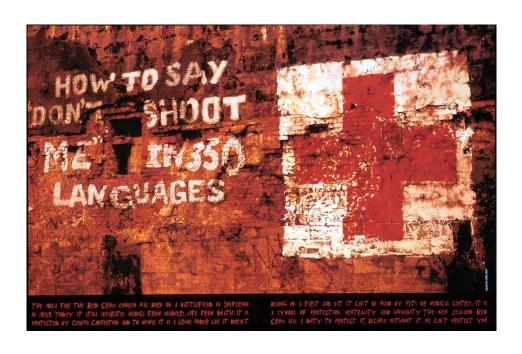
Because...

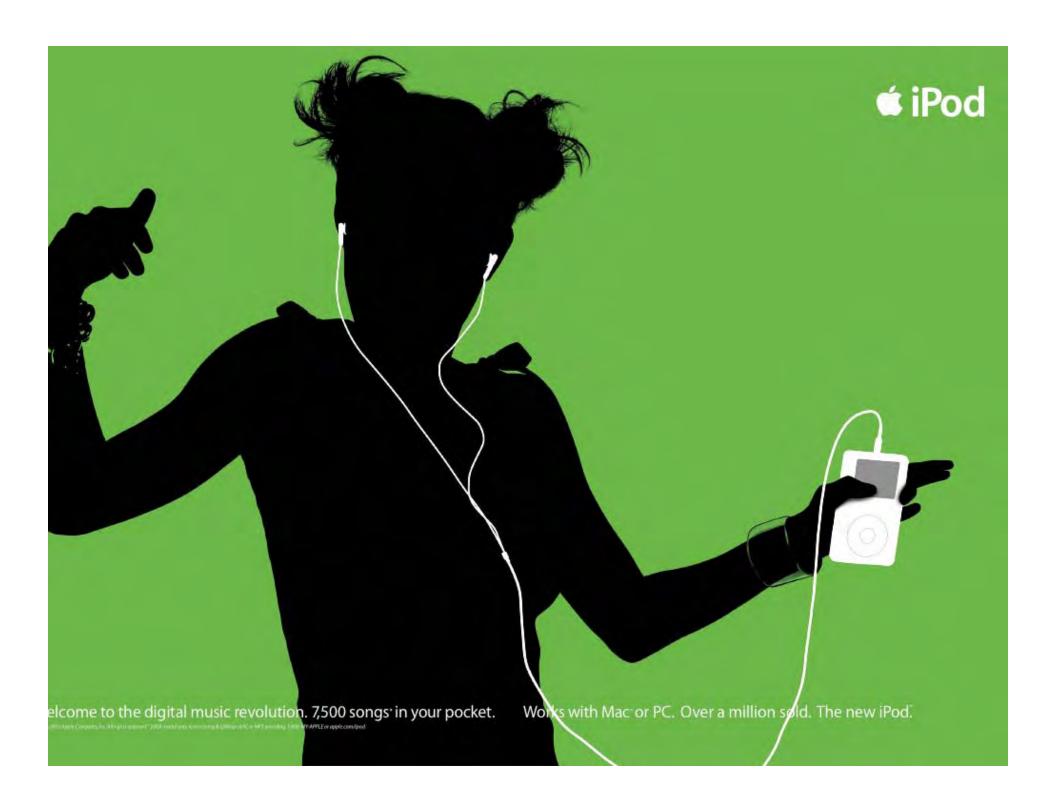
of the effect media is having on brands globally

