























# adfellows Coverage

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	<b>Brands Making The World A Better Place (August 30, 2018)</b>	<a href="#">Full text</a>
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	<b>Verizon CMO Says Agencies Made Progress on Diversity Even as Female Leadership Declined (April 15, 2019)</b>	<a href="#">Full text</a>
	<b>Verizon Expands AdFellows Program to American Express and Anheuser-Busch (April 25, 2019)</b>	<a href="#">Full text</a>
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 CMO TODAY	<b>OpenAP Adds Buying; Netflix and 'The Office'; Juul Names Marketing Veteran CMO; Esports Fashion Rises (April 25, 2019)</b>	<a href="#">Full text</a>
	<b>WATCH: The CMO of American Express explains why advertising has come full circle, and why it's so important to hire diverse talent (May 20, 2019)</b>	<a href="#">Full text</a>
	<b>At Cannes Lions, Verizon CMO Discusses Efforts to Foster Inclusivity (June 19, 2019)</b>	<a href="#">Full text</a>
	<b>The World's Most Influential CMOs 2019 (June 20, 2019)</b>	<a href="#">Full text</a>
	<b>Advertising 2045: The Tipping Point of the New Majority (January 23, 2020)</b>	<a href="#">Full text</a>

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**Verizon Launches \$5 Million Fund for Women Filmmakers (EXCLUSIVE) (February 11, 2020)**

Full text



**Pharrell Williams Surprises Verizon Adfellows Class in Online Graduation (April 29, 2020)**

Full text



**At Adweek's Inaugural D&I Summit, Leaders Forge Ahead With Commitment to Equality (May 28, 2020)**

Full text



**Verizon CMO Diego Scotti on the importance of equality in hiring (June 9, 2020)**

Full text



**Marketers have a poor record on diversity. Here's how Verizon, Nike and others have emphasized diversity and inclusion (June 10, 2020)**

Full text



**Tuesday Stir (June 9, 2020)**

Full text



**Diego Scotti Says If Brands Can't Find Diverse Talent, They're Not Looking Hard Enough (June 16, 2020)**

Full text



**Facebook CMO Antonio Lucio Lights Fire Under Adland's Ass with Fierce Call to drive diversity (November 17, 2020)**

Full text



**D+I Champion of the Year: Diego Scotti Gets – And Demands – Real Results When it Comes to Inclusivity in the Marketing Industry**

Full text



ADCOLOR

**AdColor Catalyst Award (June 16, 2020)**

Full text

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# Appendix



## Think You Know Verizon? Read This, Then Think Again (May 9, 2017)

Diego Scotti CMO, Verizon, gives us an earful on the Yahoo and AOL deals, challenging Google and Facebook, and how best to run a massive marketing organization

Diego Scotti commands one of the largest marketing spends in the world as CMO of Verizon. He joined us at [NewCo Shift](#) to discuss how Verizon, once merely a massive carrier brand, is shifting into overdrive, becoming not only a major content and advertising player (through its acquisitions of both AOL and Yahoo!), but also a pure technology brand (the jury is out on that one, but I'd not bet against them in the long run). Scotti is also an innovator in his approach to management — since taking over the helm of Verizon's marketing machine, he's forced his agencies into a diversity audit, created "Challenger Boards" that rip his marketing plans apart, and instituted new programs that address the fundamental "pipeline problem" in STEM education for minorities. Below is the full video interview and text, edited for clarity.

John Battelle: Diego Scotti is responsible for a brand that's in massive transformation. 10 years ago, 5 years ago even, Verizon's brand was, "We connect you to the network really well."

Then they bought AOL (*and then Yahoo, a deal which closed after this conversation*). It's very interesting to think of a very large Fortune 100 company that is going through a transformation where their brand is changing from, "We connect you to the network," to something completely different.

Diego, You're responsible for Verizon's brand. That includes buying Super Bowl ads, which we all saw on Sunday. How has the brand changed in the last few years since the decision to become more than a network company?

**Diego Scotti:** We are in a moment of tremendous transformation. I would say that the transformation is happening simultaneously in two big areas.

The first one is, like you said, when you ask any consumer what Verizon stands for, the first word or phrase that comes to mind is network reliability. That has worked for us during the last 15 years in the formation of the company. Now, as you said, as we start expanding into new businesses, that definition needs to evolve. We need to go from network to technology.

Everybody that says the word "Verizon" in a few years from now, we want them to think about technology. It's interesting because what you read in the papers is usually more of, like you said, our expansion into the media and entertainment business, but a tremendous area of development for the company is everything around IoT, telematics — We have now the largest global business in telematics, which is, "How do we track the movement over everything from cars to people to data, etc." Virtual reality, augmented reality. We really need to step into technology in a different way.

The second transformation happening simultaneously, and you referenced that a little bit, is what's happening on the wireless industry. Highly saturated, 98 percent of the people in this country have some sort of cell phone. So with the four biggest carriers, it has become really a game of market share gains. Our brand needs to be as vibrant and compelling as possible to compete in an environment that has become extremely, extremely competitive. Competitors are pushing us to a race to the bottom in terms of it's about price, price, price, and how cheap can you get your service?

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The balance that we're trying to achieve is, "How do we compete effectively to expand the brand in these two very important areas?"

**One way is to outspend the other guy with your media budget so that you have a greater share of voice and a greater share of mind. When you ran your Super Bowl ads, I'm sure you had a strategy. But you also, and now we've been doing this for almost 10 years, you had a social media war room ready for however people might react. Did you expect that your competitors would start taking to social media to critique your Super Bowl ads? Because you ended up in a running gun fight with your competitors over social media, which then got picked up and written about in real time by the media. It became a big story, which was the fact that, whoever was manning your Twitter handle was in a fight with whoever was manning Sprint and T-Mobile's Twitter handle.**

A few thoughts on that because what you're saying is a good example of how complex and also exciting marketing has become. I wish it was as easy as outspending your competition, as it used to be in terms of budgets. We literally have the highest spending in marketing, but we're not complacent, meaning, I don't think that guarantees success. That's number one.

Number two, in my mind, is we have great activation. We are sponsors of NFL. We had a great activation in Houston, an all-around exclusive access to our customers with different activities that we had. But we decided *not* to run commercials during the Super Bowl. That was a conscious decision because we wanted to see how we could achieve the same level of engagement and connection without spending \$25 million, like one of our competitors did, for example.

**You managed to be all over the Super Bowl without actually being...**

I don't know, but what I can tell you is I didn't spend \$25 million on the Super Bowl. The third point that I was going to make is that it's an interesting balance. If you look at all of the advertising that was run by our competitors, it was all using Verizon as the foil.

One, because we are the biggest carrier, so everybody's attacking us to steal customers. It's interesting because I was looking at some of the data or perceptions coming out of the spots in the Super Bowl. Some of the T-Mobile spots were actually really about Verizon because they talk about Verizon so much.

I don't know if that strategy works for our competitors. What I tell is you that our strategy is, every time that somebody points out something that is a lie or is deceiving for consumers, we're going to stand for the truth and for our facts. On (Super Bowl) Sunday, did we go a little bit too far in terms of getting into that? I think so. Part of me thinks I don't want to lower ourselves to that level.

**How does it work? Whoever the team is in the war room during the Super Bowl sees the ad of your competitor. Do they clear the tweet with you?**

We were very, very prepared. We went into the Super Bowl knowing what our competitors were going to do, which is also silly. I never like to tell you my strategy before I launch my strategy. That's a little bit silly in how the Super Bowl ads get released earlier these days.

So we knew what they were doing. We were ready to respond, and then to respond to their responses. And, yeah, I was right there. I was right there. That's what I'm saying, I was talking to some of the folks of my team early this morning. I would say, "Well, you know, I think we got 80 percent right. Maybe 20 percent that needs improvement in terms of how we could do it next time."

We definitely drove them crazy, which it was a thing in and of itself.

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**That probably made you feel pretty good. You came over from a diverse background. You haven't been a lifer in telecoms by any measure. You were in financial services, media, and retail. When you came, you instituted a number of policies that, as a person with arguably the largest budget in media, that makes you a popular man in the media business. But you instituted a Challenger Board for every part of your strategy. Tell us what that is and how it works.**

Because of the complexity that we were discussing before in terms of how marketing operates these days, and I'm a firm believer both in terms of me, personally, as well as the marketing team, is that you can't do it alone. That is now more important than ever.

We have implemented really a new way of collaborating with people across the ecosystem that is very different to how big companies like ours usually work. For example, we have this monthly meeting that is called a cabinet meeting, which is a little bit of a funny name.

We get together with the presidents or the CEOs of our key agencies once a month to discuss the issues about Verizon. Some of these agencies compete against each other with other clients. Some of them share work or disciplines. When they come into that room at that level, they're not part of an agency. They're part of the Verizon team.

That's a great example of really putting collaboration at the center because they are forced and their compensation relates to that. They are forced to collaborate and to put the best ideas forward for Verizon.

The Challenger Board is another example of what we've done because I feel like the biggest problem that people in roles like mine and in big companies is you become a little bit isolated from what really happens in the marketplace. You start believing your own BS. So we created this group that we meet every quarter. It's a group that is formed by ex-CMOs, ex-agency people, creative people, some of our partners, and it rotates. The sole purpose of the Challenger Board is, I come and present our plans for the next six months. The only thing that I ask them is just, poke holes in it, what we're not doing right, what we should be doing better. It's interesting because they're not vested on the success.

#### **Do they rip it apart?**

They rip it apart. It's very uncomfortable, I must say. Now that I've gone through a few of them, when I first thought about that idea, I thought, "Well, this is going to be easy." It turned to be more difficult than I thought because they were doing their job. They were challenging.

I cannot point to one thing that we have done since we instituted the Challenger Board a year and a half ago, I cannot point to one thing that we have done that it hasn't been impacted by the feedback from the Challenger Board.

**Another thing you did is you turned around and challenged your agencies. The agencies are not only super important because they really do an extraordinary amount of work on your behalf. It's a lot of money. The agencies all live off of that. You told your agencies that they were failing at diversity and that you would not work with them if they didn't fix it. A lot of people talk about diversity, but you actually implemented a policy. Can you talk about that?**

Yeah, diversity is very important for me. I'm from Argentina. I've been now here for 20 years, but I believe in the power of diversity to drive better ideas and to grow companies. Verizon is one of the most diverse companies in the country. We can always do better. When we looked at our agencies, and this is about the industry in general, many agencies still these days are very much run by white, middle-aged men.

You don't find a lot of females in positions of leadership, let alone diversity in terms of race, Hispanics, African Americans, etc. That was highly disturbing to me. It's because of principle, but also because, if we need to address the needs and engage with this very diverse customer base that we have, we have 130 million customers in America, if we need to engage with them, we need to be able to understand and have the perspectives that come only from a diverse set of people working in our agencies.

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The first thing that we did is we said, I wanted every agency to come every month and present their numbers, where they stood. It was very interesting because what we knew was the reality. Very few women in positions of leadership, same thing with African Americans and Hispanic.

The question is, to your point, what do we do? We keep talking about it. We keep hoping that this is going to change or we do something? We instituted already three big programs that we're working on. The first one is we are now demanding that every agency that is covering positions in leadership, that means VP level and above, in any of the Verizon teams need to include females in the final set of candidates that they present to us.

I want to interview them. I want to see those candidates. I want to make sure that we are considering, that we are always hiring the best candidate, but that especially the minorities are being included on the slates.

The second, we decided to partner with our agencies on their programs that support diversity coming to work for them. We are investing with them on that.

The third piece, which is one of the things that I'm the most excited, is we are creating the first mentorship and internship program that it connects agencies with clients. The way we're going to do this is, and this is a Verizon-sponsored plan, we're going to call it Ad Fellows.

It's launching in a few months from now. What's going to happen is we're going to get students to do a rotational program for six months in two of our agencies and on Verizon, so a media agency, a creative agency, and then the client side. The goal is that we get these kids to understand, "What does it mean to work on the client side? What does it mean to work on the media side?" understanding the ecosystem. We're going to focus on minority and diverse candidates for that program.

**From the tech business, as they call it, the pipeline challenge that you're addressing.**

Exactly. If we don't start there, it's very difficult to get the right candidates when these kids grow up. I'm excited about that because, again, there's a lot of talk on this, but I wanted to make sure that we are doing, not only talking.

**One of the challenges that really large companies have is, when you're hiring your own key talent, particularly younger people are interested in working for a company that means something, that ladders to something more than, "We've got the best network, the best widget, or we can give you free lunch and foosball."**

**They actually want their work to mean something in the world that might make the world a better place. Is this something at the C-Suite level you guys discuss and respond to?**

Yes, we're very focused on this, again, for two reasons. One because it's the right thing to do, but also because of what you're saying.

In our workforce, and especially the younger generations, to your point, are now demanding that companies have heart in addition to a wallet. For us, it's very important. What is important is connecting it back to the essence of the brand and who we are, which is technology.

Our main area of focus is education as it relates to technology. You would ask, "Well, for everything that you can pick that you're going to focus on, why education?"

It goes back to the point about diversity and catching these kids when they're young.

The issue today and you go to a lot of places even in this country in which you see millions of kids that have no access to technology. They have no access to the Internet. They have no ability to learn those skills that are going to then translate into a successful career.

We started five years a program that now we have schools in every single state in the union that we take those schools for a full period of two years. We don't only give technology to the kids, but we have developed a curriculum that includes hands-on learning through technology, including virtual reality, including even doing your homework through your tablet. These kids have a different connection to technology that it would enable whatever they're going to do later on. We have invested close to \$150 million in the last few years. We have another big investment for the next few.



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Again, to my point about the diversity example before, it's very hands-on. We don't want to give money away. We want it to make a difference.

Today, actually, we're launching this program called [We Need More](#). Today, when you go to these schools and you ask kids, "What do you want to be?" the answer that you get is, "I want to be the next LeBron. I want to be the next Selena Gomez. I want to be..." The things that they aspire to, that connect with success are those things. Those kids have never been exposed to the hundreds of different types of jobs in STEM — scientists, engineers, astronauts, you name it.

They've never been exposed to those jobs. We need more means. We need less LeBrons, less Selena Gomez, less of those, and we need more of you. I mentioned those names because they are part of this campaign because they see, as well, that they have a positive influence on kids. At the same time, it shouldn't be the only.

**Not everybody can be LeBron.**

It's very exciting. We need more.

**Are you going to close the Yahoo deal or is the data breach in the way?**

Listen, we've said this very publicly, which is we're still evaluating the impacts.

**It's taking you a long time to evaluate.**

It's a big, big impact and not so easy to solve. It will be closed soon hopefully.

**You hope it will be closed. You're still...**

Closed meaning that we will come up with a conclusion of what the impact was.

**Soon. You'll know soon. Let's assume that you do close the deal, living in the hypothetical world. You're going to become a massively-scaled competitor to the duopoly in the United States and the world for marketers.**

**Google and Facebook are the only two companies that are actually growing in digital marketing in terms of their share and their revenues. Overall, the rest of the industry is shrinking.**

**No one can really challenge that. Twitter's not big enough. Snapchat's still too early. If you get there, you'd become the third way. Is that the strategy?**

Yes, that's the strategy.

Listen, there's no doubt that will give us tremendous scale. I also believe that more and more, content is king. It's at the center of the conversation. For us, given that we are developing a strategy that is around content from AOL or "The Huffington Post" to any of the verticals, be in finance or whatever that people are interested in, we have to insure that we allow consumers to connect with that content in the easiest way possible.

When you think about Google in terms of search, when you think about Facebook and social interaction, there's not really a player that has put content at the center of the equation. That's what we will be challenging ourselves to do.

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# Appendix

## The Drum.

### Verizon diversity fellowship aims to place majority in full-time marketing jobs (September 11, 2017)

[Verizon](#) has officially unveiled its AdFellows program, a paid fellowship that will give 20 diverse young marketers the chance to work within the company and at its partner agencies over the course of eight months.

The program comes nearly a year after Verizon's chief marketing officer Diego Scotti asked 11 of the agencies it works with to [submit details on how many women and minorities they employed](#) across different roles and in senior leadership positions. He also asked them to create action plans that would detail their plans to increase those numbers.

[General Mills](#) and [HP](#) made similar pleas to their agency partners around the same time, with the latter [asking its agencies to lay out their plans](#) for increasing the number of women and minorities in key roles.

According to Verizon, the company has "made tremendous progress in how it recruits and nurtures diverse talent" as of late. The telecom giant claims that 59% of its workforce is made up of women or people of color.

In the past year, the company's agency partners have made strides to keep up with Verizon's demands: 31% of those in agency leadership positions are people of color, up from 22% in 2016. In addition, 51% are female, up from 48% from last year.

Earlier this year, Verizon opened an in-house agency led by Andrew McKechnie, Apple's former global group creative director. According to Verizon, 50% of the agency's staff is white while the other half is people of color. Additionally, it is 52% female and 48% male.

Participants in AdFellows will rotate into positions at Verizon as well as agencies including [McCann Worldwide](#), [Momentum](#), [Rauxa](#), [Weber Shandwick](#) and [ZenithOptimedia](#). Verizon is aiming to place 90% of AdFellows participants into full-time positions once the fellowship is over.

The participants, which begin their rotations on Monday, Sept. 18, were selected from several hundred applicants of recent grads or those seeking a new career path.

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# Appendix

## ADWEEK

### One Year After Calling on Agency Partners to Be More Diverse, Verizon CMO Shares the Results (September 11, 2017)

One year ago, Verizon CMO Diego Scotti sent a letter to all of the brand's agency partners. In that letter, Scotti [called on each of the 11 agencies on the Verizon roster](#) to focus on improving the number of women and people of color working for them.

Scotti's letter came around the same time that HP and General Mills put out similar demands, laying out quotas for their agency partners to reach. Verizon didn't ask for agencies to meet a certain quota because as Scotti explained, "we don't really believe in quotas, we believe in progress." Instead he asked that all of the agencies share the current state of their workforce 30 days after the letter was sent out and deliver an action plan to improve upon those numbers in the future.

"Now we meet every quarter with all the agencies together, and everybody needs to report their progress in front of everybody else, which in and of itself is changing the dynamic of how we are having this conversation," Scotti explained. It holds everyone accountable.

Now one year after making that call to action, Scotti shared how both Verizon and its partners are doing on the diversity and gender front.

At the agencies, 31 percent of employees at the leadership level are people of color, up nine percent from last year. Eleven percent of those in leadership positions are hispanic, up 5 percent; 51 percent are female, up 3 percent.

"This is not an easy thing to solve, so for me I never expected to have crazy results quickly, but I learned a few things that are important," Scotti said. One of those important lessons Scotti learned came from starting an [in-house agency that launched in February](#).

There are already 70 people working on Verizon's in-house team and the staff is split, 50 percent white and 50 percent people of color. Additionally, 52 percent of the staff is female and 48 percent is male.

"The number one lesson is when you build something from scratch and you put the filter of diversity in it, you can do it," he said. "If you create the right environment, then you can do it."

Looking specifically at new hires, 210 employees have been hired in the past year to work on the Verizon account across agencies; 41 percent of the hires were people of color and 53 percent were women.

Creating an in-house agency and focusing on improving agency and internal diversity numbers was the first prong in Scotti's diversity-focused approach for Verizon. Another prong is the Ad Fellows program, which officially kicks off today.

The Ad Fellows program selects 20 college graduates from across the country, all with diverse backgrounds, to participate in an eight-month fellowship program. Scotti hopes that at the end of the program, 90 percent of the fellows will score full-time jobs at one of the six companies participating in Ad Fellows.

What makes Ad Fellows different than your typical fellowship, though, is that Verizon tapped five of its agency partners—McCann, Momentum, Rauxa, Zenith and Weber Shandwick—to participate in the program.

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Over the course of eight months, the 20 fellows will be split into smaller groups and rotate between Verizon and a handful of the participating agencies (which cover creative, media and PR). That way the recent graduates have a chance to explore different parts of the marketing and advertising business and find out what it is they want to do with their career and what parts of the business they excel in.

The program is fully paid and covers housing and expenses for all 20 fellows to ensure that people of all backgrounds can have the chance to participate.

