

June 11, 2003

Rolling Stone's second annual Youth Culture Conference captured marketing and advertising leaders and put them in front of a sell-out crowd in an unmarked club located in New York's meatpacking district. The result was an illuminating series of discussions that had 80 percent of attendees saying they planned to attend next year in a post-event survey.

We'd like to share some highlights from the day:



Harvey Weinstein

Keynote Speech

Miramax Films Co-Chair Harvey Weinstein opened the day with a keynote speech full of his legendary honesty and insight: "Of course this demographic claims they're immune to marketing. Does anyone walk around claiming they're susceptible to marketing? I've yet to see the person on the street wearing a sign that says market to me."

Harvey touched on the power of affinity marketing and teased the audience with a 'live action' preview of a sequence from the upcoming Miramax film "Scary Movie 3" that references Coors' current ad campaign.

Finally, Harvey sounded a note that echoed throughout the day: do your homework, get close to your target group and do the research. But in the end, you must follow your instincts: "Sometimes, you look at the results and it says, shit, this doesn't test well. You have to just say fuck it, I know this is cooler; I don't care what the audience is telling me in a mall in Pittsburgh. I know this is the right thing."

"Don't be afraid to take a risk. The only thing middle of the road gets you is to get hit by a car". **– Harvey Weinstein**



Ed Needham, Tina Exarhos, Will Travis, Steve Schnur, and Kevin Conroy

Music & Marketing

Panelists at the center of youth-targeting media, including MTV, AOL, and Electronic Arts, talked about harnessing the power of music to drive brand recognition, image, and product sales in the youth market.

Will Travis offered that sophisticated, marketing-wary youth is best served with messages that are carefully placed for 'discovery' rather than pushed overtly. All the panelists were enthusiastic about music's vitality and relevance to the youth market. Kevin Conroy emphasized that marketers should not confuse the current music industry's business climate with the creative health of music today: "The fact is that while the industry is having a tough time with some issues on the commercial side of the business, the reality is that the industry is still really healthy from an artistic standpoint."

How to achieve and maintain relevance was a key theme here and throughout the day. The bottom line: know thy audience.

"There's an important distinction between having access to an audience and being relevant to that audience." – **Kevin Conroy**

"It used to be we were targeting broadly 12-to-34s. That's just impossible now. And while we're not looking at shows that are targeted to just 12 & 13-year-olds, that is how niche the market is at this point." – **Tina Exarhos**



Jon Cropper

Trend Report

What's the word on the Street? We found out from a panel of experts whose paychecks depend on their answer to that question. The trend spotters pointed to the rise of music act endorsement at the expense of athletic endorsement, and a blurring of sexual roles, citing the rising use of grooming products or "manscaping" amongst young men and comfort with 'masculine' behavior among women.

Who can supply an answer to one of marketing's Zen koans: Can a trend be manufactured? The panelists were cautious, except Micky Pant, who dismissed the concept: "All progress is the result of accident. That's why large corporations are so bad at innovation. Because they're designed to prevent accidents from happening." Keep searching, Grasshopper.

This panel likened development of strategic alliances to marriage, with similar requirements of self-knowledge, expectations and commitment although the attractions of a good short-term shack-up, er, 'promotional alliance', was also supported.

"Trend forecasting is itself a trend." - Claudia Strauss

"We have to see the worth (of a marketing partnership). We are partners, not an ATM." – Julie Roehm

"Ultimately it comes down to passion and the ability to merchandise internally." – **Claudia Strauss**

"Nothing worth doing is comfortable." - Micky Pant

L.A. Reid and Jann Wenner

Q&A with L.A. Reid

Rolling Stone music editor Joe Levy's frank discussion with Arista CEO L.A. Reid gave attendees a peek inside the star making machinery. We learned that developing tomorrow's music sensation is expensive, risky, and if after spending loads on research the 16-year-old on your staff disagrees and pronounces the song dope-you go with the kid.

