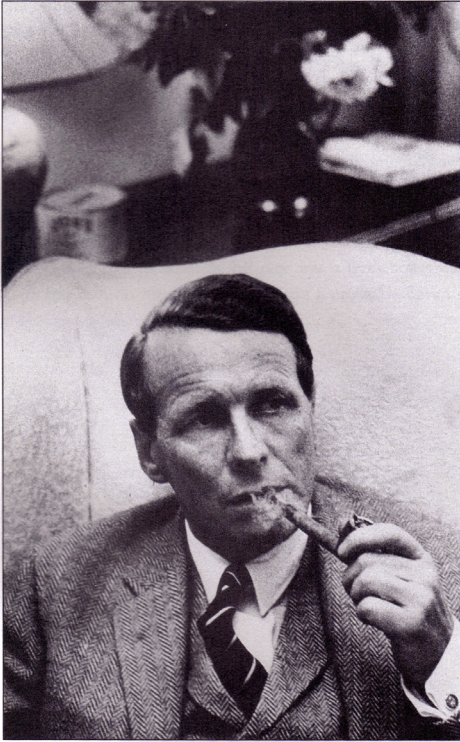


# David Ogilvy and the Creation of Modern Advertising

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David Ogilvy, chairman of Ogilvy & Mather, in 1963.

Among the countless stories of newcomers finding fame and fortune in America, few are as entertaining and unusual as David Ogilvy's. An unconventional Englishman who made American conventions his life's study, the Oxford dropout was a flamboyant and successful advertising man. The firm he founded in 1948 quickly grew into one of the world's largest advertising agencies. And by combining research with willful self-promotion, Ogilvy became, in the words of the writer Martin Mayer, "one of the more likable and legitimately odd figures in the American business scene." The widely imitated ads his firm produced, and the theories that lay behind them, helped change the face of advertising. In the process, David Ogilvy became known as a sort of philosopher of advertising—and *Ogilvy on Advertising*, the book he wrote in 1983, was his *magnum opus*.

At the beginning of his varied career, Ogilvy became fluent in the scientific testing and measuring of public opinion by working for the Gallup organization. His innovation was to bring the dispassionate science of popular opinion to bear on advertising, an industry thought to be governed more by emotion than by fact. In an effort to translate theory into practice, Ogilvy started his own firm—a bold move considering he had almost no experience. He quickly made a name for himself by devising risky, off-beat campaigns that created well-known brand images for companies. But when trying to conjure up sizzle and buzz for his clients' products, Ogilvy didn't rely solely on catchy phrases or sexy images. Rather, he used cold, hard facts. Gleaning statistics from polling data to determine the style and content of his advertisements, Ogilvy created exacting formulas that specified the ideal mixture of copy and images. His campaigns were wildly successful, as time and again he proved that facts can indeed translate into sales power.

By the time Ogilvy withdrew from the daily operations of his firm in the 1960s, Ogilvy & Mather was among the largest advertising firms in the world, and much of the advertising industry had adopted the scientific methods David Ogilvy had pioneered. He showed that a pitch based on painstaking research, packaged with flair, and placed in a few carefully chosen venues can have a greater effect than an unfocused advertising blitz.

## A Restless Englishman Makes His Way to America

As a child in the 1910s, David Ogilvy lived in a house once occupied by Lewis Carroll in the English countryside. But his upbringing was somewhat less fanciful than that imagined by the creator of *Alice in Wonderland*. Ogilvy's father, a classical scholar turned stockbroker, was financially ruined by World War I. Despite his misfortunes, he managed to send his son to the prestigious Fettes School in Scotland. Even though David was not among the school's top students, he won a scholarship to Christ Church, Oxford, to study history. "I would rather have been a historian than an advertising man," he later recalled in a rare moment of humility. "But I didn't have the brains to be a historian."