While the program just kicked off today, Scotti already has big plans for its future. Outside of holding more cycles each year, Scotti hopes that the idea of an Ad Fellows program can extend beyond Verizon. He hopes one day that, “every company in America has an Ad Fellows program and they gather agencies to work with them. I would love to partner with the ANA or The Ad Club or some organization that could help bring other clients to partner with the ad agencies and make it a really big thing.”

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# Appendix

## BUSINESS INSIDER

### Verizon's CMO is launching a fellowship program to tackle the ad industry's diversity problem (September 11, 2017)

Madison Avenue's lack of diversity has been a growing concern for several big name marketers over the past year.

Take Verizon, whose chief marketing officer Diego Scotti [sent out a letter](#) to its agency partners a year ago, calling on them to improve the number of women and people of color working for them.

On Monday, the telecom company took its efforts a step further by unveiling its very own diversity fellowship program.

Ad Fellows is an eight month-long fellowship program, in which 20 college graduates with diverse backgrounds will rotate across different positions at both Verizon and a handful of its partner agencies. The program aims at providing the participants valuable experience across Verizon's several marketing functions, from creative and media to public relations.

"As one of the country's top five advertisers, Verizon sees it as our responsibility to lead the conversation on diversity and take action to promote broader industry change," Scotti told Business Insider. "We want our company, as well as our agency partners, to reflect our customers, and to make that happen we need a pipeline of diverse talent."

The idea behind the rotational program is to give the recent graduates a chance to explore different parts of the marketing and advertising business, and find the areas they are passionate about and excel in. The hope is that at the end of the program, 90% of the fellows will score full-time jobs at one of the six companies participating in Ad Fellows.

Since calling on its agencies to disclose their progress last year, Scotti has led the charge in getting them to set up action plans as well as host regular check-in meetings. And Verizon is far from alone. Other big advertisers, including HP and General Mills, have also been at the forefront of calling for changes in the ad business.

Scotti added that the Ad Fellows program is just one pillar of his three-pronged approach to ensuring that Verizon and its partners embrace diversity. In addition, the company is also investing in broader industry and community efforts like The One Club and the Marcus Graham Project. The company has also been working to incorporate diversity into its creative output. Its recent Samsung [S8 spot](#), for example, featured an actual Verizon woman engineer called Ammara Bhaimeah.

The Ad Fellows program is fully paid and covers housing and expenses for all of the 20 fellows, ensuring that people of all backgrounds have the chance to participate. Apart from Verizon, agencies including McCann, Momentum, Rauxa, Zenith and Weber Shandwick are also participating in the program.

Ultimately, Scotti hopes to not only have multiple cycles of the program per year, but also to extend the program beyond Verizon.

"I would love it if our model can serve as inspiration and that every company in America and their agencies will offer a program like AdFellows," he said. "Solving diversity issues is not an easy feat and it can't be done alone."

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# Appendix

MarketingDaily

## Verizon Launches Diversity Marketing Fellowships (September 12, 2017)

Verizon is putting its money where its mouth is to promote diversity within the marketing industry.

A year after publicly encouraging its agencies to engage in more diverse hiring practices and promotion, the company has launched AdFellows, a program that will give 20 young marketers an 8-month internship that will include stints at the company and its agencies (McCann Worldwide, Momentum, Rauxa, Weber Shandwick, and ZenithOptimedia).

“Verizon is a company that has a long history of diversity, but for us diversity is not just about the right thing to do, it’s critical to our success,” Verizon CMO Diego Scotti, tells Marketing Daily. “For us, when you look at marketing and creativity in particular, the issue around giving diverse talent an opportunity is critical for success.”

Last September, Verizon made public a letter Scotti wrote to his agencies calling for more diversity among the ranks. More diversity would give the company more perspectives into a diverse American public, he said in the letter. He echoed that sentiment when talking about the AdFellows program.

“As an industry, we need to start taking action, and we need to be at the forefront,” Scotti says. “We don’t believe in quotas, we believe in progress, and we have to make that progress.”

Including the agencies among the partners for the fellowships is an important way to show the industry Verizon is committed to encouraging diversity across the board. It also gives potential recruits an opportunity to gain a broader range of experience.

The paid fellowship will cover housing, and includes a goal to place 90% of the participants in positions at either Verizon or its agencies. Scotti notes the company’s 9-month-old in-house agency is staffed with 50% minorities, and is 52% female.

“It’s not an issue about finding people,” Scotti says. “When you build something from scratch you can do it right from the start.”

But getting recruitment right is only a part of the equation, Scotti says. The next step is creating opportunities and the environment that encourages the diverse workforce to stay for the long-term. He also hopes other companies and organizations take a cue from this program and start their own.

“We want to do something that endures. If you’re going to do that, you’ve got to do it right,” Scotti says. “As an industry, we need to start taking action, and we want to be at the forefront of that.”

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# Appendix

## Marketing DIVE

### Verizon launches paid fellowship focused on diversity (September 13, 2017)

#### Dive Brief:

Verizon has launched a paid fellowship program called AdFellows that offers 20 young marketers from diverse background the chance to work in its corporate offices and partner agencies for eight months, [according to The Drum](#).

Last year, Verizon CMO Diego Scotti asked 11 of the agencies Verizon works with to provide information on how many women and minorities they employed in roles including senior leadership positions. After hearing feedback, he requested they create action plans to increase those numbers, leading to the genesis of AdFellows.

Verizon says 59% of its workforce is women or people of color, and its agency partners are working to meet its demands with 31% of agency leadership positions held by people of color, up from 22% last year. Fifty-one percent of its leadership positions are held by women, up from 48% in 2016.

#### Dive Insight:

With AdFellows, Verizon joins a growing number of big-name U.S. brands that are adopting a more proactive approach to diversifying their workforce. The telecom's push to showcase diversity has been apparent in recent advertising efforts as well, such as a TV spot that ran around the Video Music Awards that [was almost entirely in Spanish](#).

The Drum noted that General Mills and HP have also taken a harder line in demanding more women and people of color at their agency partners. In May, Airbnb CMO Jonathan Mildenhall announced a call-to-action for more diverse hiring practices in the advertising industry, and his company [used the Cannes Lions advertising festival](#) the following month to recruit diverse talent.

Diversity in the marketing and ad industry has remained a pressing topic for some time, as a changing U.S. consumer demographic makeup requires equal representation; however, homogeneity in agency and brand workforces can stifle those efforts, or otherwise prevent them from getting off the ground, on top of making those corporate structures appear to be stuck in the past. Last year, industry trade group the 4A's put out a report at its Talent@2030 Conference that stated [74% of its members thought diversity hiring practices were "mediocre or worse" at ad agencies](#). Twenty percent said industry approaches to diversity were "terrible." And while around 50% of respondents said agencies have a discriminatory culture, it was little consolation that 60% said agencies weren't as racist as in the past.

Findings like these, while alarming, have helped spur efforts to tackle a lack of representation both in consumer-facing marketing and behind-the-scenes. The Association of National Advertisers in October last year [launched an Alliance for Inclusive and Multicultural Marketing](#), a group made up of industry leaders from African American, Hispanic, Asian and LGBT backgrounds.

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# Appendix



## Ad Fellows Launched by Verizon (September 13, 2017)

On September 11, I attended the launch event of Ad Fellows, an industry partnership offering participants a client and agency immersion designed to foster the next generation of diverse marketing leaders. Kudos to Verizon for originating this program and to its agency partners for participating.

The idea behind Ad Fellows is part of a broader diversity initiative that kicked off about a year ago when Verizon CMO Diego Scotti sent letters to the company's agencies asking for help in addressing the industry-wide problem of diversity.

Since then, of the more than 200 people hired by Verizon's agencies to work on its business, 41 percent are people of color. Internally, Verizon created an in-house agency over the past year from scratch and now that group consists of 50 percent people of color. Mr. Scotti told [Adweek](#) that, "The number one lesson is when you build something from scratch and you put the filter of diversity in it, you can do it."

Ad Fellows is a key part of Verizon's diversity work. Twenty recent college graduates from across the country, all with diverse backgrounds, have been selected to participate in this eight-month fellowship program. At the end of the program, it's hoped that the vast majority of participants will transition to full-time jobs at one of the participating companies.

The Ad Fellows launch event featured a panel moderated by Kate Richards of Adweek with Mr. Scotti, Gina Grillo, president and CEO of The Advertising Club of New York, and Lincoln Stephens, CEO and co-founder of the Marcus Graham Project. The group shared much wisdom, including:

Getting new perspective at the table makes things more interesting, leads to change, and can be disruptive in a good way.

There needs to be focus on both recruiting and retention. Recruiting is just the first part of the equation. Employers need to optimize conditions so people will stay.

Affinity groups are wonderful, but people who are not like-minded need to hear one another's stories too.

Unconscious bias should be mandatory training to help us all better see the world.

Mr. Scotti emphatically stated that he wants this program to be considered by other companies, so it will become bigger, and invited industry trade associations ANA and The Advertising Club of New York to participate.

How will success be defined? While Mr. Scotti does not believe in quotas, he "wants to get as close as possible to what our customers look like."

Congratulations to Verizon and agencies McCann, Momentum, Rauxa, Zenith, and Weber Shandwick. Good luck to the 20 Ad Fellows as they embark on their careers.

Hear more from Diego Scotti at the [2017 ANA Multicultural Marketing & Diversity Conference](#), November 5–7 in Miami, Fla.



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# Appendix



## Verizon to Launch AdFellows Program to Promote Diversity in the Marketing Industry (September 18, 2017)

Verizon wants to promote diversity within the marketing industry that is why the company has launched AdFellows program, a paid fellowship that will give 20 diverse young marketers internships to work within the company and at its partner agencies (McCann Worldwide, Momentum, Rauxa, Weber Shandwick, and ZenithOptimedia) over the course of eight months.

Almost a year ago, Verizon's chief marketing officer [Diego Scotti](#) sent letters to 11 of the agencies Verizon works with.

"Verizon is a company that has a long history of diversity, but for us diversity is not just about the right thing to do, it's critical to our success," Verizon CMO Diego Scotti, tells Marketing Daily. "For us, when you look at marketing and creativity in particular, the issue around giving diverse talent an opportunity is critical for success."

Last September, Verizon made public a letter Scotti wrote to his agencies calling for more diversity among the ranks. More diversity would give the company more perspectives into a diverse American public, he said in the letter. He echoed that sentiment when talking about the AdFellows program.

"As an industry, we need to start taking action, and we need to be at the forefront," Scotti says. "We don't believe in quotas, we believe in progress, and we have to make that progress."

Including the agencies among the partners for the fellowships is an important way to show the industry Verizon is committed to encouraging diversity across the board. It also gives potential recruits an opportunity to gain a broader range of experience.

The paid fellowship will cover housing, and includes a goal to place 90% of the participants in positions at either Verizon or its agencies. Scotti notes the company's 9-month-old in-house agency is staffed with 50% minorities, and is 52% female.

"It's not an issue about finding people," Scotti says. "When you build something from scratch you can do it right from the start."

But getting recruitment right is only a part of the equation, Scotti says. The next step is creating opportunities and the environment that encourages the diverse workforce to stay for the long-term. He also hopes other companies and organizations take a cue from this program and start their own.

"We want to do something that endures. If you're going to do that, you've got to do it right," Scotti says. "As an industry, we need to start taking action, and we want to be at the forefront of that."

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# Appendix

## The Drum

### Verizon, HP and Unilever marketers discuss how to advance the diversity and inclusion conversation (September 26, 2017)

[Verizon](#), [HP](#) and [Unilever](#) are among of a handful of brands that have made headlines over the past year for taking tangible steps to make the advertising industry more diverse and inclusive.

At [Advertising Week New York](#), HP's global chief marketing officer Antonio Lucio, Unilever's SVP of global marketing Aline Santos Farhat and Verizon's chief marketing officer Diego Scotti gathered to discuss what progress they've made in this space so far and what more needs to be done.

During the panel, Lucio discussed the [results of HP's agency diversity challenge](#), which began last September when he tasked the company's agency partners with hiring more women and minorities. Earlier this week, HP revealed how its agencies - which include [BBDO Worldwide](#), [Fred & Farid](#), [Gyro](#), [PHD](#) and [Edelman](#) - have stepped up to the challenge over the past year.

According to HP, 61% of the people working on the brand's agency account teams and 51% of senior leadership are now women, both of which exceeded goals. The company's two lead creative agencies also significantly increased the number of women in creative leadership roles: BBDO went from zero to 40%, while Fred & Farid went from zero to 55%.

Despite the significant strides made on the female front, Lucio acknowledged that the agencies did not make as much progress with minorities. While three of its five agencies saw a "positive, upward trend" in minority representation, three of them did not meet their targets.

Lucio said that the reason its agencies didn't experience as much success with minorities is because they weren't looking in the right places to find talent, explaining that it's easier to find women through traditional means of recruiting than it is people of color.

"In many ways, the reason that we made such significant progress [with women] is that those women were part of the pipeline," he said. "They were just given an opportunity for the first time. The reason why we did not make progress on underrepresented minorities is because they're not part of the pipeline."

To combat this issue, HP is partnering with the [Cannes Lions International Festival of Creativity](#) to develop a program for underrepresented groups that will provide them with the chance to network, meet jurors and share creative. The company is also awarding a grant to Adcolor that it said will "fund a professional development solution focused on growing young talent in creative industries."

"We need to look for talent in very different places than where we're looking for talent today," said Lucio.

Verizon has also recently taken to similar steps to get more diverse marketing and advertising talent into the workforce. Last year, it asked 11 of the agencies it works with to submit details on how they plan to increase the number of women and minorities working across different roles and senior leadership positions.

According to Verizon, the company's agency partners have recently made strides to keep up with its demands: 31% of those in agency leadership positions are people of color, up from 22% in 2016. In addition, 51% are female, up from 48% from last year.

The company [recently rolled out a program called AdFellows](#), a paid fellowship that will give 20 diverse young marketers the chance to work within the company and at its partner agencies over the course of eight months. Participants in AdFellows will rotate into positions at Verizon as well as agencies including McCann Worldwide, Momentum, Rauxa, Weber Shandwick and ZenithOptimedia. Verizon is aiming to place 90% of AdFellows participants into full-time positions once the fellowship is over.

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# Appendix



## HP calls on marketing industry to unite on diversity (September 26, 2017)

HP has seen big improvements in the representation of women and minorities both in its marketing teams and agencies over the past year, but says it now wants to work with the rest of the marketing industry to improve diversity across the board.

Speaking at Advertising Week New York today (26 September), HP's CMO Antonio Lucio said that at its agencies, 61% of the people who work on its account around the world are now women, a 20 percentage point shift. In supervisory roles, 51% are now women where a year ago some of its agencies "started with zero". And on senior creative, where its two lead agencies that produce 85% of its content started with zero, at least 40% are now female.

However, he admitted the needle on minorities "hasn't moved as much as we want" and so that will be the focus for 2018.

"At HP Inc we wanted to have a company that reflected the priorities of the 21st Century," he said. "In a company driven by innovation, we need diverse teams across the company. And within the marketing world we had an opportunity to really try to work within a group of people to create systemic change.

"We fundamentally believe the only way the industry can transform is when clients, agencies and production houses all transform at the same time and all operate to the same end game, which is having communications that reflect the priorities of the communities we serve."

However, he went on to say that while HP is making progress, it needs scale and momentum for there to be change across the industry. To do that, he believes it requires "significant clients" to ask their agencies and production houses to diversify, institutional programmes of internships and that all marketers buy into gender bias principles.

"If we can [complete these three action] we can in a systemic way drive the changes and transformation that are required," he added.

Verizon is another brand that has already made a start on this work. It has an internship programme dubbed Ad Fellows that gives graduates the opportunity to rotate across disciplines – from client-side marketing to media agencies, production houses and creative agencies. The first 20 people have just started the programme and it has a hiring target of 90%.

The idea came about, explained Verizon CMO Diego Scotti, because when the company was having conversations with its agency partners around diversity, it realised that everyone was doing something but none had enough scale to make a real difference.

"The biggest issue we had was scale," he explained. "If we are all trying to do our own little thing we'll never get the scale we need.

Verizon has also been working to improve the diversity of its agencies. It has set up an agency from scratch and it is 50% female, 50% male, 50% white and 50% BAME. That, said Scotti, "dispels the myth that exists that no talent is available".

Unilever has also been doing a lot of work on diversity and in particular gender stereotypes. Its 'Unstereotype Alliance', which started out as its own internal project, now [has the backing of a number of major advertisers](#) including HP. And Aline Santos, VP of marketing, says only by joining together can the ad industry help to eliminate stereotypes and promote inclusivity.

"There are many ways that we can differentiate versus our competitors. [Banishing stereotypes] is not one of them," she concluded.

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# Appendix

## WSJ

### CMO Today: Advertising Week Day 3; Adidas Marketer Arrested; Facebook's NFL Deal (September 27, 2017)

Good morning. Wow, halfway through Advertising Week. Monday seems so long ago, doesn't it? Turns out that outside this Times Square bubble of lanyards and carefully PR-approved platitudes, there was some actual other marketing news going on in the real world, too. Let's catch you up and prep for day 3.

#### Slam Dunked

There's quite the scandal unfolding in college basketball, and it involves the Voldemort of words on Madison Avenue: "Kickbacks." Federal authorities allege they have uncovered [a sprawling scheme, involving hundreds of thousands of dollars in bribes. An Adidas marketing executive](#) is accused of working with a sports agent and financial adviser to funnel cash to the families of high school recruits to get them to commit to playing at Adidas-sponsored colleges, The Wall Street Journal reports. James "Jim" Gatto, director of global basketball sports marketing at Adidas, was among the 10 people arrested. Adidas said it was unaware of any misconduct and is cooperating with authorities. Assistant coaches at several universities were accused of accepting bribes for steering athletes to the agent and adviser. This is not a good look for college basketball, long shrouded in rumors of corruption, and it could be a significant setback for Adidas, which has [heavily invested in college sports to boost its brand recognition and sales](#) in the U.S., reports WSJ's Sara Germano.

#### Forever in Debt to Your Priceless Advice

Back over at Advertising Week, there was plenty of refreshing practical advice about actions to take when everyone returns to their desks next week. Unilever's marketing honcho, Keith Weed, was back on stage Tuesday, this time in a chat with Google's Americas president, Allan Thygesen, who said marketers should get working on being "able to close the loop for your business." He advised marketers to push for a single KPI (key performance indicator) to be used across all of their teams. Within many companies and even within marketing departments themselves, separate divisions are often siloed by the metrics they use: lead generation, video views, net-promoter score, and so on. Mr. Thygesen suggested that if marketers do a better job of making the connection between their work and better goals—like sales—and get every department in the business to agree on that metric, "marketing's position within the company changes dramatically."

#### Improving the Pipeline

Speaking on a panel about diversity Tuesday morning, HP CMO Antonio Lucio; Unilever's SVP of global marketing, Aline Santos Farhat; and Verizon CMO Diego Scotti were [live-brainstorming ideas about what marketers could do to improve the diversity of the pipeline of talent](#) coming into the industry. Earlier this year, Verizon launched a fellowship program designed to give a diverse set of aspiring marketers the chance to work within the company. But Mr. Scotti said the biggest obstacle the industry faces is scale. Everyone's trying to do their own little thing here and there, which is great, but what if some of Verizon's "Ad Fellows" could have a rotation at HP, for example? Perhaps we might start seeing more institutional programs to foster the next, more diverse generation of talent.

