



# The Communications Design Business

*Advertising and Graphic Design—Together Again*

The economy is falling apart. Old adages like, “What’s good for General Motors is good for the country,” are out the window. So are lots of other ideas and frameworks we used to think would always be there. How liberating! It’s a great time to be alive, to be engaged with any segment of the communications design business, and to influence the future.

## The last 50 years

This article is about the major changes I have observed in the communications design business and (I’ll give away the ending) how the advertising design and graphic design sides of the business have come together once again in a strategic effort to shape peoples’ complex experience with clients’ brands across mediums and touch points (many of them digital). A print and tv campaign for Coke, an annual report for Xerox, how do these efforts of the past compare with today’s advertising and design to transform a brand into an authentic experience that resonates with people empowered by the proliferation of choices available in the marketplace?

Much of today’s advertising and design tries to make meaning for people, sometimes helping them feel as though they belong to a tribe; finding out what would make them become devoted disciples like Harley Davidson riders, Saturn owners and Mac users.<sup>1</sup> In the age of commodities, all detergents can get your clothes clean. How can the product be turned into an object of devotion? Tide is not a detergent; it is an enabler, a liberator.<sup>2</sup>

## Communication Arts

Needing a place to start (for I was not around for the entire fifty years), I looked through early issues of the *Journal of Commercial Art* and *CA: Magazine of the Communication Arts*, the former names of *Communication Arts* magazine. The ads, and there weren’t many, were small ones for the tools and services commonly used by art directors, designers and illustrators to execute the craft part of their work. They were dry transfer lettering, Speed Ball pens, Fixative spray fix, Lucygraf (for scaling) and Photostat machines, precut mats and veloxes. The first full-page ad I found was for Champion Papers, in the September 1962 issue.

The word “artist” was often used to describe illustrators, designers and art directors. (There was an Art Directors and Artists Club of San Francisco.) Steven Heller, author, historian and educator, thinks the reason advertising designers were called artists is because at one time they were. Futurists, Surrealists and Russian Constructivists as well as designers Alexander Rodchenko and El Lissitzky created powerful advertising in the 1920s.<sup>3</sup> Until the early ’90s, ads were placed for designers in newspapers’ classified sections under “art.”

## Women

One of the most significant changes in the last 50 years in design and advertising has been the influx of women. There is a conspicuous absence of women’s names in the credits of the first ten years of advertising and design competitions.<sup>4</sup> In an interview in the 1969 issue, Jean Coyne asked James Cross, owner of a Los Angeles graphic design firm opened in 1963, “What staff do you have now?” He responded, “Five of us, three designers, a girl and myself.”<sup>5</sup> In a 2008 *Advertising Age* article, Laurel Cutler, who started at JWT as a clerk-typist and rose to creative director at McCann-Erickson in 1960, said, “The woman’s ladder was one-person wide.”<sup>6</sup> By the mid-1970s, more women had become involved and visible in advertising and design, but it was not an avalanche.

## The engine for advertising

During World War II, almost all of America’s resources and manufacturing capabilities were focused on designing and providing goods and services for the military. Designers and artists in and out of the armed forces were involved in some of these activities. For example, a group of 1,105 soldiers were chosen for an elite, secret group, to develop and deploy expertise in the arts of deception, or camouflage.<sup>7</sup> The talent of the Walt Disney Company was conscripted to make training and propaganda films.

After the war, these same resources, including of course America’s most talented designers working with its updated manufacturing capabilities and new found distribution skills, began to design and deliver goods and services to a public starved for them by years of scarcity and rationing. In the late ’50s, early ’60s, advertising agencies were booming, because

of the growth of the consumer economy. Many of the art directors and designers in them had earned their degrees courtesy of the generous benefits of the GI Bill, created after World War II and available to Korean War vets as well. Print, radio, direct mail and network TV advertising were the media advertising agencies used to communicate the availability of goods and services for personal use: cars, appliances, food, nylon stockings, cosmetics, shoes and clothing, toys and games, entertainment and sporting goods, air travel, hotels and restaurants. The suburbs were expanding and there were thousands of new houses to be filled with stuff.