A restless youth in search of adventure, Ogilvy eventually exchanged the shaded cloisters of Oxford for Paris, where he found work as an assistant chef in the Hotel Majestic. He became bored in France and returned to England to sell Aga cooking stoves, a new brand of institutional oven. Ogilvy called upon schools and great houses, trying to sell English cooks on the virtues of the large ovens, and proved so successful at it that the company asked him to write a manual for its sales force. In 1935 he wrote a treatise on the product, entitled “The Theory and Practice of Selling the Aga Cooker.” Jam-packed with facts about the cooker, it contained advice on which sorts of pitches would work best with different kinds of customers.

Ogilvy sent a copy of the brochure to his brother Francis, the managing director at the venerable London-based advertising firm of Mather & Crowther. Impressed, Francis immediately hired David as a trainee. For the next three years David Ogilvy enjoyed the life of a young man about town, “I went to concerts and balls which lasted until dawn. . . . I skylarked with girls,” he recalled. “But it was during this period that I acquired the habit of hard work. And when my salary was doubled, I tasted blood.” During this time, he was already starting to develop his own theories about advertising. In a 1936 presentation to colleagues at M & C, he laid out six governing theses. “Every word in the copy must count,” read one. “Concrete figures must be substituted for atmospheric claims; clichés must give way to facts, and empty exhortations to alluring offers.” Coming from a twenty-five-year-old with little experience, these suggestions might have seemed the musings of a precocious young man. Yet they became pillars of his theory of advertising, ideas that would make him among the most successful ad men of the century.

One of David Ogilvy’s responsibilities was to monitor American advertising campaigns sent over by a clipping service. The research made him eager to learn more about America, and he sought a way to cross the Atlantic, “partly because I wanted to prove that I could succeed on my own, without the patronage of my brother.” In 1938, still relying on his brother’s patronage, he persuaded the firm to send him to the United States so he could study American advertising. Ogilvy made the trans Atlantic journey in style, and upon arriving in New York he continued his high living. He fell in with the writer and drama critic Alexander Woollcott and his circle—which included Harpo Marx and Ethel Barry- more—thanks to introductions from his cousin, the author Rebecca West.

After making a report to his employers in 1939, Ogilvy quit his job and went to Princeton to attend his own version of graduate school. Eager to expand his inquiry into American consumer habits, Ogilvy landed a job with Dr. George Gallup, the great theorist of modern polling, whose company was located in the New Jersey college town. (Gallup was that rare breed of academic who could spin a scientific theory into lucrative practice. After working as Young & Rubicam’s research director, he set up his own company to provide polling services.) Gallup put Ogilvy to work on a project Ogilvy called the “Audit of Marquee Values.” Ogilvy’s task was to conduct interviews that would measure public responses to stars’ names and movie titles on theater marquees. While the job paid only \$40 a week, the experience it afforded was invaluable. Ogilvy learned that consumers’ preferences could be divined through their responses to carefully formulated questions. And he learned a great deal about American tastes. “If you ever decide to seek your fortune in a foreign country, the best thing you can do is to get a job with the local Gallup Poll. It will teach you what the natives want out of life, what they think about the main issues of the day, what their habits are.”

When World War II broke out, Ogilvy left Gallup to work for British intelligence in Washington. During the war years he visited Amish country in Lancaster, Pennsylvania. Although the exuberant Englishman must have seemed out of place among the so-called Plain People, he became enchanted by their simple lives. After the war he leased several acres, and tried his hand at tobacco farming. “The years we spent in Lancaster County were the richest of my life,” he recalled. “But **it** became apparent that I could never earn my living as a farmer.”

## **Founding a New Advertising Firm**

After a few years in the quiet Pennsylvania countryside, Ogilvy was eager to return to the excitement of a big city like New York. At the age of thirty-eight, however, he was no longer a bright young whip just off the ship

from Britain. He wanted to get back into advertising, and initially thought about seeking a job with Young & Rubicam. “But I never thought that Y & R would hire me—I didn’t think I had any credentials,” he said in a 1976 interview. “So the only thing I could do was start up on my own.” It was an audacious act: he had only \$6,000, no clients, no ads to show prospective clients, and no experience working in American advertising. But he felt he had something that really mattered: the appropriate theoretical training. “Dr. Gallup had taught me what he had discovered about the factors which make advertisements succeed or fail. . . . And I had read all the books about advertising, such as they were.”