#### Not to be Missed on Day 3

9.15 a.m. "Town Hall Series: The Future of Commerce" (PlayStation East)

Wal-Mart e-commerce U.S. president and CEO, Marc Lore, and Sridhar Ramaswamy, senior vice president of ads and commerce at Google

2.15 p.m. "Why Purpose Wins: How Howard Schultz Built Starbucks" (PlayStation East)

Starbucks Chairman Howard Schultz and Mic CEO Chris Altchek

3.30 p.m. "Bloomberg & Twitter: The New News" (Nasdaq MarketSite)

Twitter COO Anthony Noto and Bloomberg Media Group CEO Justin Smith

6.30 p.m. 4A's 100th Anniversary Gala (Cipriani Downtown, by invitation)

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## Facebook

I've heard ad executives say "pace of change" so often that I could make a year-long repetitive torture soundtrack out of the phrase. But you can't help but agree with it. Take sports rights. Legacy TV players have long been coughing up ever-increasing prices for contracts to air games. Then along came the internet and smartphones, giving rights owners more ways to slice and dice their content deals to make more money. In keeping with the trend, [Facebook on Tuesday announced a multiyear deal to air NFL game highlights and recaps](#) on its recently-launched Watch video section. That will almost certainly drive up video viewing time and give Facebook a vehicle to promote other Watch content. With speculation mounting that [Facebook might also be poised to bid for English Premier League rights](#), I think we can all agree that things ain't what they used to be.

## —NFL Anthem Protests—

While we're on the subject of sports, President Trump hasn't let up on his criticism of athletes who kneel during the national anthem. But there's still a question surrounding whether the general heaps of money that flow through professional football will be impacted. The ratings have been mixed, with CBS's games up from a year ago, NBC and Fox down, and ESPN way up because a presidential debate ate into viewership of the year-ago game. But now WSJ reports that [DirecTV is letting at least some subscribers cancel their NFL Sunday Ticket subscriptions](#) and get a refund if they cite national anthem protests as the reason, which could hurt TV ratings.

## Apologies

Yesterday's newsletter contained an error. Facebook disclosed that Instagram has half a billion users who use the app every single day. The email incorrectly stated that the figure was half a million.

## Best of the rest

Online content creation platform Playbuzz has raised a \$35 million series C investment, bringing its total funding to \$66 million. The round was led by Viola Growth, with participation from existing investors such as Walt Disney Co. [[CMO Today](#)]

Twitter is testing extending the character limit for tweets from 140 to 280. [[Recode](#)]

21st Century Fox is considering whether to sell programming through apps for devices like Apple TV and Microsoft Xbox to users who don't have a cable subscription, CEO James Murdoch said in an interview. [[The Information](#)]

The Financial Times estimates more than £1 million (\$1.3 million) a month of advertisers' budgets is being wasted on ad inventory purporting to be from the FT.com, an ad fraud practice known as domain spoofing. [[Digiday](#)]

Officials at the Federal Election Commission are considering new digital political ad disclosure laws and are getting in touch with ad buyers to solicit comment. Ideas reportedly being considered include requiring all online political ads to carry disclosures and banning the programmatic sale of political ads. [[Axios](#)]

Google has pulled YouTube from the Echo Show device, saying Amazon's implementation of the video platform "violates our terms of service, creating a broken user experience." Amazon, meanwhile, says there was "no technical reason for that decision." [[Reuters](#)]

Rolling Stone's sales pitch to investors includes a plan to cut the magazine's editorial budget by 30% and switch to a monthly instead of a biweekly. Print advertising revenue is projected to be \$10.9 million in 2020, a sharp decline from the \$28.6 million it generated in 2015, according to a Wenner Media financial document. [[Vanity Fair](#)]

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# Appendix

## BUSINESS INSIDER

### What you need to know in advertising today (September 27, 2017)

It's Day Three, which means we're halfway through Advertising Week.

Here's Business Insider's advertising editor Mike Shields summing up the Advertising Week experience in one tweet:

"Advertising Week: like Cannes only it's 90 degrees and you're dodging Cookie Monster and the Hulk en route to a panel at Dave Buster's"

In all seriousness, here's a quick recap of Day Two, ICYMI:

From [brand safety](#) to [ad fraud](#), Google has been in the thick of an advertising maelstrom this year. Google's head of advertising in the Americas Allan Thygesen acknowledged that the web giant had messed up in a panel with Unilever marketing chief Keith Weed Tuesday, [but said that the company couldn't clean up digital advertising alone](#).

HP's global chief marketing officer Antonio Lucio, Unilever's SVP of global marketing Aline Santos Farhat and Verizon's chief marketing officer Diego Scotti [discussed the state of diversity in the ad industry](#). [Verizon just launched its own Ad Fellows program](#) and [HP too announced the progress](#) it had made over the past year earlier this week.

In other news:

[Twitter is doubling the length of tweets to 280 characters for some people](#). The company announced Tuesday that it would begin testing a new limit of 280 characters for all languages except Japanese, Chinese, and Korean.

[Russia is threatening to block Facebook if it doesn't store user information in the country](#). The threat was made by Russia's communications watchdog Roskomnadzor, agencies said.

[Fabletics owner TechStyle is avoiding advertising agencies — and companies like it are making ad giants very nervous](#). These digital-centric brands are focused on controlling their own data and moving fast.

[Facebook's Slack competitor, Workplace, scores big by signing up Walmart](#). Walmart will join the ranks of 14,000 other businesses like Starbucks and Delta that have joined Workplace since the service first debuted nearly one year ago.

[Here's a glimpse at what fake-news readers look like — on the right and the left](#). Fake-news readers interested in a pro-Trump story, for example, were more likely to be older, white, and in the military or work for the federal government.

[Here's why you see Sonic ads even when there isn't a location anywhere near where you live](#). By running ads in areas where there are no Sonic locations, the fast-food chain can get customers invested in Sonic before the chain even opens in the region.

[Federal authorities allege that they have uncovered a kickback scheme in college basketball involving hundreds of thousands of dollars of bribes, the Wall Street Journal reports](#). It also involves an Adidas marketing executive, who is accused of working with a sports agent and financial adviser to get high school recruits to commit to playing at Adidas-sponsored colleges.

[The Financial Times has found high levels of an ad fraud practice known as domain spoofing on ad inventory purporting to be from the FT.com, reports Digiday](#). It said that more than £1 million (\$1.3 million) a month of advertisers' budgets are being wasted due to the practice.

[Business Insider is seeking nominations for the most innovative marketing executives in the world](#). Submit your ideas via [this anonymous survey](#).

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The company [recently rolled out a program called AdFellows](#), a paid fellowship that will give 20 diverse young marketers the chance to work within the company and at its partner agencies over the course of eight months. Participants in AdFellows will rotate into positions at Verizon as well as agencies including McCann Worldwide, Momentum, Rauxa, Weber Shandwick and ZenithOptimedia. Verizon is aiming to place 90% of AdFellows participants into full-time positions once the fellowship is over.

During the panel discussion, Scotti said that he doesn't want AdFellows to be a solely "Verizon" initiative; rather, he said he wants other brands and companies to see it as an invitation to implement similar programs.

Scotti also said that Verizon is working to make both its own culture and its agencies' cultures more inclusive so that diverse talent can feel comfortable once they've come on board. While he didn't elaborate on details, he said the company has implemented an inclusion training program over the past two years that has helped employees become "more aware and receptive."

"You can bring all the diverse people [in] that you want, but if you don't fix the working environment, they're not going to feel at home," said Scotti. "Unconscious bias is a real issue in corporate America."

Santos Farhat said that Unilever is also working on inclusivity efforts, although the CPG giant's are primarily focused around ridding the workplace of gender stereotypes and discrimination. The company's '[Unstereotyped Mindset](#)' study released earlier this year found that 60% of women and 49% of men believe that stereotypes personally impact their career, life or both. In addition, the report found that "men and women overwhelmingly believe that men don't want women in the C-suite."

As a result of the global report, Unilever said it is urging senior leaders to recognize that "stereotypes, social norms and unconscious bias are contributing to the ever-widening gender gap."

"Diversity is when you invite people to a party. Inclusiveness is when you invite them to dance," said Santos Farhat. "When people feel included in a company or in a group, they are much more effective."

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# Appendix



## 'Mad Men' no more: ad industry makes diversity push in Trump era (September 30, 2017)

Walk into your average ad agency in America and you could be forgiven for thinking you had travelled back in time, with many still resembling the white male bastions immortalized in the series "Mad Men."

That may be about to change as the industry redoubles efforts to recruit more minorities, sensing a chance to strengthen ties to populations that feel assaulted in the Trump era -- and better reflect contemporary US society.

Outreach efforts towards minority populations have long been complicated by the paltry number of African Americans who work in advertising: they remain in the single digits as a percentage of staff, while Latinos also are underrepresented.

For award-winning ad veteran Valerie Graves, who rose from being among the first black copywriters at the firms where she worked, to leading entire creative departments, the sector needs to recognize that non-whites "drive the popular culture of this country and of the world."

"It hardly seems likely that we're not capable of doing advertising at a very high standard," she said, urging industry leaders to "realize that diversity is not just something that (they're) being forced to do but is something that responds to the demographics of the country."

That message seemed to be resonating at last week's giant Advertising Week conference in New York, where numerous panels spotlighted efforts both to bridge the diversity gap, and connect with minorities alienated by President Donald Trump's tough stance on immigration and racial issues.

"There's a real opportunity to forge a bond," said Ludwig Ortiz, a senior vice president at Energy BBDO.

When Ortiz' firm surveyed Hispanic shoppers -- long seen as a key sector poised for growth -- 70 percent said they had seen displays of prejudice rise since the 2016 presidential election.

Researchers have also found that Hispanics took notice when Apple, Facebook and other technology companies called on Trump to maintain protections for so-called "Dreamer" immigrants, brought to the country as children, said research consultant Marissa Romero-Martin.

Hispanics "are looking at what brands are doing and not doing," Romero-Martin said.

### - Lone voices -

An ad by Budweiser emphasizing the positive role of immigrants drew positive reviews at last year's Super Bowl.

But other campaigns have misfired -- such as when Pepsi was roundly criticized for an ad in which Kendall Jenner made light of the "Black Lives Matter" movement -- in what marketers see as symptomatic of the lack of internal diversity.

Nearly half of advertising employees believe the industry is "terrible" or "not great" at hiring diverse professionals, according to a 2016 survey by the American Association of Advertising Agencies (4A's).

"We are losing an opportunity to bring in diverse views," said Keith Cartwright, executive creative director at BSSP, who often finds himself the lone African American at client meetings.

To remedy the situation, the sector has put in place mentoring programs and scholarships to introduce young minority talent to industry leaders.

But a key driver has been large clients -- such as Verizon last year -- who are increasingly demanding that their ad agencies step up the pace of change.



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The telecoms company did not set quotas for minorities, but demanded “meaningful progress” from its ad firms, said Diego Scotti, its chief marketing officer.

“We have 130 million customers,” Scotti said. “We appeal to everyone, so we have to represent internally the understanding of our audience. If we don’t, we won’t be successful.”

HP saw a jump in the promotion of women after delivering a similar ultimatum to its ad firms, although it says minorities are still too few.

“On the underrepresented minorities, we didn’t move the needle as much as we want,” said Antonio Lucio, HP’s global chief marketing and communication officer. The company shifted recruitment to different schools and agencies to address the problem.

**- Majority-minority ‘clash’ -**

Her own success story aside, Valerie Graves fears progress will remain slow until there is a change in “mind and hearts.”

But speakers at the New York fair urged executives to stay the course when they encounter resistance in the diversity push.

“When you really start to see organizational tension, don’t get scared and back away,” said Keesha Jean-Baptiste, senior vice president of talent engagement and inclusion at the trade association 4A’s.

“At that point that’s when real change happens, which is underrepresented groups and majority culture starting to clash and creating real dialogue and a place of discomfort that start to drive outcomes... that change the nature of who’s rising to the top.”

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# Appendix



## **'Mad Men' no more: ad industry makes diversity push in Trump era (October 1, 2017)**

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But other campaigns have misfired -- such as when Pepsi was roundly criticized for an ad in which Kendall Jenner made light of the "Black Lives Matter" movement -- in what marketers see as symptomatic of the lack of internal diversity.

Nearly half of advertising employees believe the industry is "terrible" or "not great" at hiring diverse professionals, according to a 2016 survey by the American Association of Advertising Agencies (4A's).

"We are losing an opportunity to bring in diverse views," said Keith Cartwright, executive creative director at BSSP, who often finds himself the lone African American at client meetings.

To remedy the situation, the sector has put in place mentoring programs and scholarships to introduce young minority talent to industry leaders.

But a key driver has been large clients -- such as Verizon last year -- who are increasingly demanding that their ad agencies step up the pace of change.

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The telecoms company did not set quotas for minorities, but demanded “meaningful progress” from its ad firms, said Diego Scotti, its chief marketing officer.

“We have 130 million customers,” Scotti said. “We appeal to everyone, so we have to represent internally the understanding of our audience. If we don’t, we won’t be successful.”

HP saw a jump in the promotion of women after delivering a similar ultimatum to its ad firms, although it says minorities are still too few.

“On the underrepresented minorities, we didn’t move the needle as much as we want,” said Antonio Lucio, HP’s global chief marketing and communication officer. The company shifted recruitment to different schools and agencies to address the problem.

**- Majority-minority ‘clash’ -**

Her own success story aside, Valerie Graves fears progress will remain slow until there is a change in “mind and hearts.”

But speakers at the New York fair urged executives to stay the course when they encounter resistance in the diversity push.

“When you really start to see organizational tension, don’t get scared and back away,” said Keesha Jean-Baptiste, senior vice president of talent engagement and inclusion at the trade association 4A’s.

“At that point that’s when real change happens, which is underrepresented groups and majority culture starting to clash and creating real dialogue and a place of discomfort that start to drive outcomes... that change the nature of who’s rising to the top.”

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# Appendix

DAILY SABAH  
BUSINESS

## Ad industry makes diversity push in Trump era (October 1, 2017)

Walk into your average ad agency in America and you could be forgiven for thinking you had traveled back in time, with many still resembling the white male bastions immortalized in the acclaimed TV series “Mad Men.” That may be about to change as the industry redoubles efforts to recruit more minorities, sensing a chance to strengthen ties to populations that feel assaulted in the Trump era, and better reflect contemporary U.S. society. Outreach efforts towards minority populations have long been complicated by the paltry number of African Americans who work in advertising; they remain in the single digits as a percentage of staff, while Latinos also are underrepresented. For award-winning ad veteran Valerie Graves, who rose from being among the first black copywriters at the firms where she worked, to leading entire creative departments, the sector needs to recognize that non-whites “drive the popular culture of this country and of the world.”

Nearly half of advertising employees believe the industry is “terrible” or “not great” at hiring diverse professionals, according to a 2016 survey by the American Association of Advertising Agencies (4A’s). To remedy the situation, the sector has put in place mentoring programs and scholarships to introduce young minority talent to industry leaders. But a key driver has been large clients, such as Verizon last year, who are increasingly demanding that their ad agencies step up the pace of change. The telecom company did not set quotas for minorities, but demanded “meaningful progress” from its ad firms, said Diego Scotti, its chief marketing officer.

“We have 130 million customers,” Scotti said. “We appeal to everyone, so we have to represent internally the understanding of our audience. If we don’t, we won’t be successful.” Her own success story aside, Valerie Graves fears progress will remain slow until there is a change in “mind and hearts.”

Diego Scotti at the [2017 ANA Multicultural Marketing & Diversity Conference](#), November 5–7 in Miami, Fla.

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# Appendix

## AdAge

### POWER PLAYERS 2017: VERIZON'S DIEGO SCOTTI ON DIVERSIFYING MARKETING (November 6, 2017)

Diego Scotti oversees global marketing for the \$126 billion [Verizon](#) brand, including consumer insights, digital marketing, creative development and agency management, while also spearheading an initiative to transform the company from a legacy telecom into a leading tech platform—one that rivals [Google](#), Facebook and Amazon.

Yet he may be best known for his relentless focus on diversifying the ranks of the marketing industry.

The company's in-house agency, dubbed "140" after its street address, across from New York's One World Trade Center, employs a staff of more than 100. Half of its members are people of color and 52 percent are women.

"Verizon has been working on diversity for a long time and for us it is critical," he says. "We were one of the first companies that tasked our agencies to increase diversity and it is now a staple in the way we do business."

Last year, the Argentine native penned a letter that called on Verizon's 11 outside agency partners to increase the percentage of women and people of color in leadership roles at their own businesses. In August, the company launched a program called AdFellows, which takes 20 young graduates and rotates them over the course of nine months to work at its creative, media, digital and PR agencies, as well as with Verizon itself. The endgame is to hire 90 percent of them full-time at either Verizon or one of its agency partners.

To enable its transformation into an end-to-end tech player, Scotti hired Scott Zimmer as Verizon's first chief customer experience officer, tasked with driving connectivity and unifying the customer experience. Zimmer, a former [Capital One](#) executive, is in charge of developing a cohesive experience for Verizon in retail and digital.

"Scott Zimmer is the yin and Andrew McKechnie [chief creative officer of 140 and a former Apple marketer] is the yang," Scotti says. "I say that in the sense of, 'How do I take the right experience for Verizon in retail and digital and bring those pieces together with the right messaging and aesthetics?'"

Scotti believes that his approach is already playing out in Verizon's favor with its rewards program, which includes incentives like four months of free Apple Music, 20 percent off round-trip flights through JetBlue or a three-month subscription to HBO Now. Customers can also snag exclusive tickets to sports and music events.

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# Appendix

## ADWEEK

### What Verizon Learned a Year After Launching Its Diversity-Focused Fellowship Program (May 1, 2018)

Verizon wants to be a more diverse workplace, and the brand wants its agency partners to be just as diverse. Two years ago, Verizon CMO Diego Scotti called on all agencies that work with the brand to put together an action plan showing how they would improve diversity within their companies. Then, one year ago, [Scotti launched Ad Fellows](#)—a program for college graduates across the country with diverse backgrounds and an interest in marketing.

Now, one year later, the first round of Ad Fellows are wrapping up their eight-month fellowships—which includes four two-month rotations at a combination of the participating companies including Verizon, McCann, Momentum, Rauxa, Zenith and Weber Shandwick. At the start of the program last year, Scotti noted that his ultimate goal with the program was to have 90 percent of the fellows finish up their rotations with a full-time job.

“One thing we were very keen on from the very beginning was the selection process for the 20 ad fellows,” Scotti explained. “We put such a effort on making sure that they qualified at the right level to ensure their experience was successful. If you don’t select right at the beginning, you might not end up fulfilling the numbers.”

At the end of eight months, Scotti and company accomplished just that—90 percent of the 20 fellows will join Verizon or one of its partnering agencies in full-time roles beginning this summer.

“After the program, I will be at the in-house agency working on the Verizon program as an assistant account executive,” said Angel Mora, one of the fellows. “From all the experience that I’ve gathered these past few months, I feel like it’s really one of a kind. I’ve spoken to a lot of people, and I feel like you would have to be in the marketing industry for five to 10 years in order to get the experience that we are getting in just eight months.”

One participant, Ahmad Coleman of North St. Louis, Missouri, started a Verizon with a focus on media and social. He then joined Rauxa on the strategy side, followed by some time of the account executive team at McCann and ended his rotation at Zenith on the digital investment team. At the end of the program, which concluded last week, Coleman will join Rauxa full time as an associate strategic planner.

“To be able to come to New York City with a program like this, that actually had the wherewithal to have a relocation stipend for us, it made all the difference in the world for me to be able to get here,” Coleman said.

Another fellow, Kiarah Leite of New Jersey, worked at Weber Shandwick, Verizon, Zenith and Momentum during her time in the program. This month, she will start a full-time gig at Verizon on the external communications team. “To be able to see different departments in the marketing industry that I would never have been exposed to has been a highlight for me,” Leite said.

The fellows, as well as Verizon’s CMO, all echoed the importance of having access to a variety of agencies, roles and people within the agencies. The fellows “have an experience of exposure to senior leaders within the company that I think is unmatched,” Scotti added.

For Verizon, the experience has been an enlightening one, and the company will continue to grow it in the coming years. For the next rotation of fellows, Scotti noted that the team will accept a total of 30 college graduates. Additionally, agencies R/GA and Moxie will be joining the program. Scotti’s next goal is to get fellow CMOs from other companies to either join the Ad Fellows program or start their own program.

“It’s not very costly. You invest a little bit of money, but it’s more the dedication and conviction to do it,” Scotti said. “Maybe we add other companies to our program as part of the rotation. My goal is to figure out how to make it bigger so that the impact can be bigger.”