It requires us to focus on brands, markets and to act as global citizens

Multiculturalism: Where global brand-building is headed

Symbols, sounds and visuals will have more value in communicating ideas









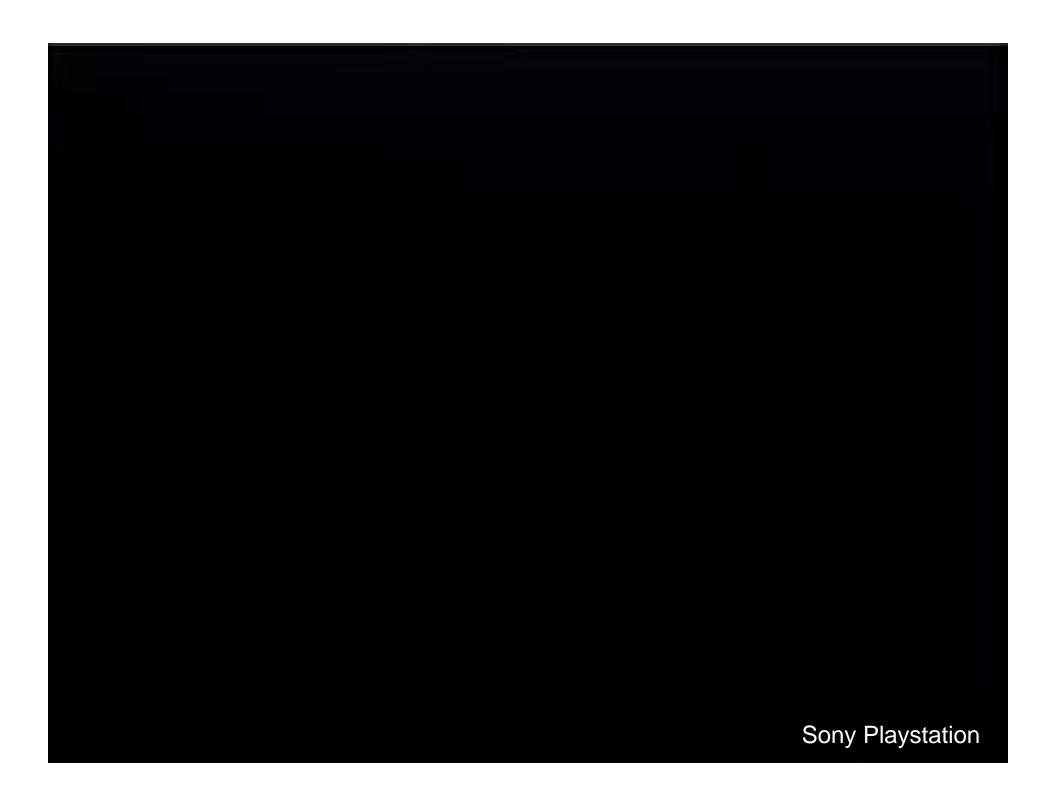


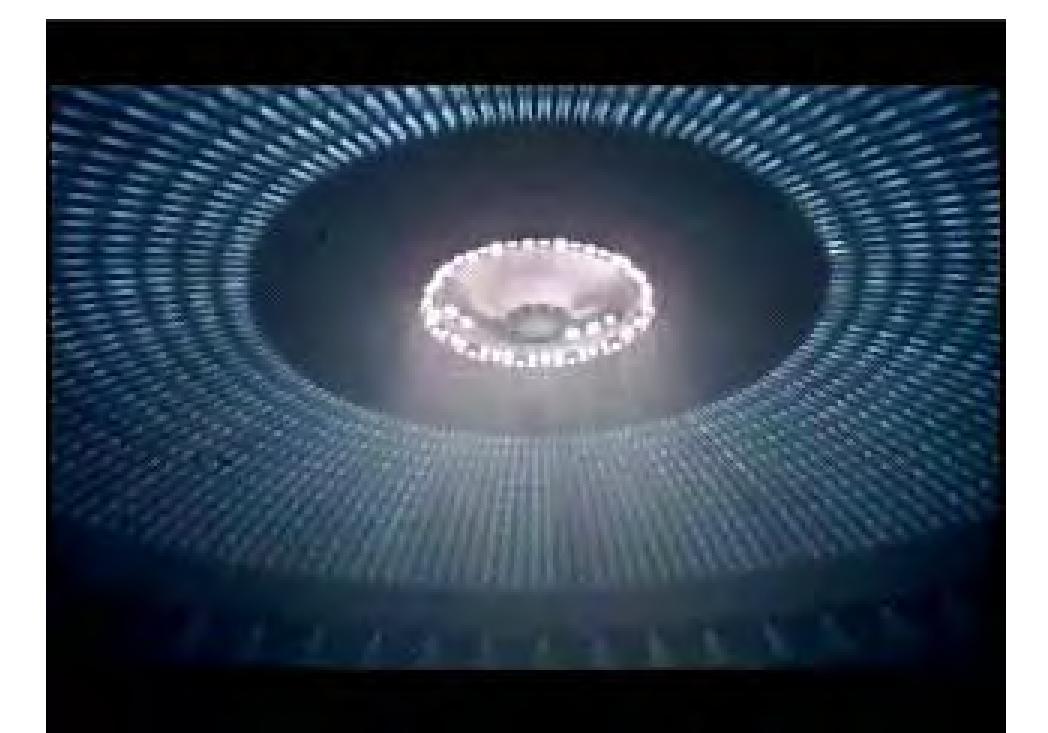


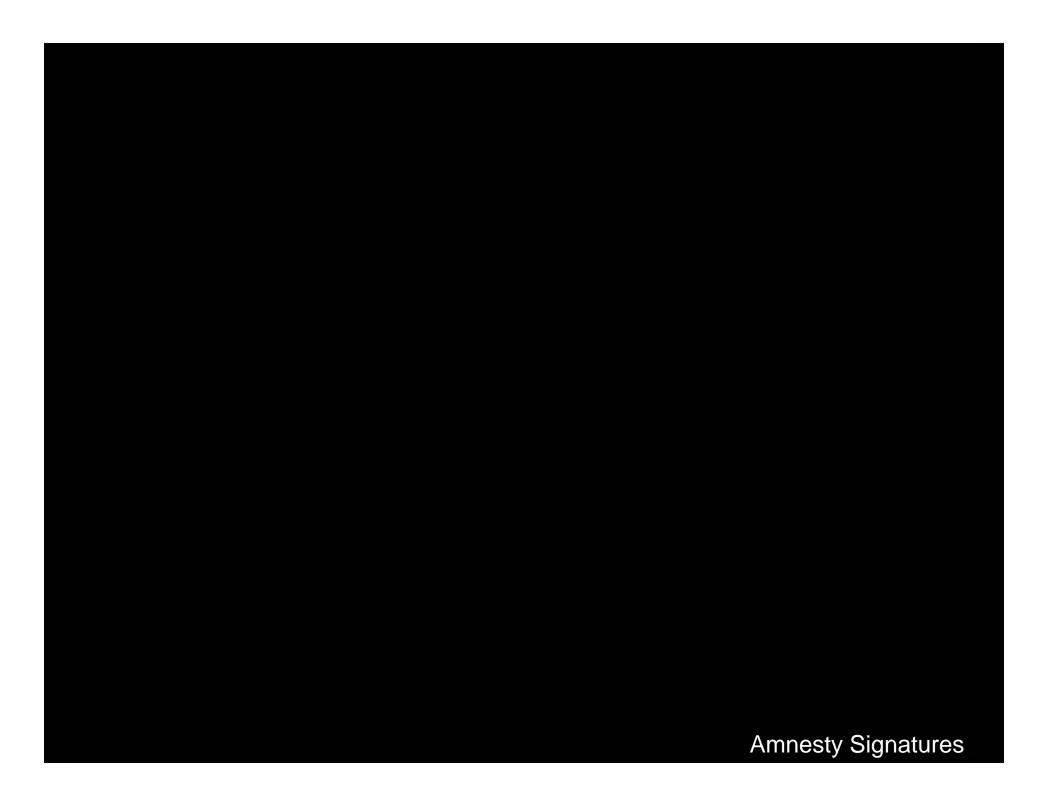
Collaboration



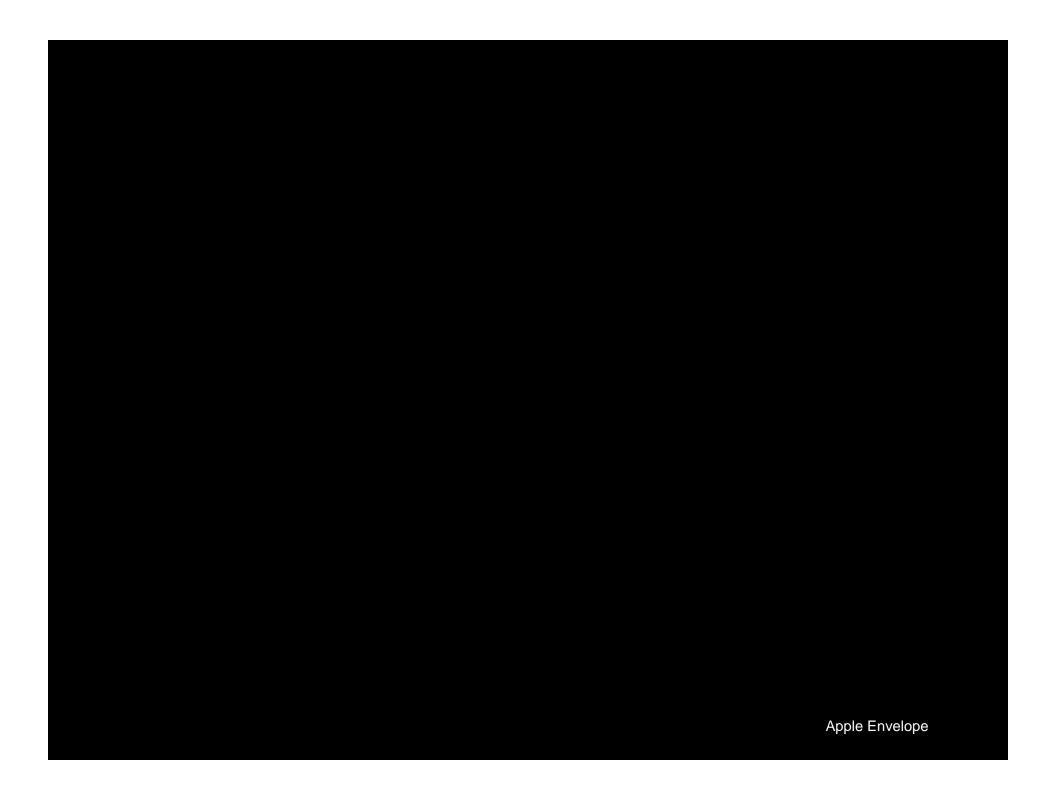






















Thank you