In an industry that values hands-on experience over book learning, Ogilvy did have one concrete asset: his brother. While David was in America, Francis had risen to managing director at Mather & Crowther. Eager to help his brilliant younger brother, Francis persuaded his partners to finance David with \$45,000 and let him use their name. He also enlisted another British advertising firm, S. H. Benson Ltd., to contribute \$45,000 to form a joint venture that would, they hoped, establish a British beachhead in North America. As a condition for their investments, the British firms demanded that Ogilvy find an American to run the new venture. “They did not believe that one of their fellow countrymen could persuade American manufacturers to give him any business,” he wrote. So he hired Anderson Hewitt, a well-connected J. Walter Thompson executive, and made him a partner.

In 1948 the firm of Hewitt, Ogilvy, Benson & Mather opened its doors. The proprietor of the new shop had no intention of building slowly. On the second day of business Ogilvy made a list of the five clients he most desired: General Foods, Bristol-Myers, Campbell Soup, Lever Brothers, and Shell Oil. “To pick such blue-chip targets was an act of mad presumption,” he later conceded.

Ogilvy’s first campaign was for his own newborn firm. He informed the trade press of his existence and sent unsolicited progress reports to hundreds of executives, although there wasn’t much progress to report. With the help of his London connections, he landed a few small British clients like Guinness Ale and Wedgwood China (who spent just \$40,000 a year on advertising). Otherwise, the response was generally underwhelming. After all, Ogilvy’s firm was one of 3,000 American agencies vying for major accounts in a business where conservative companies worked with established firms they had known for years. “Six weeks after I started my agency, I was so desperate for business that I offered a young man of my acquaintance 10 percent of our stock if he brought in a vacuum-cleaner account which he had in his pocket,” he later said. Fortunately for Ogilvy, the man refused.

Hewitt saved the day when, after five months, the partners had run through three-quarters of their capital. Hewitt’s uncle, the chairman of J. P. Morgan & Co., arranged to lend the fledgling business \$100,000 with no security. More importantly, Hewitt lassoed the Sun Oil Company, a \$3-million account. Upon landing this blue-chip client, the tiny firm was in business.

Although he worked in an industry that was generally bureaucratic, Ogilvy was a jack-of-all-trades. “The best fun I ever had was in the early days of Ogilvy & Mather, when I was both research director and creative director. On Friday afternoons I wrote research reports to the creative director. On Monday mornings I changed hats, read my reports, and decided what to do about them—if anything.”

An early account with Hathaway, a small Maine-based shirtmaker, helped put Ogilvy on the map. Dwarfed by Arrow, the dominant shirt-maker, Hathaway sought to raise its profile with an advertising campaign. But **it** only wanted to spend about \$30,000 a year. Arrow spent about \$2 million on its advertising program, which was run by the established firm of Young & Rubicam. Yet Ogilvy believed he had a shot at beating Goliath. Large firms like Young & Rubicam tended to become conservative. They were vulnerable to nimble companies possessed of bold ideas.

Ogilvy was primed to offer low-profile clients with modest budgets a brand of advertising they wouldn’t receive from more established firms. In the 1940s most ads were illustrated with drawings accompanied by



attention-grabbing slogans. But based on his experience with Gallup, Ogilvy believed photographs would make a more compelling case for the product. He also knew from his research that endowing a photograph with “story appeal”—some unique, attention-grabbing feature—would pique the reader’s curiosity

Casting about for some sort of “hook,” Ogilvy found inspiration in a drugstore he passed on his way to the Hathaway photo shoot. Acting on impulse, he purchased a \$1.50 eyepatch featured in the store’s window display, placed the patch on a mustachioed male model, and created a series of advertisements in which the Man from Hathaway engaged in activities ranging from driving a tractor to purchasing a Renoir painting. The campaign attracted a great deal of attention and was widely copied overseas. “Exactly why it turned out to be so successful, I shall never know,” Ogilvy wrote of the campaign. The jaunty, European-looking Hathaway model bore more than a superficial resemblance to its creator. From the beginning, Ogilvy had conflated his own personality with that of the firm: now, it almost seemed he did the same with the campaigns his agency produced. The Hathaway man campaign became a classic in the annals of advertising, and it helped establish the firm, which by 1953 had \$10 million in billings.