Ads directed people to where they could buy what they wanted, and growing chains of supermarkets, department and specialty stores followed them to the suburbs. The retail design business grew out of the demand for more and better stores.

### Creative revolution in advertising design

In the late '50s and early '60s, there was a creative revolution in the field of advertising that mirrored cultural changes; people wanted to break the mold of the past, they dreamed of a better life, society was becoming more permissive, people were fighting for civil rights—a bit like today. Advertising began to put aside the way things had been done in the past and began to experiment with words, imagery and often humor. This period of time coincided with Volkswagen's decision to come to the U.S. to sell cars; while not the only great ads of the time, the iconic "Think Small" and "Lemon" created by Doyle Dane Bernbach changed the image and practice of the advertising business forever.

### Television and beyond

In the U.S., network TV advertising was a secondary medium until 1959 when the first (ever) televised debate between JFK and Nixon became the most watched program in history. By 1960, 80 percent of households had TVs. Gallop said 85 million watched the debate, the networks said 115–200 million.<sup>8</sup> Kennedy's people knew how to use TV; they created lively, celebrity-studded ads and JFK, compared to Nixon, appeared relaxed and healthy on screen. The debate also marked the nation's shift from sound to image.<sup>9</sup>

Fifty years ago, audiences for messages delivered by advertising designers were like sitting ducks. It was possible to get most people's attention through one or more of the available media: newspaper and magazine ads, radio, direct mail, P.O.P. and TV advertising. Networks were practically owned by clients who sponsored hour-long programs often written for them by ad agencies. Clients controlled much of the information people received, although in the '60s multiple advertisers eventually replaced single sponsors. This spell was broken in the late '80s by the proliferation of cable and independent channels,<sup>10</sup> which fragmented and distracted the once-huge TV audience with other entertainment choices and influences.

Today, this is even more complex as TV and the Internet come closer to merging. Unilever vice president/general manager Kevin George shared some insights with *Ad Age* from his three years of testing interactive, customized opportunities for brands like Axe, Dove and Sunsilk. "Advanced" TV ads and iTV [interactive TV] appeared as interactive overlays during on-demand programming and text message opt-in requests, to clickable pre-roll ads. A full-length music video for Axe with a fictitious band proved a huge viral success. It became one of the top ten requested on the on-demand Music Choice network and had over 1 million hits on YouTube.<sup>11</sup>

"TV is restrictive and passive," George said, "and iTV is in 70 million homes. It provides more accountability, expands the digital strategy into the living room and provides a way to communicate with TV audiences that Unilever can't otherwise. For us targeting is always important—why waste your message on people who aren't interested in it? The reach is longer than a 30-second spot; viewers spend between 2 and 14 minutes engaged with advanced TV. The goal is to create something people want to seek out rather than trying to stick it in front of them."<sup>12</sup>

The pain point for today's advertising agencies was made clear by Dick Ebersol, chairman of NBC Sports. In August 2008, he speculated about broadband access's influence on advertising revenues. "Commercials at the beginning of streamed videos and banner ads would never pay for the kind of coverage viewers expect from Olympic broadcasters. We can't change analog dollars for digital pennies."<sup>13</sup>

### Graphic design evolves

On a parallel track in the early '60s, graphic designers were developing what many of them thought of as a rarified practice to appeal to corporations and institutions that they and graphic design historians<sup>14</sup> think have nothing to do with "marketing" and "selling," according to Steven Heller. Lou Dorfsman, Gene Federico, Herb Lubalin and George Lois, Heller believes, are in fact advertising designers presented by most graphic design historians as graphic design leaders who have transcended advertising.<sup>15</sup> He credits advertising design as the mother of graphic design. In contrast, Wilburn Bonnell has stated that visual design activity (how he refers to graphic design) emerged in the early '60s as a profession separate and distinct from industrial design, and that the "quartet of Teague, Bel Geddes, Lowey and Dreyfuss were responsible for convincing American business that the look of their products could directly affect sales. It was then just a small step to convince them that the look of their companies could affect sales as well."<sup>16</sup>