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# Appendix



## Industry News In Brief (May 7, 2018)

NEW YORK — Boosting its presence in Latin America, Weber Shandwick has opened an office in Bogotá, Colombia. Paula Restrepo has been named managing director and will lead operations there. Weber Shandwick now includes owned offices in Colombia, Brazil and Mexico, with affiliates in Argentina, Chile and Peru.

NEW YORK — Verizon and its agency partners have graduated their first class of Verizon AdFellows, a 20-person group that spent the last eight months gaining in-house and agency marketing experience through a paid fellowship. The program is designed to give participants experience, while bringing diverse perspectives to Verizon’s marketing disciplines; 90% of the inaugural class got full-time jobs.

NEW YORK — A new RF|Binder study has found that the majority of consumers, or 58%, believe it’s appropriate for companies to take part in the gun control debate — which they largely shied away from before the Parkland, Florida school shooting. The report, called Navigating Risk in the Era of the Purpose-Driven Corporation, also found it took just one week for media conversation and search volume around Delta and FedEx to normalize after the companies took opposing stands on the NRA. #BoycottFedEx and #BoycottDelta conversations lasted 7 days on social media, the study found.

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# Appendix



## Verizon CMO Believes This Is The Future Of Marketing (May 18, 2018)

Today, CMOs are spending more time on addressing a wider scope of organizational issues. For example, this may mean looking at how to complete a digital transformation. Or, it could involve devising new solutions that more effectively target the right audience. Finally, this action might require looking at issues that go beyond the impact they have on marketing.

Recently, Diego Scotti, EVP and CMO of Verizon, published an article on LinkedIn entitled, "[The Future of Marketing Looks Like This.](#)" Recently, Diego Scotti provided more context around what Verizon is doing with its AdFellows program.

### Proactively Directing Change For Greater Diversity

First, Scotti noted that it is up to today's marketing leadership to [take a stance and proactively change what is not working](#) in today's workforce whether it is within the marketing department or across the organization. As such, Verizon started its AdFellows program to address its industry's diversity and inclusion problem. Already, Verizon's Board of Directors is one of the most diverse in America. And, 59% of Verizon's workforce consists of women and persons of color. However, this trend is not industry-wide.

Scotti explained, As one of the country's largest advertisers, it's our responsibility to lead the conversation and take real action. What I mean by 'real action' is we are not just throwing money at the problem or doing one-off events. Instead, we are developing programs that have a long-term impact. AdFellows not only gives recent college graduates hands-on experience through different areas of marketing, but it also sets them up for permanent full-time positions. The first class of AdFellows recently finished an eight-month rotation. Now, 90% landed full-time, permanent jobs at either Verizon or our partner agencies. That's lasting impact."

### Creating a Benchmark Program

For Verizon, developing the AdFellows program from the ground-up was critical to taking a leading role in enacting industry change. Plus, it helped reinforce the company's own brand values. Scotti noted that there are six key elements to the program. For example, these include fair pay and paid living expenses, strong curriculum, meaningful work, mentoring and networking opportunities, rotations to explore every aspect of the business, and strong employment prospects upon completion.

As a benchmark program, AdFellows addresses one of the fundamental causes of the diversity issue. This issue involves changing the recruitment pipeline and selecting diverse candidates across the country. Scotti added, "Giving participants exposure to multiple environments through our agency partners provides a well-rounded view of the marketing industry, and enables the Fellows to really dig in and gain experience that translates into real opportunities for them."

### A Call to Action

In Scotti's post, he is not shy about calling other CMOs to action to address the diversity and inclusion issue. In asking him what type of response he has received from fellow CMOs, Scotti replied that there was still plenty of work to do. "Our industry has a unique power to connect with people. We should be leveraging this to build a bridge for the diverse, talented voices that don't have the credentials, resources, or networks that traditionally help people find their first jobs."

As part of the call to action, there have been some responses. For example, ad agency partners R/GA and Moxie have joined on for the next class of AdFellows. Plus, other brands are getting involved.

### Continuing to Change the Future of Marketing For the Better



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Now, Scotti and his team [continue to look to the future](#) to direct where AdFellows can go in terms of changing their industry. Therefore, this involves looking at the next two to five years and even farther. Scotti stated, “After the success of this first year, we expect this program to keep growing in the years to come.”

Plans include increasing the number of AdFellows per class from 19 to 30 individuals. Next, the plan is to see how AdFellows can be replicated in other industries. Additionally, the AdFellows program has the potential to be replicated on a city basis across the country. And, since the program is being shared freely, it’s there for any other company to benchmark it. In response, other CMOs can help move the needle forward to achieve a more diverse workforce across all industries.

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# Appendix

The logo for 'salon' is displayed in a white, lowercase, sans-serif font inside a solid red square.

## Changing the face of marketing requires action and cooperation across the industry (June 10, 2018)

The following is sponsored content from [CMO Moves](#), a podcast that shares the human side of game-changing CMOs and leaders: How did they get to the top? What rules did they have to break along the way? What inspires them? What tips can they now pass along? Tune in to the podcast to hear inspiring career-advice and the personal success stories behind these incredible marketing leaders.

What business does a marketer who spent the previous seven years running marketing at retail darling J. Crew and fashion powerhouse Vogue magazine have taking over as CMO for one of the largest telecommunications companies in the world? According to [Diego Scotti](#), EVP and CMO at [Verizon](#), absolutely none. But that's exactly what Scotti did at the urging of Verizon's then CEO, [Lowell McAdam](#), who was excited to bring new perspective to the growing company.

Fast forward nearly four years and Scotti is still at the marketing helm of the telecommunications giant and on a mission to change the public's perception of the company — a company that does business with over 100 million U.S. customers every single day. He recently shared his story with me on [CMO Moves](#). "For many years, our position has been as the most reliable network in America. And as the category continues to expand and more competitors come in, that's [continued to be] our heart and soul. Now we want to continue to create meaning in terms of [that brand promise]. Not just at the functional level but the emotional level as well."

For Scotti, a big part of delivering on Verizon's promise as "the most reliable network in America" has been to share stories that demonstrate Verizon's commitment to social responsibility. Their [#humanability](#) campaign is "the manifestation of the business strategy and philosophy that is demonstrating how our technology and our capabilities help people [in everyday life]." One example is Verizon Innovative Learning, which provides free technology, access, and innovative curriculum to over a million kids across the country.

Verizon's commitment to positively impacting people's everyday lives doesn't end with #Humanability. Scotti and his team have also been looking inward at the employees who power the brand and amplifying their stories via [Verizon's YouTube Channel](#). He believes that the more authentic Verizon can be with the types of messages it communicates, the deeper the connections with their customers will become. "If your message is authentic, [meaning] you're not trying to co-opt a conversation that is not authentic to you, not trying to connect with something that it might be 'of the moment' that has nothing to do with your brand... If you stay true to who you are and your message remains authentic, it's probably going to have huge chances for success because it comes from the inside, from the inside out."

This type of authentic, emotional connection with customers is what attracted Scotti to the marketing field in the first place. "I have to go one step further in terms of creating a very strong connection with the consumer. I have always loved that about marketing. I always take it as a challenge to figure out how to make that connection even stronger, every step of the way."

Scotti also feels a strong personal commitment to using his powerful brand platform to do good — especially for the next generation of marketers. That's why he's become the evangelist and leader of the [AdFellows](#) program, a cooperative effort aimed at increasing the diversity of up and coming marketing professionals — not just in terms of race and gender but diversity of backgrounds, personal stories, and points of view. "We deeply believe that diversity is not just the right thing to do — it's also good business. It makes us better . . . My role as a leader of marketing is to attract the most creative people in the world internally and externally. We want the best creative minds in the world working for Verizon. At the end of the day in marketing, it's all about the people. Everybody has the same computers. Everybody has the same cameras to shoot commercials and ad photography. What makes the difference [for your brand] is the people."

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Three years ago, Scotti and the Verizon leadership team started AdFellows by asking six of their agency partners to invest both time and resources to help them develop this revolutionary program. Every single one of them agreed. The program is designed to give “classes” of young marketing professionals, regardless of economic status, the opportunity to come to New York City – all living expenses paid – and do a nine-month rotation working at each of the agencies and Verizon.

The first class of AdFellows recently graduated and Scotti wrote about the results in [a recent LinkedIn article](#). “And now, eight months and four work rotations later, the fellows have exceeded even our wildest expectations. They’ve developed inspiring work, created lasting relationships with their peers and mentors, and gotten to work alongside some of the best in the business at Weber Shandwick, McCann, Momentum Worldwide, Rauxa, Zenith Optimedia and Verizon.”

He goes on to say that 90 percent of the graduates landed full time jobs at Verizon or with one of their agency partners. “This is a milestone and it wasn’t by chance or luck. It was the result of true commitment — not only on the part of the fellows, but on the part of Verizon and our agency partners. Instead of just talking, we put our money, and time and businesses on the line. We made diversity a priority and enacted real change. And this must continue.”

His goal is to expand AdFellows into an industry-wide program with many different companies participating. “There’s no trademark, no copyright on how we’ve done it. We want more companies to join and to keep making the program bigger and better.”

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# Appendix

## ADWEEK

### **Diversifying in Advertising Requires Creativity and a Drive to Instill Fairness (August 5, 2018)**

The fundamental idea is very simple, like all powerful notions. A marketer's best work is only made possible through a diversity of talent applied to that company's business. In recent years, the advertising community has started to come to grips with the bold-faced truth that we haven't really talked the "real" talk, much less walked the walk. If you take a hard, honest look at the range of companies in our industry at the present time, they all too often reflect the workforce of 1978, not 2018.

It is unassailably clear that there is still much work to be done for our industry to mirror the demographic diversity emerging in the early 21<sup>st</sup> century in the U.S. and abroad. And with the tumultuous events of the past few years highlighted by the emergence of the #MeToo and Time's Up movements for women's empowerment and anti-sexual harassment, the broader culture is intensely focused on the fight for respect and equality for diverse, often marginalized groups, particularly women and people of color.

While diversity as a centerpiece of social justice efforts is reaching a fever pitch, what can our industry leaders do to spark increased hiring and retention of talent from a mix of backgrounds and identities? While there have been nascent attempts in several quarters to infuse a broader range of cultural and social perspectives into both client and agency marketing teams, we as an industry are still a long way from critical mass. Clearly, there are still many organizations that haven't prioritized diversity, or perhaps they have but are struggling for guidance for the most effective way to implement best practices.

#### **A sincere commitment**

If a marketer or an agency is truly devoted to staff diversity, they must apply sizable resources toward achieving it. This could take the form of investing in a fully integrated program offering entry-level immersion experiences that includes job rotations through a broad range of marketing disciplines over an extended period of time, up to a year if it makes sense.

Similar to a graduate school program, aspirants should be schooled across the wide palette of marketing and advertising disciplines including creative, media, client-side brand marketing and PR. If this sounds like a souped-up, deluxe version of your traditional agency internship program, that's not where I'm leading. Rather, I envision something much deeper and impactful. The experience and mentoring with senior company executives—including the C-suite—could be much more focused and regimented and then lead into a more sophisticated and beneficial experience. As most of us know or have experienced, traditional company internship programs are often more rudimentary, and the curriculum or training is much more cursory and often administered by middle managers with limited senior-level or C-suite active participation.

What I am advocating can only be accomplished through extensive training and 360-degree feedback modules that bring together the gamut of stakeholders in an ongoing, committed basis including the C-suite and evp/svp level, chief talent officers, recruiters and, of course, the diverse talent.

A program of this caliber, if executed properly, would rise to the level of postgraduate, master class work. Imagine, if every company in our ecosystem—large, medium and small—took this approach en masse. In this way, we would all be the catalysts for broader industry-wide transformation. For inspiration, one need turn no further than to Verizon, whose chief marketing officer, Diego Scotti, has been one of the pioneers on this front with his Ad Fellows program.

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By launching something similar at your company, you will reap strategic benefits; this would not simply be an altruistic endeavor. You would in effect be creating a mechanism that would actively create and identify a healthy pool of diverse talent on an ongoing basis, which you can ultimately draw from to contribute to the greater success of your company and your partners. The goal could be to place all participants post-program within the industry.

Hopefully, these thoughts and ideas will work to inspire a wave of similar efforts from brands and agencies across the entire industry. There is a lot of work ahead to increase diversity in advertising and marketing, but companies should look at diversity as an opportunity not an obligation. Those corporate cultures that value innovation and progress have the opportunity to foster a competitive advantage that could transform the company in more ways that you could imagine. Cheap PR, like cotton candy, tastes nice but is ultimately unsatisfying. Elbow grease and creativity to support an unshakeable will to fairness and personal growth will actually be beneficial to the bottom line. It really is about progress and prosperity.

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# Appendix

## The Drum.

### Q&A: Diego Scotti, chief marketing officer of Verizon (August 27, 2018)

Verizon's marketing chief, Diego Scotti, who is set to be named one of [the People of the Year by the Ad Club of New York](#), offers his views on content consumption, marketing innovations and the biggest challenges being faced by marketers today.

#### **Content consumption has changed rapidly in recent years, how difficult has that made it for you as a marketer to reach audiences?**

For marketers, regardless of industry, it means you have to be everywhere that your customer is and offer them an experience that is consistent.

You have mobile-first consumers who depend on their devices for everything. This means the experience they get on their smartphones must mimic the experience they get on their laptops or when they visit a retail store. As more new technology gets introduced, such as virtual and augmented reality, AI, etc., it will continue to change the way that people consume content in ways we can't even imagine.

#### **When it comes to the Verizon brand, how do you ensure that it resonates with people still as the telecoms provider for them?**

As our technology continues to evolve, so does our brand. This means transforming from being seen as purely a telecom company to an innovative technology company that puts people at the center of everything we do. For example, our creative shows how our technology and network enhance the ability of people, businesses and society to do more new and more good. And we are doing it in a way that is authentic by nature- using real people and real experiences to story-tell. That has really resonated with consumers.

#### **What are the biggest challenges you currently face as a marketer of such a major organization?**

Consumers have more control now than ever before and they have 24/7 access to the information they want, whenever they want it. This means they consume tons of information before they make a purchase decision, and they are wary of marketing tactics and brand interactions. Marketers need to focus on delivering messages that have value for their audiences – does the ad inform me, make me cry, gives me a different point of view? People are wary of advertising because it's become pollution. That's something we as marketers need to understand and address. It starts with us.

#### **What innovation in marketing excites you most currently?**

The marketing opportunities that will result from the emergence of new technology is what excites me the most. When you think about the possibilities with 5G, artificial intelligence, augmented reality, Internet of Things, etc., it will unlock opportunities that we can't even fathom at this point.

#### **Advertising has become a bit of a dirty word in recent years as a result of the negative headlines it has generated for various reasons – how can the industry reclaim pride for those working in the sector?**

When it comes to connecting with consumers, there is no greater currency than trust. For brands and marketers to be successful they have to deliver on quality and prove that they are reliable and consistent in delivering what they promise.

It's also about creating content that truly reflects the diversity of their customers. To do that you have to have a staff that reflects different cultures, points of views, lifestyles, and unfortunately that has been a big challenge for our industry. Brands and agencies are starting to make inroads, but there is still a ways to go.

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At Verizon, we've taken steps to ensure that the agencies that work on the Verizon account are diverse, so the work created is reflective of our customers. We've also taken it one step further and created Adfellows, an eight-month rotation program that takes recent college graduates, all diverse, and immerses them across media, advertising, experiential, PR and digital at both our agencies and at Verizon. It's about creating a pipeline of young talent that can be the leaders of tomorrow.

**What do you hope and think receiving this award means for yourself?**

I'm incredibly honored to be recognized as Marketer of the Year by the Ad Club. There are a lot of CMOs doing some really interesting and compelling work, so I am grateful that the work we've been creating at Verizon has really resonated and broken through. From diversity and inclusion to humanability, I've been very proud of the work that has come out of Verizon and excited for what's to come.

The People of the Year event, held by The Advertising Club of New York, will be held at Guastavino's in New York on September 18 from 6pm. Further details can be found at [The Advertising Club of New York's website.](#)

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# Appendix



## Brands Making The World A Better Place (August 30, 2018)

Humanability. It's a relatively new word that means doing more good things for the world. And, it appears that many consumers want — and expect — that humanability from brands.

A [2018 Sprout Social survey](#) titled, "Championing Change in the Age of Social Media," concluded that more brands must consider how to effect social change. The report noted, "Two-thirds of consumers (66%) say it's important for brands to take public stands on social and political issues, and more than half (58%) are open to this happening on social media — the top channel for consumer receptivity." Also, consumers believe brands that [leverage social media](#) to support specific causes, including participating in events or donating to these causes, do a better job.

However, many companies still may not know how to redirect their company's mission. That's when it helps when other brands illustrate what can be accomplished. For example, Verizon and Made Of are driving social change. First, Verizon is creating a group of "pioneers." These pioneers are people, organizations, and companies that [embody humanability](#). Then, Made Of provides baby products made from safe, organic-first ingredients and numerous educational channels. I spoke to representatives of both brands to learn more about how they are making a difference.

### Verizon's Humanability in Hawaii

[Verizon partnered with Hawaiian Electric](#) to help them reach their goal of 100% renewable energy by 2045. To do this, they are developing an expanding network of solar panels integrated into their smart grid. Verizon's Grid Wide Utility Solution uses smart sensors embedded into electric meters that collect near real-time data on the amount of energy being generated.

This gives Hawaiian Electric visibility into how much energy is being sent to the grid from their rooftop solar programs. This directs when to redeploy that energy to maximize efficiencies and ensure grid stability. By leveraging a sustainable energy source like solar power and combining it with IoT sensors connected to Verizon's network, Verizon is helping Hawaii protect their environment and achieve sustainability goals.

### Authentic Brand Involvement

The challenge for brands is to get involved in social causes in authentic ways. That's because there are cynics that think brands like Verizon are only using these situations to promote their brand. However, Diego Scotti, CMO of Verizon, disagrees. "We are leveraging our technology, our network, and our assets to help people accomplish good things. Our partnership with Hawaiian Electric is just one example of how people are engaging with our technology to impact society. We want people to see the incredible transformation that our technology is driving-- it's all real, it's all happening."

Scotti noted that Verizon's technology is also being used in healthcare, telematics, and smart cities. As a result, they are enabling robotic surgery, keeping the global food chain supply safe, and helping cities like Sacramento manage traffic congestion and pollution.

### Social Causes Are a Brand's Responsibility

To him and the team at Verizon, it's an absolute responsibility to walk the walk with social causes. "We do this by showcasing what Verizon can do with the power of our network. Also, we highlight all the amazing people who are innovating in technology to make a positive social difference."

Verizon partnered with PFSK to launch [Pioneers of Humanability](#), which is a list of people, companies, and organizations that are greatly impacting society. This includes people like Ariel Waldman who is an adviser to NASA and founder of [Spacehack.org](#), which is a directory of ways for anyone to participate in space exploration. Also, there is Komal Ahmad, the founder of [Copia](#), an excess food management solution that enables businesses and event organizers to request pick-ups of their excess food so they can donate it.



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"The list goes on and on, and it's truly inspiring," adds Scotti."

Adfellows is also another strong proof point of taking concrete action to drive change. Diversity has been a long-standing challenge for the marketing industry.

This is a program that Verizon built from the ground up. It offers recent college graduates an integrated experience across the client and agency side. It's a unique marketing training program that helps to create a pipeline of diverse talent and provides access, training, and perspectives to create a more diverse future.

Also, Verizon has a significant stake in education. Since 2012, the company has provided free technology and Internet access as well as hands-on learning experiences to underserved students. So far, Verizon has helped one million students and committed up to \$400 million by 2023 to help millions more.

### **Made Of Takes its Own Approach to Social Causes**

After more than two years of R&D, qualitative and quantitative research, and Beta launches, [MADE OF](#) launched in the summer of 2018 with its own site and through Amazon. In addition, the brand is on boarding vendors, such as [Walmart.com](#), [Jet.com](#), [iHerb](#), [VitaCost.com](#), and [Kroger.com](#).