The Hathaway eyepatch represented Ogilvy’s first major attempt at creating brand image, one of his singular contributions to the industry. “Every advertisement should be thought of as a contribution to the complex symbol which is the brand image,” he wrote. Ogilvy was far from the first to make this observation. But he was the first to develop it into a practical philosophy that allowed a brand image to evolve.

Ogilvy had an opportunity to apply the brand-image thesis to other products when a Puerto Rican economic development agency hired the firm to do a tourism campaign in 1954. He realized the client’s main problem was the generally negative image people had of the Commonwealth. “We must substitute a lovely image of Puerto Rico for the squalid image which now exists in the minds of most mainlanders,” he said. He devised a campaign that highlighted Puerto Rico’s history and portrayed it as an island in renaissance. By his own immodest admission, “[The campaign] has had a profound effect on the fortunes of Puerto Rico. It is, I believe, the only instance of an advertising campaign changing the image of a country.”

He further developed the theory of brand image with the firm’s next major client, Schweppes, which he landed in 1955. Ogilvy turned Commander Edward Whitehead, the manager of the British beverage company’s U.S. unit, into the star of the commercials. As *Forbes* later noted: “His was the memorable campaign that introduced Schweppes to this country, playing on America’s fascination with British snobbery by featuring distinguished, bearded Commander Edward Whitehead.” U.S. sales of Schweppes rose 500 percent in the nine years after the introduction of the campaign. Proving the point about consistency and brand image, Whitehead appeared in the advertisements for eighteen years.

Ogilvy also labored to create a brand image for himself. With dashing good looks and the ability to toss off quotes from writers and historical figures with ease, he pegged himself as “conservatively flamboyant.” The *New York Times* noted in 1958: “For one thing, the forty-seven-year-old Mr. Ogilvy’s dress and manner cause him to stand out, particularly among ad men, many of whom follow a pattern in their getup.” In an industry where men (and they were virtually all men) donned the uniform of dark suits and red ties, he wore tweeds and light-colored suits with a foulard. His glasses hung down by the end of the nose, and he often sported a pipe.

While Ogilvy excelled at managing his own image, he didn’t have the same success in dealing with the administrative details at Ogilvy, Benson & Mather. (The “Hewitt” was dropped when Anderson Hewitt left the firm in the mid-1950s). Realizing that the firm was growing beyond his capabilities to manage it, he recruited Esty Stowell, a former executive at Benton & Bowles, to become executive vice president in 1957. Stowell had a strong reputation as a marketing expert, and helped the agency acquire a reputation for strength in all departments. Stowell also took responsibility for managing the growing agency. “With a sigh of relief I turned over to him the management of every department in the agency except the creative departments. From that point on our agency began to grow in bigger chunks.” Stowell had the experience and clout to attract important new clients, like Maxwell House Coffee (for whom the firm later created the enduring “Good to the Last Drop” campaign).

Though a relative newcomer to the scene, Ogilvy had become a huge hit in less than a decade. And nobody was more aware of this status than he. “I doubt whether any copywriter has ever produced so many winners in such a short period,” the Briton wrote in 1978, with typical immodesty. “They made Ogilvy & Mather so hot that getting clients was like shooting fish in a barrel.” The success also made the firm an attractive acquisition target for larger established agencies. Starting in 1955 Ogilvy had to rebuff larger firms who sought to acquire the outfit.