Regardless of origin, the graphic design evolution did run parallel to the creative revolution in advertising design. Many firms from the '60s to the '80s of 3–15 people concentrated

## business

their efforts on giving form and personalities to clients (today often called “brands”), by way of annual reports, corporate and marketing literature, investor materials, sometimes trade shows, exhibits and corporate identity. The latter eventually became the domain of larger firms. Still others worked on magazine formats, books, signage and environmental graphics and package design.

### Package design emerges

In New York, Lippincott & Margulies (L&M) was in the interior, product and retail design business when Walter P.

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Margulies, born in Paris, discovered a lucrative opportunity at the end of the '50s—package design. He had noticed that large stores were proliferating and that a package was becoming the stand-in for the sales person who used to offer advice from behind the counter. He founded the Package Design Council to elevate package design to a profession. Package design was L&M's primary business in the sixties; their first significant packaging assignment was the

redesign of the Campbell's Soup can.<sup>17</sup>

As CEOs (at first Margulies's clients for package design) became familiar with how package design worked, they delegated responsibility for it to product and marketing managers. After a while, package design showed up as a cost item on staff P&L statements, and budgets for package design got smaller.<sup>18</sup> Many design companies eventually got out of the package design business because winning a client often came down to price. On the other hand there is a package design firm in the Midwest calling itself a “brand consultancy” that in 2006 was billing \$40 million in fees.

Walter Landor, born in Germany (with an industrial design degree earned in London), formed what became Landor Associates in San Francisco, and started a column on package design in the Sept/Oct 1964 issue of this magazine. He once said, “Products are made in the factory, but brands are made in the mind.”<sup>19</sup> In the 1970s (before computers), Landor's fee for the redesign of the packaging for Kraft General Foods' Birds Eye brand of frozen foods, recommending aluminum foil and including mechanicals was a substantial \$800,000.<sup>20</sup> Today the fee would be \$6,000–150,000 depending on the size of the design company and if research was involved, estimated Allan Adamson, managing director of Landor

Associates in New York, and John Lister, partner and chairman, ListerButler, in conversations.

### The rise of corporate identity

By the 1970s, corporate identity was L&M's primary activity. It was J. Gordon Lippincott, Margulies' partner, who coined the term “corporate identity.”<sup>21</sup> In 1977, Margulies wrote an article about corporate identity as a marketing tool in the *Harvard Business Review*<sup>22</sup> (he always managed to arrange opportunities for his firm that others would kill for). In one of L&M's first identity assignments, the firm recommended deleting the “wax” from Johnson's Wax when the company acquired other types of products. Margulies said, “Identity means the sum of all the ways a company chooses to identify itself to all its publics—the community, customers, employees, the press, present and potential stockholders, security analysts and investment bankers. Image, on the other hand, is the perception of the company by these publics.”<sup>23</sup>

Landor's firm also moved into corporate identity as well as retail design, but remains a formidable leader in package design. The firm expanded internationally throughout the '70s, '80s and '90s. L&M was the mother of many of its competitors in New York, as Landor was in San Francisco.

### Transformation of the identity business

Tony Spaeth in an *Adweek* article<sup>24</sup> stated the many reasons companies commissioned corporate identity jobs that were essentially powerful marketing tools. Some were the result of mergers; others proclaimed, “We have arrived, pay attention;” some signaled the transformation of a domestic company into a multinational, dynamic diversified business; some strengthened a company whose reputation was waning; still others bought a “Let's take charge of our future” identity.