The company started with the desire to help more consumers realize many existing natural brands are not exactly natural. According to Igor Bekker, co-founder of MADE OF, "Our goal is to drive awareness and educate the consumer. Eight months prior to product launch, we launched an [education portal](#) that discusses 'everything baby' in addition to driving awareness about toxicity, ingredient benefits, and regulation."

To build trust, MADE OF partners with the mom communities like bloggers, Facebook groups, and event planners focused on health and wellness. They developed the Parent-Parent forum on their product pages. There, parents can ask questions, leave reviews that include images or videos, respond to other parents, and get expert advice.

### **Driven By a Passion to Help Others**

MADE OF began with the sole purpose of offering better products for consumers. Bekker explained, "We believe health and wellness are dependent on everyday products we use. It's no longer just important to look at food as being natural/organic. Unfortunately, with the [rapid market growth in beauty](#), organic, natural, and transparency hold less value with consumers. This is why we've opted for the NSF Organic standard that's an independent third-party, which can't be manipulated and holds high trust value."

Additionally, the company has created the "Ultimate Transparency Promise" because MADE OF's founders believe there should be mandatory transparency in sourcing, testing, and manufacturing. "MADE OF is the first and only brand to disclose our whole product development to the consumer on our site. This means going beyond just disclosing the ingredients on the bottle. We partnered with suppliers to get the origin and safety of each ingredient. MADE OF's testing program surpasses FDA requirements. On each product page, we disclose the test results. Finally, we state each product's manufacturing location."

### **Transparency Is Part of the Social Cause Approach**

Many brands [use terms like "natural skin care" and "non-toxic."](#) As Bekker noted, "There are a lot of frogs out there trying to look decent. Our goal is to educate the consumer. We don't use claims, such as 'we're natural,' even though we are NSF Organic certified. This certification means our products are made from at least 70% organic and 30% natural ingredients. My other favorite claim is 'Made in the U.S.' This claim doesn't explain if that means the ingredients, product, bottle, or the assembly process is done in the U.S."

Instead, Made Of sets itself apart by illustrating how it is a safer brand than the generic "natural" ones. "We source ingredients globally and then vet formulations and ingredients using third-party independent agencies, such as NSF, EWG, Gluten Free, and Vegan. It's a much better ecosystem of products that are not available on the market today."

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Similarly, Nu Skin focuses on using [botanicals in its skincare products](#) and has one line, Epoch, that combines ethnobotanical ingredients from indigenous cultures with modern science to create products that utilize both new and old knowledge to better customers' skin. And Nu Skin emphasizes that its botanical ingredients come from renewable resources, ensuring that the company is both protecting the environment and ensuring its products can be made for years to come.

### **Lessons Learned**

For brands to [commit to social causes](#), they need to apply resources, funding, and a clear purpose that links to the overall business. That can be challenging for some brands, especially considering the speed at which businesses and priorities shift. However, Verizon and Made Of provide benchmarks to prioritize ways to make the world a better place to live and work.

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# Appendix



## Verizon Embarks On A 5G Future, And CMO Diego Scotti Articulates The Key Marketing Moves That Have Helped Build The Brand And Business (September 14, 2018)

Verizon has been on an innovative brand and business journey since CMO Diego Scotti joined four years ago, as it has sought to transition from being known as a telecommunications provider to technology company in an incredibly competitive industry. Now in the spotlight are less the technicalities of the company's products and services, and more the outcomes of its technologies, the ways they enhance and support life, business, society.

That pivot to purpose is a high priority among marketers these days, as they recognize that shrewd consumers want to engage with and buy from—and young people seeking jobs want to work for—companies that stand for something, enable something, arguably have authentic meaning and value. Some companies have done it with greater success than others, but Scotti, a veteran of J. Crew, Conde Nast and American Express, and one of Forbes' World's Most Influential CMOs, has made that his charge, and it's one of the things about which he feels particularly passionate.

I sat down with Scotti at Verizon's offices on the eve of the announcement of 5G Home, 5G-powered broadband internet for the home that will launch Oct. 1—one such technology that is being marketed not for its technological features but for its life-enhancing capabilities. A new campaign also will promote the new service. From a business perspective, 5G becomes a growth opportunity that opens doors for Verizon to further diversify its offerings beyond its market-leading wireless service, Fios Video and internet services. The promise of an ultra high-speed 5G mobile network is that it would finally enable many of the things marketers have been talking about and hoping to capitalize on for some time—true Internet of Things, connected devices, connected homes.

Foundational steps have bolstered the company for this next phase. For his part, Scotti has made a sharp focus on diversity and inclusion a priority, calling on partner agencies to up their numbers of people of color and women at the same time. He launched Ad Fellows, Verizon's diversity fellowship program, last year, which enables selected college graduates with diverse backgrounds to rotate across different positions at Verizon as well as at its partner agencies.

He also has helped bring needed consistency to the retail stores, hiring a customer experience officer who works closely with 140 to ensure the same look and feel at all locations, with a simplified and streamlined design that invites consumers in to sample products in a high-touch but not high-tech environment.

In-house agency 140, meanwhile, also has been a new development meant to attract a younger, more diverse, creative talent team who had otherwise believed Verizon to be corporate and riddled with cubicles and not conducive to true collaboration and creativity. The space itself, in downtown Manhattan, rather than Basking Ridge, NJ, where its corporate headquarters are located, is open and flexible with a vibe more akin to a hip digital agency. True to Scotti's mission of upping diversity in Verizon's ranks even as it asks that of external agency partners, 140 is now 50% women and 52% people of color.

On the advertising front, the company has also recently made a concerted effort through research initiatives to better target the Millennial consumer, and its [creative brand messaging](#), featuring real people instead of actors, has shifted from a focus on the network as a product to the network as the facilitator of all things good in people's lives—the "First Responders" Super Bowl ad is an example. The acclaimed spot featured actual footage of police, firefighters and EMTs, as well as Verizon's network engineers and disaster recovery team, rushing to help others during natural disasters and keep lines of communication open. "One thing that was very important to me was going back to the engineers and going back to the way Verizon was built—building things right is more important than anything," Scotti said. And that commercial lifted Verizon to the highest positive sentiment of all brands across all categories that advertised during the Super Bowl, according to the company. It also dramatically boosted positive mentions of Verizon on social media. Other campaigns that have used a storytelling approach—how the technology can benefit people and society, not solely what the technology is—include "Humanability," "Best for a Good Reason," "Pride" and "Military."

I caught up with Scotti to talk about all of the above as well as what he's learned from the experience thus far, takeaways for all CMOs. Our interview, edited for length and clarity, follows.

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**Jenny Rooney:** What did you inherit when you got here?

**Diego Scotti:** Verizon had a very strong positioning on the wireless business based on network superiority that has been very successful for 10 years. It was in a moment with T-Mobile coming in very aggressively and Sprint discounting a lot. There was a need to step up marketing to create a more emotional connection with consumers as opposed to [present as] just a commodity. The longer game was we are going to become a tech company, not just wireless or telecommunications provider. We needed to think about marketing that would be needed for the future and the marketing capabilities we would need for that future. We are one of the first companies in which experience design and creative report to the same person. So we built a lot of capabilities in terms of the marketing team of the future. The transition from a telco to a tech company has been a very interesting one. When we talk about purpose, for me, the most fascinating thing was when I started looking into the history of the company; there were great stories that were not being told—what we make, how we make it, the intention for how it is being made. The product is invisible. Getting behind those things were really important.

**Rooney:** Talk about your storytelling strategy.

**Scotti:** One of the stories that we needed to tell in order to make what we do very obvious was what people do with our technology and what impact that has on society. That's "Humanability." In our category, traditionally what you see is, "Here's what we make." But we are humanizing tech. Every story that we tell in "Humanability" is what we do as a business. If the yin is what people can do with our technology and the impact on society, the yang is starting to tell the stories about the person who checks every pole in Alaska so tracks don't lose their connection. There's a crazy devotion to quality that is behind being the best [and we share that in those stories]. I'm super passionate about [telling both stories]. When people ask me, "How do you make something intangible tangible?" I say, "Well, I don't make it up." In a race to the bottom, we're playing a different game. We're not making it cheaper, just telling the stories that are real.

**Rooney:** How have you made sure your marketing strategy is driving business growth, and how are you balancing short-term wins vs. long-term build?

**Scotti:** As a CMO, you need to focus on the brand but you need to focus on the business. I constantly need to be thinking of what's happening tomorrow and what's going to be happening six months from now. The way I approached it I need to work on the short term and long term in parallel. We needed to get a lot of things out there that are proof of concept of what we are trying to build. In the beginning people asked, "Why is he doing all these one-offs?" [We test and learn.] A lot of things that we did didn't work. When we start seeing all the things that work, you start completing the puzzle on what you need. I now have a clear view of what the brand needs to keep going. For any CMO, the most interesting thing is [figuring out] how [to] keep reacting to whatever happens in the short term at the same time you stay true to the brand direction you set up in the longer term.

**Rooney:** To what do you attribute these accomplishments?

**Scotti:** You need the best people. The reason why we are able to do what we do is because of the people. We had agencies that didn't want to work for Verizon. They [assumed we] were a telco and not very innovative. In the beginning it was hard to attract the right talent on these new capabilities, both on the internal side as well as the agency partners. I'm very confident about my own abilities but I don't think I could have done it without all these people who are very good at what they do. When I came we had 43 agencies. I said I don't know how we can run this business with 43 agencies. We reduced the number of agencies and we got the right agencies.

We got the right people on the right agencies. We work more with people than agencies. I think that's everything in the business that we do... having the right people and right partners that want to work together. There's no jumpball on our agencies. We don't do pitches either for new agencies or new work. I don't believe that that creates the right conditions for agencies to do their best work or for agencies to trust each other and do their best work. [We work with] 13 agencies now, including McCann, Zenith R/GA, The Community. This is what I think, if I had to be honest, takes as much time as managing the internal front. CMOs need to be directly involved to get the best out of agencies. Be open, fair, transparent. And I don't play any games. A lot of our progress has been because of them.

**Rooney:** You talk a lot about the importance of the experience.

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**Scotti:** The chief customer officer now reports into me. The fact that all of the experience design—what happens in stores, the digital experience—is part of my world. A lot of my time is not spent on the creative. Instead it is spent on experience, on design, on the experience with Verizon. Isn't the experience the marketing? To [former CEO Lowell McAdam's] credit, he didn't want to have a chief marketer who wasn't a true chief marketer in the sense that...he didn't want him to be the guy who does the logos and the corporate campaigns. If you believe that all of those things drive and build the brand and the business, they should be in one place.

**Rooney:** What changes do you expect with a new CEO in place?

**Scotti:** Lowell is an engineer who has been at Verizon his whole life, and when I met him, my first reaction was, "Why would you want someone like me to do this role?"—I wanted to understand what his vision was—I had no background in tech—only fashion—he said "I'm building the team for the next five to 10 years and realize the vision and what needs to happen for the brand is as important as everything else." I will always be grateful to him because he took a chance on someone who didn't have the background. I hope I have as much foresight on anything. How do you balance the present and the future and the decisions you make as a CEO? When you are the CEO you always vote for the future. It's really wise because companies have to reinvent themselves to stay current. I couldn't be more different than him, and his vote was, "No, we need this." That was four years ago. [New CEO and former Chief Technology Officer] Hans Vestberg is a good executive too. He comes from the company. Everything he said that he wanted us to do, we did. I don't think we would have been able to do all this without the full support of the company and the CEO. Some of the stuff we did, they were crazy ideas. Every time we got to the fork in the road, we had to make the decision of what do we do, [McAdam] said, "You go, because you vote for the future." That's been a real privilege and I really value that because I hear so many stories of CMOs who don't have that and don't have the support of the CEO.

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# Appendix

## WSJ

### Verizon Expands Diversity-and-Inclusion Push With New Focus on Retention (March 28, 2019)

[Verizon Communications](#) Inc. will study employee retention among women and people of color working in advertising and media, the company said.

It is the latest step in [a number of industry efforts](#) to increase diversity and inclusion that made headlines starting in 2016.

That year, [General Mills](#) Inc. required agencies pitching for its ad business to at least strive for creative departments that were 50% female and 20% people of color. [HP](#) Inc. and Verizon, meanwhile, asked their agencies for data on the employees handling their accounts as well as the agencies' plans to improve diversity and gender equality.

But there is also a diversity of approaches to the subject. [AT&T](#) Inc. is pursuing more inclusive marketing, in front of the camera and behind it, without asking agencies for staff breakdowns. "We have not created specifics around team makeup," said Fiona Carter, chief brand officer at AT&T Communications. "We have seen the diversity of the agency team change considerably but we prefer the partnership model rather than the nuts and bolts of an agency report card."

AT&T is also testing a program to better develop a pipeline of women of color to advance throughout the company, she said.

Agencies have made progress since 2016 but still struggle to keep women and people of color, according to Diego Scotti, executive vice president and chief marketing officer at Verizon. "If you don't create the conditions for people to stay, you can do an amazing job at hiring and then people aren't going to stay," he said.

Verizon said people of color made up 40% of the staff on its agency teams at the end of 2018, an increase from 32% in 2016, while women comprised 51%, up from 50% in 2016.

People of color comprised 31% of the leadership on Verizon's agency teams last year, up from 22% in 2016, according to new numbers from the telecom giant. But women lost ground, falling to 48% from 52% in 2016.

"Creating more opportunities for female executives to get a level of leadership is something that should be a day-in and day-out activity," Mr. Scotti said, stressing that the company works in partnership with agencies, not punitively.

In 2016, Verizon created an eight-month paid fellowship program to give diverse recent graduates and entry-level workers experience within Verizon and its agencies, with a goal of placing 90% of participants in full-time jobs afterward. Its second group of participants will complete the program in April.

Verizon said it has now formed a partnership with the Center for Talent Innovation Inc., a nonprofit that researches workforce inclusion, to examine the factors affecting whether people of color and women advance in, stay in or leave marketing, media and communications jobs.

The study will include a national survey of over 1,500 respondents, plus interviews and focus groups with employees, the Center for Talent Innovation said.

Marketers' inclusion drives are valuable but may not create lasting change at agencies, especially after client CMOs move on to new jobs, according to Heide Gardner, senior vice president and chief diversity and inclusion officer at the Interpublic Group of Cos., the ad-agency holding company.

Big brands' typical business case for inclusive hiring—to reflect their customers, recognize opportunities and avoid missteps—has its own limits, Ms. Gardner added. People of color and women won't stick around if they're largely viewed as a "disaster check" against putting out inadvertently racist or sexist ads, for example. "People want to move up," she said. "They want to be managers. They don't want their value to be this very narrow sliver of their identity. That has not been sustainable either."

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There are broader advantages to diversity, said Michael Sneed, chief communication officer and executive vice president for global corporate affairs at Johnson & Johnson. “We think it advances the innovation engine,” he said. “It’s a lot more than ‘Are we going to inadvertently offend someone?’”

Karen Kahn, chief communications officer and head of global communications, brand and events at HP, said HP agencies’ diversity and inclusion were improving dramatically. Underrepresented groups comprised 28% of HP agency teams’ leadership in 2018, up from 19% in 2017, according to the company. Women comprised 55% of senior roles, up from 51%.

“I would like to stop doing scorecards, in that I’d like to think that we made our point,” Ms. Kahn said.

HP will continue to collect agency staff reports for now, according to Ms. Kahn, but is examining other models as it expands its diversity push into other departments.

Verizon aims to share the results of its retention study later this year. It also hopes to bring more companies into the next round of its fellowship program. “Anyone who wants to have any of this, we give them the books,” Mr. Scotti said.

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# Appendix

## ADWEEK

### Verizon CMO Says Agencies Made Progress on Diversity Even as Female Leadership Declined (April 15, 2019)

Employees of color increased since 2016, but there was a 7% drop in female executives

Back in 2016, Verizon CMO Diego Scotti issued a [call to action](#) to the brand's agency roster for improvement on diversity and inclusion.

A year later, he [shared](#) how that led to greater accountability and progress at both Verizon and its agencies. There was, of course, still a great deal of room for improvement.

Adweek caught up with Scotti last week to learn how those efforts had evolved and progressed since then.

Looking back at the beginning of the program, he thinks Verizon's approach helped foster broader conversations and drive progress.

"We didn't go into this and say 'Now agencies, these are the new quotas that you have for diversity and if you don't achieve this, your fee's going to be dinged.' That wasn't the way we approached it. We're all in this together," he said. "Everything we did from the beginning was all about creating individual as well as collective accountability."

"The focus shouldn't be on quotas," he added. "The focus should be on progress."

#### Measuring success to date

Scotti said he viewed Verizon's diversity and inclusion initiatives with its agencies as important for its own business "because the more diversity we can get, the more we can respond to the needs of our business, but also because it's a way of driving change in the industry as a whole."

Verizon meets quarterly with the CEOs and presidents of each of its agencies collectively to discuss progress, meaning they're reporting results not only to Verizon but to one another. Scotti sees this as a key driver of that accountability.

Three years after committing to change, he said Verizon has begun seeing results.

Among the company's 20 agencies, Scotti reported a 25% increase in employees of color from 2016 to 2018, to a current total of 40%. Of around 280 people in leadership roles across these organizations, 31% are people of color, marking an increase of 39% since 2016. Verizon also saw a 2% rise in female employees during the same period; 51% of staffers at its agencies are now women. The number of women in leadership roles, however, actually decreased by 7% since 2016. It now stands at 48%. Among new hires at these agencies, 45 percent were people of color, up 2% from 2017 (the first year new hire data was available), and 53% were female, down 4% from 2017.

"We're still doing very well, but a little shy of the 50% which we wanted to achieve," Scotti said of figure for women in leadership roles. "To me that reinforces the point that especially leadership roles in the agency world is where we need to continue to focus."

Verizon's in-house agency 140, which Scotti said was "created from scratch with the mandate of being diverse," counted 46% people of color and 50% female, both increases of 1% compared to 2017.

"When I look at the industry as a whole and I look at the challenges I hear colleagues across the industry dealing with, I'm very pleased with the results," he said. "This is the result of a tremendous amount of work that a lot of people have done across the board."



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Among the programs launched by the collaboration with its agency partners is Ad Fellows, a paid fellowship which allows individuals to explore working in a variety of roles at Verizon and its agency partners before deciding where they'd like to continue working.

### **Plenty of progress left to be made**

There is, of course, still much room for improvement. And Scotti said issues of unconscious bias can prevent diverse recruitment efforts from leading to inclusion and opportunity for advancement.

"If you don't have an organization and a culture that is going to be inclusive, people won't stay," he said. You will end up losing those people."

Unconscious bias was one of the first issues Verizon tackled internally. Scotti said he focused on the broader interpretations of that term to include things like working style and cultural differences in addition to gender and racial biases.

Now, Verizon is sponsoring a study in partnership with the Center for Talent Innovation examining the key factors involved in the retention of diverse professionals in the advertising, marketing and media fields. Scotti explained that the study combines qualitative interviews and focus groups with quantitative data. He said Verizon hopes to use the study to determine what its next steps for diversity and inclusion programs should be and that it plans to release the results some time this summer "so that everyone can benefit from that."

"I think the focus on leadership is critical," Scotti said, regarding areas in the industry that most need improvement. "Part of the issue that I think a lot of companies face is that diversity is there in the lower rungs but then as the pyramid gets smaller, either those people leave because they are not valued in terms of their ability to go and get their roles or, for one reason or another, those roles aren't available for them."

He pointed out that white men were still over-represented in creative leadership positions at agencies, suggesting that's an area where agencies would benefit from examining how unconscious bias may be contributing.

Scotti added that Verizon strives to develop its programs in a way that made them applicable to any business.

"Everything that we do, we want to make it available to anybody that wants it. We want to make sure that the most people can benefit from it," he said, inviting all interested parties to reach out to Verizon for advice on implementing the programs.

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# Appendix

## ADWEEK

### Verizon Expands AdFellows Program to American Express and Anheuser-Busch (April 25, 2019)

Program already includes 9 agencies, Accenture and Integrated Ad Science

Verizon is expanding internship program AdFellows, its paid fellowship that allows participants to explore working in a variety of roles at Verizon and its agency partners, to two more brands—American Express and Anheuser-Busch will now be full members of the program.