## **Selling Products with Plain Facts**

Not every move Ogilvy made proved a stroke of genius. He advised a client to pay Eleanor Roosevelt \$35,000 to endorse Good Luck margarine in television commercials. This investment proved a bust, since people remembered the pitchwoman more than the pitch. “In those days I did not know that it is a mistake to use celebrities,” Ogilvy said. “They are remembered but the product is forgotten.”

This bit of Ogilvy wisdom has yet to become conventional. But his conclusion about celebrities led to a key evolution in his theory of advertising. As he would later put it, “make your product the hero of the commercial.” Ogilvy came to believe the product should stand front and center because his experience with polling taught him that the consumer was an independent thinker. “The consumer isn’t a moron; she is your wife. You insult her intelligence if you assume that a mere slogan and a few vapid adjectives will persuade her to buy anything. She wants all the information you can give her,” he said.

Ogilvy’s longstanding views on facts in advertising got their earliest full expression in 1958 with the advertisements he created for yet another British company, Rolls-Royce. After getting the assignment Ogilvy spent three weeks reading everything he could about the luxury automobile. “We made a list of every fact that we could get about the car and then boiled this down for the ad,” he said. “We then wrote twenty-five headlines and had the copy supervisors decide on the best one.” The result was a full-page advertisement with thirteen points containing 719 carefully measured words about the \$14,000 car. The headline read: “At 60 Miles an Hour the Loudest Noise in This New Rolls-Royce Comes from the Electric Clock.” “In my Rolls-Royce advertisement I gave nothing but facts. No adjectives, ‘no gracious living.’” This approach proved enormously successful. The ad ran in only two newspapers and two magazines and cost \$25,000, but it garnered an immense amount of attention. Well-written, persuasive, and free from hustle, it emerged as a kind of template for future works.

As he continued to devise campaigns for an expanding roster of clients, including American Express and Shell Oil (another of his original dream clients), Ogilvy began to imbue his campaigns with scientific methodology. Having concluded the efficacy of a fact-based approach, the question remained as to which facts about a product mattered most. Gallup and other pollsters had conducted research on the factors that made people read advertisements and the factors that make people remember them. Increasingly, Ogilvy sought to apply the findings to determine the precise combination of images and information that would best sell a product. In preparation for a Helena Rubinstein campaign in the late 1950s he asked consumers what asset or capability of a facial-care product would make them most likely to buy. The research revealed that “cleans deep into pores” notched the highest score. As a result, the product was named Deep Cleanser. Ogilvy undertook this kind of pretesting because he believed it was the agency’s responsibility to create concrete results. By conducting research before writing copy, the advertising agency gave its client crucial marketing advice. “At our agency we accept the responsibility for selling things. Either we help sales or we are fired,” he said,

In 1963 his firm had \$55 million in annual billings to nineteen clients, including all five blue-chip firms he had identified as must-haves back in 1948. And the agency had spread to Chicago and Los Angeles. That year, Ogilvy published a book, called *Confessions of an Advertising Man*, which ultimately sold 800,000 copies in twelve different languages and made him a quasicelebrity. It may as well have been entitled “Advertisements for Myself,” as it contained much self-congratulation, name-dropping, and puffery; he referred to his firm as “my atelier.” Coming from an American, such antics would have seemed affected, but they fit into the prevail-

ing brand image of the British. Besides, Ogilvy regarded such self-promotion as a necessity. “I can only plead that if I had behaved in a more professional way, it would have taken me twenty years to arrive,” he wrote. “I had neither the time nor the money to wait.”

In the book, aside from describing his own stunning rise on Madison Avenue, Ogilvy laid out in detail his developing philosophy on advertising, including fifteen rules on how to be a good client.

Advertisements, he taught, could be constructed with the exacting specifications of a jet engine. And their performance could be measured just as precisely, based on studies made by the firm and by polling groups. Headlines were crucial because “Five times as many people read the headline as read the body copy.” And since research proved it was dangerous to use negatives in headlines, he urged copywriters to speak to readers’ self-interest by employing phrases like “how to.” As for the text, “Research shows that readership falls off rapidly up to fifty words of copy, but drops very little between fifty and 500 words.” And he advised a focus on advice or service, since this approach “hooks about 75 percent more readers than copy which deals entirely with the product.” Through experimentation, Ogilvy had even developed formulas for the successful advertisement. “If you start your body copy with a large initial letter, you will increase readership by an average of 13 percent,” he advised. “If you use leading between paragraphs, you increase readership by an average of 12 percent.” Yet he warned ad people not to use research “as a drunkard uses a lamp post, for support rather than for illumination.”