Corporate identity firms with strategic/business/marketing consultants on board or running the firm were able to charge higher fees than identity firms without them. This was one reason for hiring these people. Others were the depth they could bring to the pre-design research and discovery process of the identity business, and the ease of communication they had with business people on the client side who might otherwise have felt uncomfortable with spending so much on the process. Two founders of Anspach Grossman Portugal (AGP) had worked together at L&M and were both ex-McKinsey). Lister recalled that when pitching a big program, you did not use the word “design.”<sup>25</sup>

The identity business grew very quickly in the '70s and '80s. Elsie Maio described relationships with clients when she joined AGP from McKinsey in the mid '80s. “As a consultant, you had two decision makers to counsel, advise and persuade: the CEO and the chairman, if they indeed were not the same person. It was an ‘easy’ sell: They trusted our expertise. The

communications design business has [over the years] become more business-like itself. As design has taken on greater 'legitimacy' and value in the C-Suite, it has presented a more sophisticated interpretation and application of communications design. In fact, often the employee audience, more seriously considered as stakeholders, [was and] is the primary focus for corporate design communications. Since the late '80s/early '90s, the pioneering rung of communications design/corporate identity firm entrepreneurs who defined the playing field cashed out, selling their firms to communications conglomerates; the field became more homogeneous, and standards became global and 'professionalized.'"

She continued, "In the late '90s, clients woke up to the opportunity and eventually the necessity of presenting a cohesive image, as they globalized, both for cost effectiveness and impact. A greater sense of the cumulative effect of all communications—intentional and random—moved them to develop integrated marketing practices, which for big clients, such as IBM, meant communications design firms also helped them develop ways to organize themselves so they could manage those cohesive impressions. That added another strategic management competence to the communications design business. The design-driven business model had to expand to

accommodate the smaller multipliers associated with the management consulting modules.

"Fifty years from its inception, the basic assumptions of the communications design business have shifted dramatically. Today, corporations—its clients—are the least trusted institutions in the world. The image of the client is no longer driven by controllable media onto the passive consumer, but rather by vocal stakeholders, which is everyone with a keyboard."<sup>26</sup>

### **Acquisitions move advertising and design closer**

In 1960, Interpublic was created as a holding company for advertising agencies McCann-Erickson and Marshall & Pratt in order to acquire independent service agencies to represent competing marketers.<sup>27</sup> Industry sources were skeptical. It took until the mid-'80s, for WPP, Omnicom, other holding companies, advertising agencies and management consulting firms to buy design and other related service firms attracted by their earnings and profit margins.

By 1986, *Time* magazine estimated that 1,230 companies would take on new names, up some 15 percent from 1985. About one-quarter of them hired outside companies including name consultants and corporate identity consultants to help them.

Corporate identity consulting took in around \$250 million in 1986, contrasting with about \$200 million in 1985.<sup>28</sup> According to Thomson Financial, WPP Group PLC acquired Anspach, Grossman Portugal Inc. in February 1988 for \$36 million in cash and stock as part of its strategy to build an assortment of marketing services companies.<sup>29</sup>

### Complex competitive landscape

Competition for engagements between communications design firms was influenced in the late '80s, early '90s to the present by the fact that many now belonged to holding company networks with an international footprint that appealed to global clients. Design firms that are not part of a big advertising agency/holding company network often compete with other design firms in networks as well as other independent firms and individuals who, depending upon their size, may engage in "free pitching." The connections of individuals within the networks, with marketing people jumping from the client side to the agency side and back again, are sometimes too strong to penetrate.<sup>30</sup> Some independent firms have gone out of business because of these factors.

### Personal computers

I won't attempt to write about the impact of the computer in the mid-'80s, just note some anecdotes from John Lister:<sup>31</sup> His company, Lister Butler, had 70 people when Apple computers appeared in 1984. By 1990, the firm had let 30 production people go, and had about half the square footage. Lister said that the shift in technology greatly influenced graphic designers and simplified the process of image developing and image making. It destroyed skills like hand lettering and copy fitting. With a computer a designer could easily put a shadow to the lettering being used for a package, or to place a logo in a banner. Suddenly such things were on every package.