Verizon announced the expansion as this year's group of 29 fellows—that's up from 20 last year—complete the program, with many moving on to full-time positions at Verizon, McCann, Rauxa, Weber Shandwick, McGarryBowen, Momentum, The Community, Zenith, MRY, R/GA, Accenture and Integrated Ad Science.

Verizon CMO Diego Scotti said he was "thrilled" to expand the program to American Express and AB InBev, which he called "tremendous believers in the powers of diversity and inclusion."

"The conversation with people at the CMO level that are advocates of diversity and inclusion is now happening in a more fluid way," Scotti said. "[American Express CMO Elizabeth Rutledge] and [Anheuser-Busch U.S. CMO Marcel Marcondes] have been very outspoken about the need to do this."

According to Verizon, 90% of AdFellows participants are offered positions at one of its member companies.

Elissa McCool moved from Mississippi to New York in 2017 to be part of AdFellows' inaugural class and worked with Verizon, McCann, Zenith and Weber Shandwick as part of the program. After completing AdFellows, she joined Weber Shandwick as a junior associate, worked across Oreo, Aldi and Hellmann's and earned a promotion to associate this month.

Venezuelan-born Andrea Arreaza also moved to New York for the program, working at Verizon, Rauxa, Momentum and VM1. She went on to join Verizon's in-house agency, 140, as a junior account executive on the brand retail team.

Tiesha Brayboy, from Hemingway, S.C., also worked at Verizon, Rauxa, Momentum, and VM1 during her fellowship before joining Rauxa as an account coordinator and building Rauxa's first diversity and inclusion employee resource group during her first year at the agency.

Next year's group of AdFellows will have the opportunity to work with American Express and Anheuser-Busch as well as other AdFellow members.

"At Anheuser-Busch our greatest strength is our people, and we believe the greater the variety of perspectives and experiences that inform any given decision, the better the decision will be," Marcondes told Adweek. "As a leading employer with over 18,000 passionate colleagues across the U.S., we believe that developing a diverse team is critical to our success and that drawing on a wide range of experiences and perspectives makes us a stronger company."

Scotti said the desire to expand the AdFellows program is balanced with the need to maintain "the quality of experience" for AdFellows participants, and when such concerns are taken into consideration, new members can provide new opportunities.

"The more options that we can provide, the more tailored that we can be in providing an experience that is relevant to individual participants," he said. "The whole idea is to increase the pipeline of great talent that we can all benefit from."

He added, "For too long, we all have worked in silos on our own diversity and inclusion initiatives," and said collaborative opportunities "what the future is all about."

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# Appendix

## MarketingDaily

### Verizon's Ad Fellows Program Aims To Diversify Marketing Biz (April 25, 2019)

Ad Fellows, an industry partnership spearheaded by Verizon in 2017 to channel diverse workers into the marketing business, graduated its second class of interns on Thursday.

The program has grown from 19 fellows last year to 29 this year. At the same time, Verizon's partners have expanded from six to 12: McGarryBowen, Moxie, R/GA and The Community (Miami), McCann Worldwide, Momentum, MRY, Rauxa, Weber Shandwick, IAS Integral Science, Accenture and ZenithOptimedia.

In the program, the fellows cycle through four different companies over an eight-month period, trying out various roles in public relations, creative, media and client-side brand marketing.

Verizon calls it a one-of-kind effort that is the brainchild of Diego Scotti, its CMO, who, two years ago, first challenged the agencies Verizon works with to put together a plan to improve diversity in their shops.

Then, Scotti launched the company's own program and went looking for partners — and young people with diverse backgrounds and an interest in marketing.

The companies pool funds to pay and find housing for the fellows during the program, but they fly on their own afterward: 90% of the first class ended up in full-time positions.

Verizon says changes are also happening within its ad and marketing vendors. The employment process at its agency partners now includes "unconscious bias training" for recruiters and a monthly scorecard to track the progress of minority recruitment goals.

Verizon says people of color now represent 40% of its agency workforces, up from just 26% in 2016. Women now make up 51%, up 3% since 2016. Verizon says that includes 21 agencies with a combined headcount of 1,650 employees.

At Verizon's own in-house agency, 140, 45% of the staff are people of color and 51% are women.

That's virtually the same as Verizon's outside agencies, where 45% of the employees specifically hired to work on the Verizon account last year were people of color, and 53% were female.

The trick now, as it is for many companies recruiting diverse staffs, is to get them to stay. Scotti says he wants to evolve Ad Fellows to focus on retaining those new kinds of hires. Verizon is working with the Center for Talent Innovation, and the two will jointly report this summer on steps to keep diverse employees in place while also adding more.

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## Appendix

# WSJ

CMO TODAY

### OpenAP Adds Buying; Netflix and 'The Office'; Juul Names Marketing Veteran CMO; Esports Fashion Rises (April 25, 2019)

Eager to turn the page on last week's [defection by a founding member-turned-budding competitor](#), the alliance of TV networks called OpenAP says its platform will let ad buyers [actually buy ads in time for the fall season](#).

That's an improvement on the main offer so far, a means to simplify the targeting of precise audiences—like soda drinkers, for example—across TV networks. There'll even be an API for agencies and some demand-side platforms to plug into. But the future isn't all the way here yet, as illustrated by what happens after buyers place orders through the souped-up marketplace: Programmers will complete the transactions using their existing trafficking systems.

#### Best of the Rest

Nike, continuing its digital push, has filed a trademark application for something called "cryptokicks." [[Puget Sound Business Journal](#)]

Ad-blocking web browser Brave introduced "Brave Ads," which let users who agree to see them keep 70 percent of the revenue. They can share it with websites if they want. [[TechCrunch](#)]

Airbnb wants to develop original TV shows to get viewers thinking about travel. [[Reuters](#)]

Facebook set aside \$3 billion for an expected fine from the FTC over privacy issues, but can afford it: Revenue soared 26% in the latest quarter to \$15.08 billion, and even after the set-aside, profit totaled \$2.43 billion. [[WSJ](#)]

The company also plans to add new ways to let people products directly through its platforms. [[Business Insider](#)]

American Express and Anheuser-Busch InBev joined Verizon's Adfellows program, an 8-month paid fellowship originally designed to give diverse recent graduates and entry-level workers experience within Verizon and its agencies. [[Adweek](#)]

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# Appendix

## BUSINESS INSIDER

### **WATCH: The CMO of American Express explains why advertising has come full circle, and why it's so important to hire diverse talent (May 20, 2019)**

- After becoming increasingly fragmented, marketing is getting integrated again, said Elizabeth Rutledge, CMO at American Express.
- In an interview with Business Insider's Tanya Dua, Rutledge discussed how AmEx works with agencies, competes with other financial services companies, and delivers personalization.
- Rutledge also explained why brand and performance marketing are both essential to AmEx.
- She also said marketers need to promote not just their brands and products but the business and profession of marketing itself. That's why [American Express recently teamed up with Verizon on a talent program called AdFellows.](#)

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# Appendix

## ADWEEK

### At Cannes Lions, Verizon CMO Discusses Efforts to Foster Inclusivity (June 19, 2019)

It's fair to say that much of the recent focus on diversity and inclusion has largely focused on the former. While companies like Diageo and HP have over the past few years put pressure on their agency partners to become more diverse, not as much has been done to address inclusivity and what can be done to improve it in the workplace.

At this year's Cannes Lions, Verizon CMO Diego Scotti shed some light on how the company is beginning to tackle the issue. This comes nearly three years after the company told its agency partners to hire more women and minorities, particularly in senior leadership roles. Although Scotti didn't give agencies specific goals to meet—he doesn't “believe in quotas”—he told them they had to make progress on this front.

Since then, Scotti said that “some agencies are doing better than others,” but overall [progress has been made](#). According to Verizon, its agencies experienced a 25% increase in employees of color from 2016 to 2018, bringing them to a total of 40%. Additionally, Verizon saw a 2% rise in female employees during the same period, as women at its agencies now make up 51% of staff.

Scotti has held his agency partners accountable by meeting with their CEOs and head creatives each quarter to go over results. When agencies are in the process of hiring someone for a director position or above, Scotti also asks to see the final three candidates to ensure that they're diverse.

The [brand's AdFellows program](#), currently in its third year, also fosters diverse talent via an eight-month rotation in New York, where participants have the opportunity to work at both Verizon and five of its agency partners. Verizon guarantees that 90% of AdFellows participants, who receive both a salary and living expenses during the program, will be hired by the end.

With diversity efforts underway, Scotti and his team are now setting their sights on inclusivity, both internally and at Verizon's agencies.

“A lot of people just think about diversity in the context of increasing the pipeline of talent,” he said. “You might hire all the diverse people that you want, but if they come to an environment where they're not going to feel included, then it's just a waste of time.”

The company recently partnered with the Center for Talent Innovation, a nonprofit think tank, to study issues impacting retention of diverse professionals in the media, marketing and advertising industries. Scotti said the study was spurred on by the lack of data currently available on the subject.

“It was really interesting and surprising to us how little information exists out there about the state of inclusion in our industry,” he said. “Some of the learnings and insights that we got were pretty staggering.”

The survey was based on in-person and online focus groups, interviews and a survey of 1,757 respondents working in media, marketing or communication roles. According to the research, women are twice as likely as men to leave their current company within a year (12% vs. 6%). When it comes to cultural fit, the women surveyed were less likely to say that they fit in the industry's culture than men (70% vs. 81%).

What's more, a total of 60% of the professionals surveyed said they experience some instances of exclusion or discomfort, with women being more likely than men to say they have been underestimated, excluded or harassed.

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The research also found that people of color are more likely to be subjected to microaggressions at work, like insensitive language or being mistaken for someone else of the same race.

“That was in and of itself a really interesting learning. The question is what can we do about it?” he said. “Many people don’t come to work with the idea of being insensitive or not being inclusionary, but things just happen, you know? So awareness is very important.”

At Verizon, Scotti said that the company is bringing awareness to the issue via unconscious bias trainings, which are now in their third year. Additionally, inclusivity is now part of scorecards and performance plans for managers at Verizon.

Scotti concluded by stating that although it’s difficult to connect business results strictly to diversity, the company is “doing better work than we’ve ever done” as a result of its efforts. He pointed to the brand’s recent [Pride campaign](#), which features family members finally accepting their LGBT+ loved ones for who they really are.

“That was something I don’t know if we would have been able to do five years ago, because we didn’t have the insight in order to get it done,” Scotti explained. “I don’t think we would have been able to do that kind of work without having a team that is really connected to the insights.”

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# Appendix



## The World's Most Influential CMOs 2019 (June 20, 2019)

When Kristin Lemkau oversaw the launch of last fall's #ThisMama work featuring tennis great Serena Williams, she saw a championship winner. "Best piece of work I've ever been a part of," she tweeted to her more than 12,000 followers at the time. "Being a Mom is to experience extreme joy, fatigue, and self doubt all at the same time. A tribute to the unstoppable [@serenawilliams](#) showing us all we can do it and to Mamas everywhere. [#ThisMama](#) salutes you."

In this year's World's Most Influential CMOs [report](#), we look beyond the noise, beyond the Twitter followers and the speaking engagements, to assess the extent to which CMOs are using their voices, visibility, stature and decisions for change in three areas: inside their companies, in the broader advertising and marketing industry, and, yes, in society and culture, at a time when corporations are now regarded by many as the most powerful social forces. Building trust is paramount for all marketers today, said Facebook Global CMO Antonio Lucio. And that priority demands a laser focus on and understanding of customers as well as a defined, authentic purpose and narrative.

According to the report, "the influence exerted by these marketing leaders goes beyond the scale of their social media followings or the breadth of their news mentions. Their influence lies in the way they tune into customer attitudes and industry trends, translating an ever-growing set of data points and marketing inputs into a coherent strategy for their own business, and often, a vision for the industry as a whole."

CMOs like Lemkau recognize the very real power of marketing in acknowledging the new capabilities, power and passions of consumers, as well as cultural conversation and shifts, and responding in kind in an effort to build brands and businesses. And internally, they are developing their marketing organizations and partnering with C-suite peers for future growth.

Today Forbes unveils its seventh-annual World's Most Influential CMOs report, a comprehensive look at the individuals who are the best at driving transformational change within and outside their organizations. Today's CMOs are some of the most multidimensional, strategically savvy, creative, innovative and, yes, challenged executives in the C-suite. In uniquely owning the voice of the customer, they are architecting customer experience, digital transformation and industry innovation—even as they navigate the increasing complexities and expectations of their role. The most influential CMOs are driving change at various levels within their organizations, lending their voices to broader industry conversations, and articulating core brand and business purpose and sharing perspective on cultural issues as they seek to drive business growth.

Topping that list for the third year in a row is Keith Weed, who recently departed Unilever after 35 years but was a force behind such ambitious initiatives such as the Unstereotype Alliance and the overhaul of influencer marketing in an attempt to end fraudulent activity in the practice.

Key highlights from the report include:

- Of the top 50, 28 are returning from 2018 and 22 are new to the list.
- 31 of the top 50 are women; 19 are men.
- Technology company CMOs dominate the list, accounting for 17 of the 50.
- Top CMOs talk about AI the most of all technology topics, followed by digital transformation, blockchain and 5G.
- The most mentioned social topic among top CMOs is gender.



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In this report, as in past reports, CMO influence is defined as the impact a chief marketer's actions and words have on his or her internal organization's motivation and performance; corporate brand perception; broader marketing and advertising trends; cultural and societal discourse, and, ultimately, corporate financial performance, including stock price.

Of course, driving change externally and internally go hand-in-hand. Looking at the recent accomplishments of the CMOs on this year's list, it's clear their influence enables them to drive seven types of change within the enterprise: focus, priorities, trajectory, attitudes, thinking, behavior, and outcomes.

Lemkau, for example, is a CMO who uses influence to change attitudes within her company, or, as is the case, to spur a shift broader social attitudes. With the #ThisMama campaign, JPMorgan Chase takes center stage as a financial-services company that supports accurately representing the experiences of motherhood.

Diego Scotti, meanwhile, as CMO of Verizon, has made it a priority to build a more diverse marketing team. His AdFellows program, a fellowship program that enables diverse young talent to work in internships at Verizon and at partner agencies, has been highly successful and has set an example for the broader industry; recently American Express and Anheuser-Busch joined as members.

And Lucio is driving diversity-and-inclusion efforts at Facebook in much the same way he prioritized such initiatives at HP Inc. An initial sponsor of Free the Bid, a program advocating for women directors, under his leadership Facebook also is now a sponsor of Free the Work, a program to increase the number of women, trans identifying, non-binary and underrepresented creators in film making.

Jennifer Sey is solidifying Levi's hold in culture as a storied, progressive brand that stands for inclusion and self-expression for a new generation of consumers.

Beyond social purpose, other CMOs' influence manifests in repositioning their businesses for growth based on shifts in consumer wants, needs and shopping habits. Hyundai Motor America's Dean Evans, for example, made the car-buying experience a priority for his team.

Innovation, of course, is key to that, and Evans is an example of a CMO who is leaning into new technology—in his case, augmented reality through a partnership between Hyundai agency Innocean and Live Nation—not just for the sake of doing so, but to boost ROI of marketing efforts using new tactics that enhance the customer experience and build brand awareness and appreciation all while increasing scale of exposure—ultimately driving sales.

Tony Weisman, meanwhile, helped change Dunkin' Donuts into Dunkin', repositioning the brand as a coffee chain and enabling it to be a stronger player in a highly competitive category.

Others are driving real change in the broader marketing and advertising industry, causing peers to question age-old marketing assumptions as well as shiny new objects: According to the report, "Adobe's Ann Lewnes has challenged the inevitability of automation and argued for the continued relevance of the human touch."

Meanwhile, Syl Saller, CMO at Diageo, "has cleared the path for a new wave of female marketing executives by throwing her support behind an initiative that promotes transparency within advertising and marketing agencies," the report explains.

Procter & Gamble Chief Brand Officer Marc Pritchard has both pushed for change in cultural dialog around how men need to set an example for younger generations in the #MeToo era with the "The Best Men Can Be" work for Gillette, as well as called for brand safety and data security and transparency among social networks.

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And Lucio has brought the full weight of his experience at companies like Visa and HP Inc. to Facebook, where as global CMO he is working hard to reposition a brand under intense scrutiny with a substantial marketing spend—the first manifestation being the “More Together” campaign launch that spotlights the Facebook Groups offering.

In the end, results are what matter: Departing CMO Kelly Bennett, for example, helped the platform go from 26 to 139 million subscribers during his seven years at the marketing helm.

For this year’s report, Forbes again teamed with research partners Sprinklr and LinkedIn to assess how the CMOs of top companies rank in terms of influence.

This year, 497 global CMOs were eligible for consideration. To be eligible for inclusion, CMOs or their brand must have appeared on at least one major brand or marketing list in the past year. To make the Top 50, a CMO must be in the top 20% of CMOs on at least three different indicators of personal, industry or internal influence.

Scores are based on three datasets: Brand performance as measured in the Sprinklr Benchmarking platform, which aggregated more than 495,427,052 brand-related social media shares, likes, retweets and comments; personal influence as measured in the Sprinklr Listening platform, which aggregated more than 647,197 news, blog, web and Twitter mentions about or from eligible CMOs; and industry and internal influence as measured by research partner LinkedIn, which analyzed more than one million LinkedIn articles and more than 10 million LinkedIn engagements across more than 10,000 topics. Assessed time period was from Jan. 1 2018 to March 31, 2019.



## Advertising 2045: The Tipping Point of the New Majority

Predicting the future and capitalizing on key trends in business, culture, and technology underlie the narrative at CES every year. From [Uber's flying taxis](#) to [P&G's toilet paper robots](#), new ideas are a big fixture at the planet's largest tech gathering, which attracts more than 170,000 global business titans, investors, technologists, and thought leaders. Many of those ideas are tied to major cultural shifts; for example, 2045 is the year that the U.S. is projected to become majority minority — a critical milestone in U.S. history.

During the [Publicis Media](#)-hosted CES panel "Advertising 2045," [Lisa Torres](#), president of the agency's Multicultural Practice, moderated a lively discussion on the implications of this trend on advertising, media, and the future of storytelling. She reminded audiences that there are seismic shifts happening in the demographic makeup of the U.S., with half of the post-millennial generation now being non-white. Younger generations are also more likely to be biracial than ever before. People of two or more races are projected to be the fastest-growing group over the next several decades, [according to the Census Bureau](#).

Panelists discussed specific best practices and actions that companies can take to ensure more equitable representation and opportunities for all demographics across ability, age, ethnicity, gender, sexual orientation, veteran status, and more, given these significant trends. Three key themes emerged, inspired by the mantra that Publicis Media Americas' chief executive officer and [Advancing Diversity](#) Hall of Honors 2020 inductee [Tim Jones](#) has championed: "Trust. Talent. Transformation."

### Trust

There is [established research](#) indicating a strong correlation between components of [trust](#) (communication effectiveness, conflict management, and rapport) and productivity. Panelists pointed out that building trust is a critical step in creating and developing productive, non-homogeneous internal and client-agency teams. But cultural differences in diverse and multicultural teams can create misunderstandings between team members before they have a chance to establish any credibility with each other, panelists noted. One of the biggest litmus tests for trust is ensuring words translate to action. According to Torres, "this action has multiple ripple effects across talent, employees, and the next generation, and it is our responsibility to deliver on it."

Another approach is to look to peers for guidance. Jones explained how he relied on trusted thought leaders to guide him as he developed his diversity strategy as a force for business growth. Jones cited one thought leader as particularly influential, and a close colleague of his: "Renetta McCann, chief inclusion experience officer at Publicis Groupe, was an inspiration on how to approach this challenge from both an internal and external perspective," he said. "And, importantly, on how to organically incorporate metrics for success across multiple stakeholders that capture short-term wins like ERG engagement, as well as long-term indicators like greater diversity in the senior ranks."

Building trust also applies among, brands, media, and viewers. [Tina Perry](#), president of OWN, emphasized the special covenant the network has with its viewers to ensure authenticity in diverse representation and originality in programming. The goal is to give every OWN viewer an opportunity to "see herself" and provide advertisers with a "safe place for brand expression," she said. According to Perry, this approach has resulted in "ratings and audience wins for OWN, with three of the top 10 scripted series in all ad-supported cable being featured on the network."