*Confessions* achieved for Ogilvy the visibility he craved. Indeed, in 1964 he was even offered the leading role in a Broadway play entitled *Roar Like a Dove*. He refused, in part because the business of the agency came to occupy more of his time.

## **An Established Firm Goes Public and Grows Globally**

The British firms that gave Ogilvy his start had slowly sold their stakes to him. By the end of 1964 Mather & Crowther’s stake fell to 8 percent, Benson’s was eliminated altogether, and David Ogilvy personally owned 31 percent of the stock. Meanwhile, Mather & Crowther had grown quickly, largely under the leadership of Francis Ogilvy. Its billings rose from \$8 million to \$53 million between 1954 and 1964. After Francis died in March 1964, David Ogilvy entered discussions with the firm where he had first learned his trade. In January 1965 the two firms merged to create Ogilvy & Mather, or O & M as it was often known. Upon the merger’s completion, Ogilvy presided over a firm with 600 staffers and a strong presence on two continents. Of its combined 1965 billings totaling more than \$120 million, 59 percent were from North America, 28 percent from Britain, and 13 percent from Europe.

But the philosopher turned philosopher-king realized he was better equipped to be the brains rather than the muscle behind the enterprise, and he shunned the executive suite. “I am not an administrator. I do not wish to be an administrator. I will not be an administrator,” he declared. A company biographical sketch from the 1960s said: “David Ogilvy is a copywriter at Ogilvy, Benson & Mather. He is also Chairman of the Board.” In December 1965 Ogilvy promoted a colleague, John (Jock) Elliott Jr., to Chief Executive so Ogilvy himself could focus on the firm’s creative work.

But Ogilvy was not entirely aloof from matters financial. He took the company public in April 1966. Ogilvy & Mather sold 349,883 shares at \$22 each, becoming the sixth ad firm to go public. At the time, it was the ninth largest in the world, with billings of \$150 million. Ogilvy, who owned 161,000 shares, sold 61,000 in the offering and still had a substantial stake in the firm. He spent some of the money raised in the public offering on a second home, a magnificent twelfth-century chateau called Touffou, perched atop a cliff overlooking a tributary of the Loire in the south of France. He began spending increasing amounts of time there, so much so that in 1975 he formally relinquished his day-to-day creative control.

With the guidance of the managers Ogilvy had hired and nurtured, the firm continued to grow. “In a wickedly erratic business, O & M stands out like a prime-time show without commercial breaks,” *Forbes* wrote

in 1977. “It hasn’t had a down year since going public in 1966.” In 1976, it earned \$7.7 million on revenues of \$112 million and its billings approached \$800 million. Even more remarkable than a lengthy string of rising dividends was the loyalty of some of the firm’s customers in an industry where fickle clients are the norm. American Express, which came on board in 1962 with a \$1-million account, remained an O & M client as it grew. By 1984 American Express was spending \$70 million a year on advertising.

## Ogilvy Mellows into a Sage

By 1981 the agency had grown to include a hundred offices in thirty-five countries, 1,600 clients, and billings of \$1.7 billion. From virtual retirement, David Ogilvy kept watch on his expanding empire and wrote the *magnum opus* that would distill a half-century of experience

### Breaking Away From Commissions

In 1960, with a growing roster of blue-chip clients and a burgeoning reputation, David Ogilvy seemed well on his way to joining the exclusive club of top advertising men. Yet Ogilvy insisted on maintaining an iconoclastic posture by undercutting one of the industry’s most-cherished and longstanding business practices: the 15 percent commission. For as long as anyone in the industry could remember, companies had paid agencies 15 percent of the total cost of their campaigns, regardless of their size, quality, or effectiveness. The commission had become enshrined as one of the foundations of the business, so basic that few questioned it.