Initially, he said, the value of thought was dragged down by computer technique and quality of execution. Design firms advertised for designers with the best computer skills, not the best thinking skills. Businesses hired people to work internally with "desktop publishing" skills, or taught their admins how to use Adobe software as it was released, further diminishing, in some minds, the value of design. [Over 400 schools in the U.S. opened computer graphics programs or offered related courses.<sup>32</sup>]

Because it looked so easy, he said, businesses began to demand "it" tomorrow, and wanted it cheap. Some acted as though they knew what graphic design cost by the pound, one of the reasons many design companies began to sell strategic thinking. Consulting firms like BCG or McKinsey have always sold strategic thinking and clients were used to paying for it.

Meredith Davis in *Interactions Magazine* provides another

perspective. "We are confronted daily with evidence of how technology mediates and transforms our perceptions, intentions, reasoning and actions. If we understand the role of technology as the mediation of our interactions with people and the world, not just as visual representation, we design differently."<sup>33</sup>

Today, in the digital age, the task of advertising designers as stated by leading interactive agency Digitas is to ignite emotional bonds between people and [their client's] brands.<sup>34</sup> This they could not do without collaborating with graphic designers many of whom had expanded into storytelling.

### New demands

Now clients want their agencies and designers to create connections between themselves and people. Senior client-side creative and marketing leadership coordinates this through their external creative networks (and advertising agencies/holding companies continue to make acquisitions). Audiences are very skeptical of them. Ad agencies and design firms in the last five years at least, have had to collaborate with one another to satisfy client objectives by creating brand experience ecosystems with these cultural conditions front and center. Not only are the boundaries blurred between the design of products, information and environments,<sup>35</sup> so they are between corporate identity, packaging, advertising, marketing, entertainment and technology.<sup>36</sup>

### The future

To get elected, Obama's crew made use of intellectual property of the digital world, active human one-on-one contact to get people to come out and vote for him, disseminating messages using all of today's media, plus the "ferocious belief that people have the power to transform their own lives."<sup>37</sup> Advertising and graphic design, together again at last, have been building a community through collaboration to provide people with experiences, ideas and frameworks to better manage and enjoy every aspect of their lives. The emerging creative results from these connections assure me that the future will be better than the past. This is an exciting time to be in the communications design business.

Our clients, whether corporate, agency or consulting side, have always been at the forefront of both the incremental and the great leaps forward in the design business. Their constant need for people with titles and skills that just got a name yesterday have enabled us to adapt and grow.

Another nugget found in the earliest issues of *Communication Arts* was that many of the big names in advertising and design found the time to teach, exposing what they knew and how they thought to students. In the new climate of authenticity, and as clients increase their expectations of designers, we will continue to influence the future by discovering the best of them to help grow our clients' businesses. **CA**