### Talent

Empowered, motivated, and diverse talent is a hallmark of organizations recognized with prestigious industry awards such as the [DiversityInc Top 50](#) and [Fortune's 100 Best Workplaces for Diversity](#). Panelists discussed the approaches they've taken to hire and retain diverse talent. Jones, for example, shared insight into Publicis Media Americas' Graduate Training Program, where employees are exposed to different parts of the agency, provided mentoring opportunities, and learn how cross-functional groups collaborate within the agency and across clients. Publicis has 80 people currently going through the program.

This program is one of the inspirations behind the [Ad Fellows](#) initiative at Verizon, spearheaded by [Diego Scotti](#), executive vice president and chief marketing officer at [Verizon](#). The Ad Fellows cycle at Verizon covers four different companies over an eight-month period, trying out various roles in public relations, creative, media, and client-side brand marketing. Companies such as American Express, [Anheuser-Busch](#), and [Walmart](#) have joined the program, per Jones, who reminds us that "when you pay it forward, you also get paid back."

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[Jack Myers](#), chairman and founder of Media Village, shared another important industry-wide initiative, the [Advancing Diversity Hall of Honors](#), which annually celebrates the industry's most influential leaders in diversity, equality, and inclusion initiatives who are accelerating the pace of corporate cultural change. Myers emphasized that the main criteria in choosing the inductees is their proven track record for action. He also highlighted the Advancing Diversity Council, which launched this year during CES and comprises current and previous Hall of Honors inductees, as well as other D&I experts and executives from the major industry associations. The council discussed a [five-point plan](#) for advancing diversity from advocacy to activism, focused on research, education, communications, mentoring, and financial solutions. It will announce definitive activation opportunities in each area of the coming weeks.

### Transformation

Transformational and long-lasting change requires transparency, which means admitting what is currently unspoken, unseen, unshared, or unacknowledged. Unconscious bias is one of those issues that can often be invisible because it is ingrained in our human behavior. It is also one of the most insidious causes of discrimination. To combat these unintentional biases, said Kathy Kayse, [Ad Council's](#) chief media strategy and partnerships officer, the organization launched "[Love Has No Labels](#)" as a public service advertising campaign that encourages people to examine and challenge their own personal implicit biases and transform their perceptions. The campaign's launch video — of skeletons dancing and embracing and then revealing themselves as diverse couples, families, and friends — has received 360 million views across 240 countries, with 4.5 million shares since its 2015 release, Kayse said, "with \$100 million in donated media from Publicis Media and support from global brands, including P&G, Wells Fargo, State Farm, Unilever, Allstate, and Bank of America."

"The campaign has made an important difference in eliminating implicit bias," she added.

There is still much work to be done. According to the U.S. Census, 42 percent of the population self-identifies as "multicultural," which includes African American, Asian, and Hispanic, as well as differently-abled and LGBTQ+. Despite this, [AIMM's Multicultural Benchmark Study](#) shows that only 16 percent of marketers incorporate cultural insights that will engage these communities.

Perry highlighted the partnership that OWN has forged with the [ANA](#) on the very important [#SeeHer](#) campaign, which aims to increase female representation across minority groups. She described #SeeHer as a movement to drive increased accurate representation of multicultural women in ads and programming by leveraging cultural insights to connect with consumers and drive growth.

### Looking Ahead

The year 2045 may be a quarter-century away, but it is closer than you think. The advertising, marketing, and media community will need to spearhead efforts to address the entrenched inequalities, unspoken biases, and unfair decision-making that still permeate our industry —which, according to Myers, has one of the "worst records in terms of diversity and talent retention."

We have every right to be somewhat optimistic about the future, as we observe the impact of initiatives such as Ad Fellows, Advancing Diversity Hall of Honors, #LoveHasNoLabels, and #SeeAll. Of the utmost urgency is the ability to identify and nurture courageous leadership that will challenge the status quo, disrupt sacred cows, and move the advertising, marketing, and media industry to a point of true representation, compelling authentic belonging among all of those who seek to join and advance in this industry.



## Verizon Launches \$5 Million Fund for Women Filmmakers (EXCLUSIVE)

[Verizon](#) has earmarked \$5 million in production budgets for female-led entertainment projects — with the twin goals of burnishing its brand and encouraging filmmakers to tap into the capabilities of its 5G wireless network.

The telco's Future Fund will support emerging female talent behind the camera, focused on up-and-coming creators. The purpose is to create a pipeline of content that celebrates women, and it's part of Verizon's overarching goal of "ensuring that we have women represented in creative projects," according to chief marketing officer Diego Scotti.

The first initiative coming out of the Verizon Future Fund is documentary film "[Not Done](#)," marking the 100th anniversary of the U.S. Constitution's 19th Amendment granting women the right to vote. The film was executive produced by [Dyllan McGee](#), a documentary filmmaker who is founder and executive producer of Makers, [Verizon Media's](#) brand dedicated to accelerating the women's movement. "Not Done" serves as the directorial debut for emerging filmmaker Sara Wolitzky and has an all-female and non-binary production crew.

The 60-minute "Not Done" is slated to air on PBS on June 30 and will be distributed on Verizon Media's properties as well. The film and the \$5 million fund are being unveiled Tuesday at Verizon's [2020 Makers Conference](#) in L.A.

McGee (pictured above) said in a statement, "As a female founder and filmmaker, I know how much this opportunity means to our community and how important it is to society that these important issues come to light. The Future Fund is creating a pipeline for emerging talent that offers the chance for us to see issues from diverse perspectives and illuminate the stories and storytellers of tomorrow."

As illustrated by this year's Oscars — in which [no women directors received a nomination](#) — "we need more diversity, more female voices" in entertainment and media, Scotti said. "This year we thought it was a good moment to ratchet up and accelerate our efforts."

"Not Done" explores how today's feminist leaders are making progress toward true equality. The film features interviews with actors, writers, directors, politicians, athletes and activists, including Natalie Portman, America Ferrera, Shonda Rhimes and Jill Soloway. The film is funded and presented by Verizon and Procter & Gamble's Secret.

Projects commissioned under the Future fund aren't "branded content" per se, according to Scotti. "Verizon doesn't appear in 'Not Done' at all," he said. "We're not going to do Verizon commercials."

Verizon expects to disperse the \$5 million in production money over the next 24 months, Scotti said. There's no formal application process for the Future Fund. The telco will work with McGee and the Makers team to identify and greenlight projects under the program, in collaboration with third-party organizations dedicated to women representation in film.

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As for what kinds of projects Verizon is looking for, Scotti said there are no specific criteria other than that they need to be female-led. “It could be any genre, not just documentaries,” he said. “We will produce amazing content that will be part of how we activate the Verizon brand in different channels.”

Verizon’s Future Fund will give creators access to all of the telco’s 5G Labs across the country as well as Verizon Media’s production facilities at the RYOT 5G Studio in L.A. for creating immersive AR and VR content. It’s not a requirement that the selected filmmakers use 5G, Scotti said, but he added, “We want to democratize this technology as soon as possible.” Verizon plans to explore multiple distribution options for projects created through the Future Fund, including releasing them across the Verizon Media ecosystem.

Verizon’s Future Fund follows on the company’s initiatives to promote diversity in the creative and marketing industry. In 2017, Scotti spearheaded the launch of Adfellows, which brings recent college grads to New York City for an eight-month fellowship in which they work in rotating jobs at Verizon and partner ad agencies and corporate brand-marketing groups. About 70% of Adfellows participants have been women.

Verizon’s 2020 Makers Conference is being held Feb. 10-12 at the InterContinental Los Angeles Downtown. Speakers at this year’s event include Chelsea Handler, Gloria Steinem, Anita Hill, Olivia Wilde, Katie Couric, Tina Tchen and Billy Eichner. The conference is being live-streamed on Makers.com.

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# ADWEEK

## Pharrell Williams Surprises Verizon Adfellows Class in Online Graduation

When 34 young people from around the country came to New York last year to participate in the coveted [adfellows](#) program, not one of them could have imagined that their spring graduation ceremony would be canceled due to a global pandemic.

This year's class of fellows from Verizon's diversity pipeline fellowship for marketing and advertising jobs expected to face the same disappointment shared by college and high school students everywhere that comes with substituting a much-anticipated celebration for a virtual event. But what they didn't expect was that musician and entrepreneur [Pharrell Williams was logging on to surprise them](#).

Williams joined the online adfellows graduation ceremony Wednesday at 5 p.m. The artist sat in the shade outside his house, apologizing for the sounds of his children playing in the yard. "I didn't mean to crash this thing," Williams told the class of graduates. "But I just wanted to say congratulations to all the kids in the program."

"Diversity is very important, as you know," Williams continued. "There are all these narratives about people of color and minorities, and I think what this does [is] this shows the positive impact of a corporation that could be just out there chasing money and chasing currency. But you're thinking about the people who are out there, the people who use this service, the people who are living this every day."

Verizon evp and chief marketing officer Diego Scotti [launched adfellows](#) in 2017, and the current class is the largest ever. The program sends talented aspiring ad pros to the offices of top agencies like McCann, Publicis and Digitas, all while covering living expenses and stipends for each fellow. This year, each fellow went through four "rotations," working on marketing projects for the likes of Verizon, American Express, Anheuser-Busch and Walmart.

"The program allows [the fellows] to get an in-depth look at the different areas that make up marketing to identify their interests," said Scotti. "It removes the economic barriers that often keep young, diverse talent from moving to a city like New York to get the experience they need to start their career, and it provides an opportunity for the industry to collaborate and make a change at scale, which we're doing with our agency and brand partners."

Even though the pandemic hit in the middle of the fellowship program, the experience of moving everything online helped some of the fellows learn to think adaptively.

"My fourth and final rotation at Walmart has been completely virtual, which has had its challenges, but has pushed me to be more proactive when it comes to communication with my manager and my team," said fellow Nudrat Kadir. "I've found ways to mimic previous rotations by FaceTiming coworkers to have work sessions, which made it feel like we were back in the office."

One of the primary goals of the adfellows program is to place 90% of graduates in full-time jobs. If that wasn't a challenging task before, it's certainly launching into uncharted territory now. Kadir said that she's conducted all of her job interviews virtually, which comes with its fair share of challenges.

For fellow Justin Alvis, the Covid-19 crisis quickly impacted his career focus.

"I've been working on a lot of experiential projects, and Covid-19 placed many things on pause. It has been interesting to see the work shift from designing in-person experiences to a focus on virtual reality and ecommerce," Alvis said.

During the ceremony, Alvis spoke about the frantic pace of living in New York and how he frequently moved from apartment to apartment. The Covid-19 quarantine, he said, actually forced him to stay home and relax for the first time since getting to the city.

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Marketing goals—and, surely, budgets—have shifted at the partner brands that participate in adfellows, too. But what hasn't changed is the overall goal of bringing more diverse voices into the industry.

“Building a team as diverse as our customer base isn't a nice-to-have; it's a need-to-have,” said Walmart CCO Janey Whiteside. “It takes the thought, talent and leadership of so many to serve our customers to the best of our ability, and we're excited to welcome the new and diverse voices of the adfellows.”

Though the current job market is incredibly challenging for graduates with such high unemployment rates, Verizon and its partners are still committed to placing the adfellows class in staff positions this spring.

While all of the adfellows are entering the advertising and marketing industry for the first time, some of them are coming in from backgrounds in other industries. Fellow Ranita Findlay moved to New York from Tampa, Fla. to pivot from an IT career, but she expressed no regrets.

“The biggest lesson I've learned from the program is to always stay open-minded and flexible,” said Findlay. “I took a leap of faith and moved to N.Y. while switching careers from IT auditing to marketing. Throughout this journey, I was constantly reminded of how important it is to be willing to try new things, even if it's outside of your comfort zone.”



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# ADWEEK

## At Adweek's Inaugural D&I Summit, Leaders Forge Ahead With Commitment to Equality

### Key Insights:

[Diversity is difficult, but that doesn't mean companies should abandon it during the pandemic.](#)

[Racist incidents are on the rise, adding stress for professionals of color.](#)

[LGBTQ inclusion is challenging because there are not enough statistics about the community.](#)

[Business leaders now can look to D&I for examples of how to move forward.](#)

On Wednesday, leaders from some of the top global corporations and nonprofit advocacy groups met online to participate in Adweek's first-ever [Diversity and Inclusion Summit](#).

The 13 D&I champions collectively represent hundreds of billions of dollars in corporate revenues. Each has made strides in their field to promote inclusive hiring, advertising and overall representation. At Wednesday's summit, they took turns interviewing each other about the long road to corporate diversity and how the Covid-19 pandemic could threaten equality.

Nearly all of the speakers are also founding members of [Adweek's Diversity and Inclusion Council](#). And all agreed on one thing: The economic anxiety surrounding businesses during the pandemic means *more* effort should be put into diversity and inclusion, not less.

Adweek chief community officer Nadine Deitz started the summit by acknowledging that not everyone was going to like everything they hear during the event, which made an impression on [Kai Deveraux Lawson](#), WPP's director of community engagement. "I really appreciated the fact that the tone was set from the beginning—that somebody's probably going to say some stuff today that offends you, jolts you and makes you uncomfortable," she said.

"The more we can have real and honest conversations, the better it's going to be [for everyone]," added [Anne Elisco-Lemme](#), executive creative director at Duncan Channon. "So, I loved those real moments today because I do think that the time to just have nice conversations about this is so far in the past."

### Speakers also included:

[Marc Pritchard](#) (chief brand officer, Procter & Gamble)

[Antonio Lucio](#) (global CMO, Facebook)

[Bozoma Saint John](#) (CMO, Endeavor)

[Stephanie Buscemi](#) (CMO, Salesforce)

[Marcel Marcondes](#) (U.S. CMO, Anheuser-Busch)

[Diego Scotti](#), (CMO, Verizon)

[Tariq Hassan](#) (CMO, Petco)

[Cynthia Chen](#) (GM/president of consumer health and wellness, Reckitt Benckiser)

[Claudia Romo Edelman](#) (founder, We Are All Human)

[Sarah Kate Ellis](#) (president/CEO, GLAAD)

[Tiffany R. Warren](#) (svp/chief diversity officer, Omnicom Group and founder/president, [ADCOLOR](#))

[Jason White](#) (CMO, Curaleaf)

[Shelley Zalis](#) (CEO, The Female Quotient)

Here are some of the key themes that emerged, including select audio segments.

D&I efforts shouldn't be canceled by the pandemic

In front of nearly 4,500 virtual attendees, Dietz kicked off the conversation with Pritchard, who stressed that brands should double down on D&I programming right now, rather than backing away. Zalis questioned why anyone would want to "go back to normal" during or after the pandemic if normal wasn't ever ideal in the first place.

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It can be tempting for employers to abandon internal diversity efforts, not just because companies are cutting costs everywhere but because diversity work is difficult. As Lucio said during the summit, D&I forces people to have tough conversations, to be embarrassed and to make mistakes. But if we're to make progress, "we have to embrace failure."

Lucio added that companies should be cautious about who is most impacted by cutbacks, too: "Diversity and inclusion needs to be a filter" as companies engage in layoffs, furloughs and salary reductions to stay afloat during the recession.

Professionals of color carry the added weight of racism

Several speakers pointed to the ugly rise in bias incidents that have come to light during the pandemic. Warren referenced the police killing of George Floyd in Minneapolis and a Central Park incident in which a white woman called police on black birdwatcher (and Omnicom employee) Christian Cooper.

As she spoke about "the 'unmattering' of black lives and Asian lives," Warren's Zoom background lit up with the names of Floyd and two other black Americans recently killed in racism-fueled incidents: Ahmaud Arbery and Breonna Taylor.

"I am trying very hard to control my voice because I am in absolute rage," said Saint John later in the conversation, adding that "it is not easy to be black in America" and that everyone should be angry about the killings and harassment of innocent black Americans. Chen also raised the issue of [increased discrimination against Asian Americans](#), saying that it was "unbelievable" to witness it taking place during this time.

White echoed the frustration as he spoke, saying that in 2020 he shouldn't have to get a text from his sister-in-law that reads "your life matters," yet that's exactly what happened this week.

White also spoke about how the [cannabis industry](#), by its very nature, presents a D&I problem: how to reach out to and provide jobs for the many people of color who have been arrested or served time for marijuana offenses.

Visibility and authenticity are key elements of D&I

The issue of how marginalized groups are represented was raised by more than one speaker as well. Ellis cited a report that GLAAD had released in partnership with P&G earlier that day, showing that when LGBTQ people are [authentically represented in advertising](#), it increases cultural acceptance.

But visibility is still a challenge, said Ellis, when LGBTQ people are not counted in the U.S. Census and some medical datasets that are vital for understanding a community's makeup. She pointed out that LGBTQ people are more likely to work service and blue-collar jobs and to have preexisting health conditions, so when it comes to Covid-19, "we know we're disproportionately affected, but we don't have the statistics to back that up."

Buscemi took on visibility from a different angle: how we choose to portray communities in advertising. Buscemi urged leaders to stop using images of marginalized people that primarily portray them as victims, and instead focus on inspiring images of the next generation. She stressed that businesses are in themselves a form of community, and therefore have a duty to advocate on behalf of marginalized groups.

How to move forward

As the discussion progressed, each leader offered an example of something they and their organizations are doing to improve the situation—both in terms of D&I and helping Americans survive a pandemic-fueled recession like nothing the country has seen since the Great Depression. The leaders aim to combat what Hassan called "a stockpile of caring and a shortage of action."

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Romo Edelman, founder of [Hispanic Star](#), a new organization created to boost the Latino community and its businesses, said the organization already has 25 chapters around the country currently working on local initiatives. In Texas, Hispanic Star has donated over 10,000 food boxes to local families, she said, and in New York, the group has given thousands of routers to families who lack Wi-Fi access for remote schooling. With a similar focus on results, Scotti shared the good news of Verizon's Adfellows program—which managed to place 90% of its graduates this year into permanent full-time jobs despite mass layoffs nationwide.

Rather than abandon D&I efforts to cut costs, business leaders now can look to D&I for examples of how to move forward, working from the bottom up. As Marcondes pointed out, diversity, inclusion and equity work best as an organic strategy rather than an arbitrary target.

Wednesday's summit wrapped up with a brief question-and-answer session with attendees. But it didn't end the work of Adweek's D&I Council, which plans to continue bringing together brands, the nonprofit sector, and the advertising and marketing world to push equality forward.

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# DIGIDAY

## **‘We want people to feel included’: Verizon CMO Diego Scotti on the importance of equality in hiring**

In advertising, making sure agencies and brands hire a much greater array of diverse talent has become a more urgent mandate in recent years. Some CMOs, like Verizon’s Diego Scotti, have used their power to push agencies to take a hard look at their hiring policies and be more inclusive. In 2017, Verizon launched Ad Fellows, a fellowship program at a variety of ad agencies, to help foster a more diverse talent.

Now, as protests against police brutality and racism across the nation continue, there’s a renewed focus on diversity and inclusion initiatives in advertising. Digiday spoke with Scotti about this year’s Ad Fellows program as well as managing through multiple crises. This conversation has been lightly edited and condensed for clarity.

### **The Ad Fellows initiative is to help those in the program land jobs but this year’s class graduated in the midst of coronavirus. Did that change things?**

In the middle of the pandemic we had the graduation of the third class; 35 of them graduated. We decided to have the biggest graduation virtually that the world has ever seen — we had Pharrell come in — to celebrate. Then, there was a conversation with some [agency] partners who said, “Maybe, we can’t hire them now.” One of the goals of the program is that we need to 90% of the people that come through the program hired. [Some agencies had hiring freezes in place and didn’t want to change that.] I said to them that in a moment like this we need to step up and say, “We’re committed to this. We’re going to deliver it.” This is maybe a smaller example in the bigger scheme of things, but I believe that everything starts with what you can control.