Those few dissenters included Ogilvy. We believe that the commission system is an anachronism,” he wrote in response to a list of questions sent out by a company that was shopping its \$15-million account. It seems to us that the client-agency relationship is most satisfactory when the agency’s emoluments are not related to the amount of money it can persuade the client to spend on advertising.” He believed that a flat fee would permit the agency to dole out truly impartial advice on promotional campaigns.

The company that was looking for a new agency was Shell Oil. And its management agreed with Ogilvy. “We had come to regard it as downright unethical, like paying a doctor 15 percent on the cost of drugs he prescribes or the hospital bill he makes you run up,” said Shell advertising manager Cyril Martineau. In November 1960, Shell stunned the advertising world by shifting its account from J. Walter Thompson to Ogilvy, Benson & Mather and by announcing it would pay O & M a fee rather than a commission.

In offering Shell a flat fee Ogilvy did what he did best: attracted attention. But the move also proved a more profitable arrangement for his firm. Ogilvy arrived at the fee by estimating his firm’s costs for servicing the Shell account and adding 25 percent as his profit. By contrast, advertising firms generally realized about a 21 percent profit under the commission system.

in advertising. Characteristically injecting his name and ego into the mix, he titled the 1983 textbook *Ogilvy on Advertising*. With this grand synthesis of years of thought and experiment, the cocky young self-promoter had completed his metamorphosis into a wise elder statesman. Chockablock with such Ogilvyisms as “Ads with news are recalled by 22 percent more people than ads without news,” *Ogilvy on Advertising* has remained in print continuously and is widely used as a college-level text.

The sage of Touffou entertained his visitors in style and offered informal seminars to journalists and colleagues. Adopting the pose of an elderly crank, he periodically fulminated about the vulgarity of contemporary advertising, singling out in particular television. “Every ten or fifteen years, advertising gets a disease called entertainment,” he told *Forbes* in 1988. “It’s very bad, because the people who do it have absolutely no interest in selling anything. They don’t think of themselves as salesmen. They think of themselves as entertainers and geniuses.”

As a sort of professor emeritus, Ogilvy remains an advisory presence in the firm’s many offices, which he occasionally visits. In 1988, O & M started an early internal on-line information bank, called “Ogilvy online.” Among its features were notes, letters, and other missives from the founder. As vice president Suzan Nanfeldt told *Advertising Age*: “The machine is to let us know what David’s up to.”

The powerful independent streak that led David Ogilvy to build his own firm did not atrophy as O & M took its place among the world’s largest agencies. Ogilvy was critical of the wave of consolidation and acquisitions that swept through the advertising industry in the 1980s. “Megamergers are for megalomaniacs,” he said. “These big mergers do nothing for the people in the agency. It’s quite the opposite.” In 1989, to his chagrin, the London-based WPP Group PLC launched a hostile takeover bid.



When the two agencies ultimately agreed to terms, WPP paid \$864 million for the company that David Ogilvy had founded forty years before with \$6,000 and a bunch of untested theories.

When the Ogilvy Group ceased functioning as an independent entity, the advertising world had evolved far beyond the one David Ogilvy dominated in the 1950s and 1960s. When Ogilvy set up shop, newspapers and magazines were the primary media for advertising. But by the late 1980s advertising pervaded every aspect of American life. Advertisements could be found not only in newspapers and magazines and billboards but also on hundreds of television channels, thousands of radio stations, in subways, and on the sides of buses—even in cyberspace. Advertising firms were even more sophisticated in their use of research, regularly employing focus groups of consumers to test products and using computers to sift through an ever increasing amount of data on the habits, tastes, and preferences of American consumers. Advertising had entered a brave new world in which some of the octogenarian's theories may have seemed dated. But the modern era's sophistication was also a logical outgrowth of the advertising world David Ogilvy helped create.