Notes

1. PBS, *Frontline*, "The Persuaders," November 9, 2004. Douglas Atkin, formerly of Procter & Gamble, partner and chief strategy officer at advertising agency Merkle + Partners.
2. Ibid., Kevin Roberts, CEO, Saatchi & Saatchi worldwide, formerly of Johnson & Johnson, on Tylenol.
3. Heller, Steven, "Advertising: The Mother of Graphic Design," *Graphic Design History*, edited by Steven Heller and Georgette Balance, Allworth Press, 2001, p. 295-310.
4. Shirley Polikoff, Foote Cone & Belding, "Does she...or doesn't she? Only her hairdresser knows for sure," written in 1956 and Mary Wells Lawrence, Wells, Rich Greene (Braniff campaign, 1965, among others), were conspicuous exceptions.
5. *Communication Arts* magazine, Volume 11, No. 4, p. 55.
6. Quote from Laurel Cutler, who started at JWT as a clerk-typist and rose to creative director of McCann-Erickson around 1960, from "Ad Women: How Agency Life Really Was" by Nancy Giges, p. C8, *Advertising Age*, June 23, 2008, parody.
7. Gyongy, Adrienne, "Faking out the Enemy," *PrattFolio, The Magazine of Pratt Institute*, Fall 2008, p. 12-17. They referred to themselves as "The Ghost Army," and invented sound effects, inflatable rubber tanks, dummy artillery, a special radio company that broadcast misleading information, and camouflage for real vehicles and soldiers. Forty years later, the veil of secrecy was lifted.
8. HighBeam Encyclopedia, *The Oxford Companion to United States History*, 2001, Television, Paul S. Boyer.
9. Ibid.
10. Ibid.
11. "Unilever VP Takes an Axe to Old Broadcasting Theories" Andrew Hampp, *AdAge* Madison+Vine: People & Players, November 6, 2008.
12. Ibid.
13. "On tv, Timing Is Everything at the Olympics," remarks by Dick Ebersol, chairman of NBC Sports, August 25, 2008, the *New York Times*.
14. Heller, Steven, "Advertising: The Mother of Graphic Design," *Graphic Design History*, edited by Steven Heller and Georgette Balance, Allworth Press, 2001, p. 295-310. He was referring specifically to Philip B. Meggs and R. Roger Remington.
15. Ibid., p 301.
16. Siegel, RitaSue, "American Graphic Design 30 Years of Imagery," *US Visual Design, The Present Quarter Century 1984*, McGraw Hill, p. 11.
17. Lippincott & Margulies Inc., Records, 1956-1999, Accession 2206, Description posted by © Hagley Museum and Library, Wilmington, Delaware.
18. Ibid.
19. AIGA Web site, "Inspiration," <http://aiga.org/content.cfm/medalist-walterlandor>.
20. In conversation at the time with John Diefenbach, former CEO of Landor.
21. Lippincott Web site, [www.lippincottmercer.com/insights/a\\_lippincott.shtml](http://www.lippincottmercer.com/insights/a_lippincott.shtml).
22. Margulies, Walter P., "Make the Most of your Corporate Identity," *Harvard Business Review*, July August 1977, p. 66-77.
23. Ibid.
24. Spaeth, Tony, "Design of the Times," *Adweek*, February 25, 1991.
25. In conversation with John Lister.
26. Elsie Maio, founder Maio&Co, 1994, in e-mail to RitaSue Siegel.
27. Oxford Encyclopedia Web site, "Television the rise of the networks," [www.encyclopedia.com](http://www.encyclopedia.com).
28. McCarroll, Thomas, and Barbara Rudolph, "Business is Brisk for Corporate-Identity Consultants," *Time*, November 3, 1986, Vol. 128 No. 18.
29. Thomson Financial's Worldwide Mergers and Acquisitions database. \$12 million initial cash payment to the firm's principals, total purchase price could reach \$36 million in cash and stock depending on the company's earnings over a five-year period. WPP's strategy was to build up an assortment of marketing services companies.
30. In conversation with Ken Cato, CEO and partner, Cato Partners, Melbourne, Australia.
31. Also former husband of RitaSue Siegel.
32. RitaSue Siegel study a few years later.
33. "We Must Redesign Professional Design Education," Meredith Davis, *Interactions*, Volume xv5, September+October 2008, p. 28-34.
34. Digitas Web site, [www.digitas.com](http://www.digitas.com).
35. "Blurring of objects design, information and environments," e-mail promotion for Institute of Design, Illinois Institute of Design workshop.
36. In conversation with John Lister, boundaries blurring between advertising, marketing and corporate identity.
37. Brooks, David, "The Biggest Issue," OpEd, the *New York Times*, 29 July 2008, p. A19.