### **What was the result?**

Actually, we ended up with 94% [of the graduates] getting hired. So we surpassed our objective. [Also,] we need to start talking less about diversity and more about equality. We don’t want diversity in the sense of as many groups as possible or separated. We want people to feel respected. We want people to feel included, but we also want people to feel equal. In this moment in particular, it’s maybe a little bit of an optimistic view but we have to aspire to equality and make it real.

### **We’ve heard from some black employees before that when you’re the only black person in the room it can be difficult to speak up.**

That’s why diversity and inclusion are like two sides of the same coin. I always say, you could go on and hire all the diverse people you want, but if you don’t create the conditions inside your company for those people to flourish, to be able to speak up, to be able to have a voice, to be able to be understood, that those people won’t stay.

### **We have multiple crises going on. Has that changed how you are thinking about your marketing and advertising now?**

As I was saying to my team the other day, “Truth is the best marketing.” So many companies have tried to make it up. But you can’t become an ethical leader overnight and just create an ad and expect people to believe it. And you can’t just talk about things that should be done or values that should be upheld but then don’t act on them.

### **What have you done?**

We created a series of programs [to help]. For example, we partnered with The New York Times to provide free access to the digital edition of The New York Times to 14 million kids in the country. We also started with supporting and feeding first responders and frontline employees. We donated more than \$55 million during this time.

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**Did you reduce how much you were advertising?**

No. I would call it more optimizing. We shifted our messages to be under the umbrella of being helpful so we were driving less direct promotional sales effort.

**Do you plan to reduce advertising now because of this current social justice crisis?**

We're always looking at making sure that the tone of our messages are right and with the time. In our case, I don't think we're going to go and do an ad about social justice. You'll probably see us go and do more things [to help directly address these issues] instead of [a message in our] advertising. This is a very sensitive issue. We're having a lot of the deep conversations with our employees internally. Talking is important but the doing is more important.

**When do you think marketers will start spending as they had been?**

We're going to start seeing some signs of that happening in Q4 and then early next year but it's difficult to predict because things are very volatile at the moment.

*A previous version of this story stated that Verizon donated \$15 million to coronavirus relief efforts. The company donated \$55 million. The story has been updated to reflect that.*

**Marketers have a poor record on diversity. Here's how Verizon, Nike and others have emphasized diversity and inclusion**

The murder of George Floyd was the result of inhumane police brutality that is perpetuated by a culture of white supremacy. What happened to George Floyd was not the result of a bad apple; it was the predictable consequence of a racist and prejudiced system and culture that has treated Black bodies as the enemy from the beginning."

This statement condemning racism and white supremacy came not from a politician or human rights organization but the ice-cream maker Ben & Jerry's, which also laid out a plan to fight racism.

[Ben & Jerry's statement may be one of the most blistering examples of a company's response](#), but it's hardly alone. While brands have gotten more vocal on hot-button issues in recent years, [those statements have reached a fever pitch](#) in the wake of the death of George Floyd and the subsequent protests.

Companies including McDonald's Nike, Netflix, and Lego have spoken out against racial injustice and police violence, changed strategies, made philanthropic donations and aligned themselves with the Black Lives Matter movement more so in the past few days than ever before, said marketing experts.

"It's reached a tipping point," said Jacinta Gauda, principal and chief strategy officer at The Gauda Group, part of communications agency Grayling. "It's gotten to the point where it's undeniable, and come to everyone's living room, and corporations have taken note."

Brands have grown louder in their support of hot-button issues

While big corporations have not shied away from making statements on social issues in recent years, they have never been as unabashed in their language, said Gauda. Many companies are freely using words and phrases including "systemic," "inequities," "police brutality," "oppression," "white supremacy" and "privilege," she said.

"You can tell by some of the words that are being used by civic leaders, political leaders, and corporate leaders that the narrative is shifting," she said. "Very often, protests have a lifespan. But there are leaders today who are looking at it in a much more systematic way, and seeing their role as contributing to a more sustainable solution."

Brands are also announcing specific actions like internal training measures, policy commitments or monetary contributions, said Benjamin Arnold, managing director at social media agency We Are Social.

Ben & Jerry's urged Congress to pass [HR 40](#) and called for the creation of "a national task force that would draft bipartisan legislation aimed at ending racial violence and increasing police accountability." Snap CEO Evan Spiegel called for a reparations commission and taxes that address racial injustice, while Lego announced plans to donate \$4 million to organizations that support black children and pulled ads for cop-related building sets "in response to the tragic events in the US."

Companies are taking tangible steps because of cancel or call-out culture, said Arnold. Social media has enabled consumers to call out people and brands that don't live up to their stated values and proclamations, forcing them to take action, he said.

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"Call-out culture forces brands to confront reality," he said. "And through that discomfort is how change happens."

Brands are starting to get the message. Unilever and Verizon, for example, have pushed diversity in the industry with efforts such as the [Unstereotype Alliance](#), tasked with making ads less stereotypical, [to Adfellows](#), a diversity fellowship program that aims to fix Madison Avenue's dismal diversity record.

Verizon is donating \$10 million to various groups, including the NAACP Legal Defense and Educational Fund and the National Urban League.

"We have been focusing on our responsibility to take action. It's not about what we say, it's about what we do, and that speaks for itself," Verizon's chief marketing officer Diego Scotti said. "Truth is the best marketing — you can't bottle the truth."

Employees and other stakeholders are demanding more of companies

Research has found people are more likely to buy products from [companies that stand for something](#). But the pressure on companies to do so has been amplified now that consumers have seen how quickly brands adapted their business models and messaging to the coronavirus, said Monique Bell, a marketing professor at the Fresno State University.

"This stands in stark relief to brands like Nike and P&G tip-toeing around the issue of racism only recently, often without much substantive complementary effort," she said.

In addition to consumers, employees and other stakeholders have started demanding more from companies, said Gauda.

"Employees have such a strong influence on shaping company culture these days, and their voices have been amplified by social media," she said, pointing to [Facebook employees staging their own walkouts](#) over the company's handling of President Donald Trump's posts on the protests. "There's a generation of younger people who are unafraid to express themselves, and companies in turn are being forced to consider their values and their voices."

Matt Rivitz, founder of ad-spend activist group Sleeping Giants, said he's gotten calls from brands around the world wanting to take a stance on the protests as they've spread around the world.

"First people started voting from their wallets. Now, they're voting from their feet," he said.

[But diving into political and social issues can be risky for brands](#), especially when they don't live up to people's expectations or seem hypocritical. Amazon was called out by the [American Civil Liberties Union](#) this week for being complicit in police abuse since it sells face recognition surveillance technology, while Uber CEO Dara Khosrowshahi's message of "solidarity with the Black community" was met with [criticism over](#) the company's treatment of its own drivers, many of whom are people of color.

And many of these companies have dismal track records when it comes to diversity within their own ranks. Black people occupy only 3.2% of senior leadership roles at large companies in the US, and just 0.8% of all Fortune 500 CEO positions, [according to a December report](#) by workplace think tank the Center for Talent Innovation.

Brands should not only examine their hiring practices and executive and board positions, but also reconsider how and where they spend their ad dollars, said Rivitz. Few companies have pulled their advertising on Facebook, whose handling of President Donald Trump's posts on the protests has been widely criticized, Arnold and Rivitz said.

"Brands need to be very mindful of where they're spending their money because it's not just reaching eyeballs and consumers, but it's supporting platforms and websites that are poisoning our discourse," Rivitz said.

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## AgencySpy

### Tuesday Stir

-Agency The Hallway launched the first campaign for Australia's new streaming service Binge, entitled "[We're for the Bingers](#)" (video above).

The Hallway partner, executive creative director **Simon Lee** explained that the campaign was delayed by the Covid-19 pandemic.

"We were about to go into production on a large-scale TVC when the country went into lockdown, which meant we needed to change our whole direction pretty much overnight," Lee said in a statement published in LBB. "The team jumped straight into reconceptualizing and planning a brand launch in this new world we found ourselves living in. The resulting campaign is a testament to the agility of our team and a great collaborative relationship."

-Adweek takes a look at [the future of ad schools](#).

-Rain the Growth Agency senior director, client development [Bianca Reed discusses racial inequity](#).

-Adweek explains [how cookies work and why they're going away](#).

-Verizon CMO **Diego Scotti** talks about the [importance of equality in hiring](#).

-The Drum asks if social distancing measures due to the coronavirus pandemic will lead to an [explosion of agencies without a physical office](#).

-RAPP U.K. confirmed that [Al Mackie will continue as CCO](#) following the merger with Proximity London.



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## AdAge

Diego Scotti, chief marketing officer at Verizon since 2014, doesn't understand why more CMOs don't take action to improve diversity. "You have the power to ask your agencies to see their diversity numbers and hold them accountable," he says. "I don't know why they don't do that."

In 2016, Scotti sent a letter to Verizon's 11 agency partners saying that the number of women and people of color in all roles needed to improve. The latest figures show 37 percent of the partners' combined workforce are people of color while 53 percent are women, up from 32 percent and 50 percent, respectively, in 2016, the company says.

Ad Age asked Scotti—one of Ad Age's Creativity Award recipients for Diversity and Inclusion Champion of the Year—about diversity, lessons learned from marketing during the pandemic and the competitive 5G landscape. This interview has been edited for brevity and clarity.

The average lifespan for a CMO is about three years. You're now in your fifth year. What were your expectations when you joined?

I never felt like it was going to be five years and counting. Five years ago, our category was being commoditized, it was competitive and 5G was on its way. I wanted to create change so the goal was to prepare for that to happen. But I knew it wasn't going to be a straight line getting there. I knew it wasn't going to be a straight line getting there. I knew that from the beginning it was going to be a wavy line.

I think that one of the problems CMOs face is the end goal of where you are trying to get is not very clear and you're thrown from one side to another and, eventually, lose your way.

What was Verizon's path forward?

When I came, we had always been about network quality. It was like Volvo being about safety. I said we have to double down on being a premium network. So a big pillar of how we execute everything is leaning on what is true and what is real. That is why our messages use real people, real employees and real stories. I don't make anything up.

Why is that?

Every time you lean on the truth and what is authentic about the brand, people want to have that. People are so tired of bullshit marketing in terms of what brands want you to believe and buy or whatever. We don't want to be that brand.

Most brands paused ad spend during the initial phases of the pandemic, but Verizon didn't. Why?

We were one of the first brands to have a spot in the middle of March. We told consumers our network was going to be there for them. Everyone followed us after that, but we were first. Our strategy is going to be very focused on telling the truth and being helpful. Being truthful means we are going to tell exactly what is going on with how our network is performing. And we are going to be helpful because our customers need us more than ever.

Can you give an example of how Verizon helped?

We paid restaurants to prepare meals and take them to hospitals and those who were on the front lines. We gave 600,000 kids access to the digital edition of the New York Times through an amazing partnership. We donated PPE products. We helped small businesses with "[Pay it Forward](#)," which was so successful.

How so?

We wanted to help small businesses but we knew there was no money we could give them that would make a dent. And that's how we created "Pay it Forward." The premise was simple: To sponsor weekly, virtual concerts every Tuesday and Thursday where the artist would tell the viewers to go out and do something for small businesses like buy a gift card, food, whatever, just do your bit. At the end of 10 weeks we reached 85 million unique people and 91 percent of them took action to help small businesses. It's an incredible demonstration of how purpose can help inform through a marketing program.

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What did Verizon learn from its marketing during COVID-19?

Actions are important, not words. That is the big lesson. Second, lean into your strategy, your governance and processes. That is what they are for. Don't change your strategy just because there is a crisis. Third piece is you need to work across all of your stakeholders—customers, society, shareholders and employees.

What advice would you give a brand or agency that is starting to pay attention to diversity?

You have to facilitate a conversation that is open and authentic about what is going on. I have been calling people in the black community and asking them how I should think about this. I tell them I don't understand this or that because I don't have the same life experiences. You have to listen. And don't just listen to one conversation. Listen to as many as you can have.

Is it hard to find diverse talent?

I get angry when I hear that. If you can't find talent, you're not looking hard enough because there is so much talent out there. The problem is, it's not being put on the table. You have to do the work and go to the universities and work with the grassroots organizations that have that talent. It takes a little bit of work and you have to commit to it, but the talent is there.

What does the overall industry need to do?

The industry needs to get on with it. You need measurement, consistency and commitment. It isn't rocket science.

Can you give an example?

We created [adfellows](#). It's 100 young professionals who are from all over the country. They come to New York and rotate working with Verizon and our partners for eight months. We pay for everything and hire 90 percent of them. This year was interesting because the graduation came in the middle of COVID.

What made it interesting?

There were discussions from our agencies and even in our company about not hiring them. Companies are struggling. But we just invested eight months of training to get these young professionals ready for the next step and we made a commitment to hire 90 percent of them. If you can hire them, but don't, then shame on you. It was a moment of truth and we hired 94 percent of them.

Verizon was among the first companies to put its Pride campaign on hold to support the Black Lives Matter movement. What was that process like?

It was a very thoughtful and easy decision for us because first of all, we had a situation where the black community is suffering ... and we have to be respectful to them.

I spoke with all of our LGBTQ+ employees that we are going [to pause the work](#) that we had with Pride out of respect for what is going on. That doesn't mean they matter less—to the contrary. I didn't bullshit anybody because it was about applying common sense and people understood it. And I'm proud of that.

How do you market something you can't see like 5G?

Our focus has been about demonstrating what 5G can do because there is so much misinformation. We want people to experience what 5G can do so a lot of the work we've been doing is going to events like the Super Bowl, NBA and demonstrating what 5G can do. It has been very helpful for us because it has really created credibility.

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# campaign<sup>US</sup>

Do you think there's a lot of misinformation with 5G?

There is so much misinformation. People think, 'What is the big deal? It is just another G.' Other people don't believe this thing is real. But our strategy will continue and our messaging is, 'There is 5G and then there is Verizon 5G.' Everything will be about differentiating our product, which is better than others because not all 5G is created equal.

Is that a shot at T-Mobile, the first carrier to roll out a 5G network?

There is so much misinformation. When you compare speeds between our 5G and our competitors you will see that our 4G performs better than their 5G. Why call something 5G if it doesn't have the correct level of performance? We need to be clear with that to our customers.

T-Mobile now owns Sprint. What can we expect to see from Verizon's marketing?

At the risk of sounding boring, we will continue to play our game. I'm not paying attention to what [T-Mobile](#) and others are doing. If my strategy was to react to everything they do then I'd just be reacting, reacting and reacting. Our strategy is to build the most powerful 5G experience in America. We will be the premium brand that people keep choosing.

You were ranked No. 1 on Forbes' Corporate Responders list for the work you've done in response to COVID-19. T-Mobile was ranked No. 5. How did that make you feel?

I didn't notice they were on the list.

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## **Facebook CMO Antonio Lucio lights fire under adland's ass with fierce call to drive diversity**

Antonio Lucio is tired (not physically — the self-professed "perfect diversity postcard" looks dangerously nimble in the lead up to his 60th this year).

Facebook's global chief marketing officer is tired of panels about inclusion. He's tired of conferences about inclusion. And he's tired of telling the same story for an entire decade.

"I was not ready to understand what being a grandfather meant," he told a crowd at the ANA's Multicultural event in San Diego on Wednesday afternoon. Lucio recently welcomed his daughter's firstborn, Luna, into the world.

"The whole notion of seeing two generations behind you was very powerful. It renewed my sense of purpose and urgency for everything that has to do with diversity. The big message is: We have got to get going, people."

The business case for greater diversity in the workplace is constantly proven. Lucio stressed that by 2030, 50 percent of the U.S. population is going to be multicultural.

He continued: "We say it time and time again: Diversity and inclusion needs to be considered a business imperative. It cannot be a business imperative for the HR department. It has to be a business imperative for the operating unit."

The industry knows what needs to be done: Holistic and systemic change. So what gets in the way if we know what it takes? Lucio said it comes down to five factors:

### **1. Diversity is hard work**

"We're all busy. We all need to deliver short-term targets. Diversity is hard work. It's hard to get diverse candidates in the door. It's hard to keep them once they're here. Let's face it: Our industry gets bored very easily. We need a new shiny object every time — 'diversity was last year's initiative, what's our initiative now?'"

"Our challenge as an industry is the same challenge we have as brands: How do we maintain purpose and consistency while at the same time, refreshing the story so that it is unique, memorable and relevant every time?"

### **2. Embrace conflict**

"What people don't tell you is that managing diverse teams is a pain in the neck. Why? Because we are all there to think differently — we are all there to argue. Embracing conflict is a mindset that we are all going to have to get into significantly. Conflict is a positive thing."

### **3. We have way, way, way too many initiatives on the diversity front**

"We have one every month. There is way too much competition and not enough cooperation, and sometimes I feel as though we're doing things as a race for the press release, not a race for results. If we don't build scale there's going to be a monumental problem. We will get diversity fatigue."

### **4. The diversity versus inclusion debate**

"You need them both. It's an 'and,' it's not an 'or.' Diversity without inclusion is a waste of time."

### **5. Let's talk about the elephant in the room**

"Unconscious bias is a fact. I'm talking about the very specific microaggression that blacks and hispanics face when they're called into performance appraisals time and time again, company after company, and called 'too aggressive,' 'too loud,' 'too difficult.'"

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"I am not aggressive. I am passionate.

"We have a bias towards people who sound and look and feel like us."

"I am not aggressive. I am passionate.

"We have a bias towards people who sound and look and feel like us."

Lucio called on the industry to undust platforms that actually work and leverage them across the industry.

This includes keeping score, because "what is measured gets done. It's that simple."

He also implored the crowd to stop inventing initiatives. He pushed for adland to use the ANA's ["#SeeHer"](#) and ["#SeeAll"](#) movement as genuine metrics in which scores can be published in a bid to move the needle year after year.

Lucio said that, yes, while the industry does suffer from a pipeline issue, it also has the best practices already available to combat it, including [Verizon's adfellows](#) and the [4A's important MAIP drive](#).

The CMO called on adland to address microaggression. It's something Facebook's Chief Operating Officer, Sheryl Sandberg, has been championing for years. She provided data showcasing that females are usually called 'bossy' when men are called 'leaders' under the same circumstances. Sandberg created a platform to combat this.

"No one at Facebook today in any of the platforms we have uses 'bossy' to describe women," said Lucio. "Let's have a campaign against microaggression. 'I am not aggressive — I am passionate.'"

In conclusion, Lucio stressed: "Language matters. Changing the script matters. We are all communications people — we have the power to change the dialogue.

"This world needs more passionate leaders and not less. This world needs more leaders who care, not less. This world needs more people who reflect who we are, not less."

## Diego Scotti

Chief Marketing Officer  
and Executive VP, Verizon



**Diego Scotti is the creator of adfellows**, an eight-month marketing fellowship that rotates young multicultural and diverse talent through positions at Verizon and the agencies and brands it works with. The program has grown in each of its three years, and 90 percent of fellows have been placed into full-time roles. Verizon has pushed its agencies to document and improve the diversity of their workforces, and Scotti was the impetus behind the first Spanish-language spot without subtitles to run during the Oscars broadcast.

—*I-Hsien Sherwood*



### Verizon adfellows

Verizon created adfellows, a unique fellowship program to improve diversity and inclusion in the marketing and advertising industries. adfellows was founded on the knowledge that marketing/advertising requires diverse voices and perspectives to be successful, so Verizon and its agencies came together to drive actionable results. The paid fellowship is an eight-month immersion program that gives fellows the opportunity to explore career tracks, gain real-world experience, and network with industry leaders. Participants rotate across positions, including public relations, creative, media, and brand marketing, at Verizon and other companies.

The program was created to bring more diverse marketing candidates into the recruitment process with the hope that they will stay with the agency or Verizon. The adfellows program selects college graduates from across the country, all with diverse backgrounds, to participate in the fellowship program. Verizon fully covers the housing and expenses for all fellows to ensure that people of all backgrounds can have the chance to participate.

In 2018, adfellows produced 19 graduates, and more than 90% of the graduates were offered positions at one of the member companies. The second year of adfellows produced 29 graduates and also saw the program expand to include additional brand partners such as The Community, MRY, R/GA, McGarry Bowen and Accenture. With its third year to start this September, the program will include a total of 17 companies and agencies including, Anheuser-Busch InBev, American Express, and Walmart.