On the music industry's sticky wicket, file-sharing: "I don't think that we're going to see physical CDs go away. But they're going have to share the throne with other ways of distributing product."

"Today artists want to sell out. They want to be big." - L.A. Reid



Patrick Meyer, Jameel Spencer, Touré, David Schulte, Larry Schwartz, and Rob Gregory

Street Talk

Representatives from three companies who have been very successful with the urban/hip hop market and one consultant who works with some of the country's largest corporations talked about necessity of keeping in real in the eyes of young consumers and had some very specific do's and dont's on how to accomplish that mission.

The panelists divided brands who have demonstrated youth market success into two categories: those that are deeply committed to the youth market with representation built into their product development and marketing - and those producing a product with a clear, honest value proposition which makes no attempt to market directly to youth. Tread carefully was the message to those who belong to the second category. Tommy Hilfiger was cited as a cautionary story of a brand that got into trouble when a youth market that had adopted the brand perceived they were being targeted directly with a marketing message that felt inauthentic.

Celebrity endorsement was discussed and Lugz' success with the endorsement by hip-hop stars contrasted with Pepsi's misfire with rapper Ludacris. It takes a strong connection, stressed Larry Schwartz, "I don't think slapping a name on a shoe is a way to long term success."

Real success also requires selling a marketing plan all the way from management's offices to funky retailers hand-picked to resonate street cred.

> "Your biggest hurdle: your goddamm management. You have to turn them around and make them your ally." - Patrick Meyer

"You can never be too close to your consumer." - Larry Schwartz



Peter Arnell and Donny Deutsch

All Branding, All the Time

The afternoon's final round pitched three advertising heavyweights against a media critic and man with a foot in both worlds: Columbia University's Executive Director of Undergraduate admissions. The questions were heavy and spoke directly to roles and responsibilities marketers must, or should, consider when marketing to youth. The answers were lively and varied.

> "The currency (in advertising) used to be money. The currency now is ideas, discovery and maybe even love." - Alex Bogusky

> "Kids are smart. One can make an argument that young kids today are more media savvy than people our age, and that they're the audience that needs the least amount of protection". - Donny Deutsch

"Remember when cars started getting wind-tunnel tested and then they all started looking the same? That's how it is in marketing now. We've got a lot of egg-shaped brands". - Alex Bogusky

2003 Rolling Stone Youth Culture Conference

Music and Marketing

Moderator:

Ed Needham (Managing Editor, Rolling Stone)

Panelists:

Kevin Conroy (Executive Vice President and COO, AOL for Broadband)

Steve Schnur (Worldwide Executive of Music and Audio/Creative, EA)

Will Travis (US President, ATTIK)

Tina Exarhos (Executive VP, Marketing, MTV and MTV2)

Trend Report

Moderator:

Scott Donaton (Editor, Advertising Age)

Panelists:

Jon Cropper (Senior Manager, Youth and Urban Communications, Nissan)

Micky Pant (Chief Marketing Officer, Reebok)

Julie Roehm (Director, Marketing Communications, Dodge)

Claudia Strauss (President, Lime Public Relations & Promotions)

Street Talk

Moderator:

Touré (Contributing Editor, Rolling Stone)

Panelists:

David Schulte (President, The Firm Brands)

Patrick Meyer (CEO, Fusion 5)

Larry Schwartz (Executive Vice President, Lugz)

Jameel Spencer (President, Blue Flame Marketing & Advertising)

All Branding, All the Time

Moderator:

Scott Donaton (Editor, Advertising Age)

Alex Bogusky (Creative Director, Crispin Porter & Bogusky)

Donny Deutsch (Chairman and Chief Executive Officer, Deutsch

Alissa Quart (Author, "Branded: The Buying and Selling of Teenagers")

Eric Furnda (Executive Director, Undergraduate Admissions, Columbia University)

Peter Arnell (Chairman and Chief Creative Officer, Arnell Group)