

■ ADVERTISING

'Stairway to Kevin' leads to Saatchi lair

Saatchi & Saatchi global leader Kevin Roberts talks to Irene Chapple.

"Tomorrow will be less," claims Kevin Roberts' T-shirt, a quip that the advertising executive quite likes.

He finds it provocative and stimulating and says it puzzles people.

"To me it means less is more, be humble, don't rest on your laurels, because tomorrow you are going to have less and will have to work harder," says Roberts.

But, says the chief executive worldwide and newly appointed New York chairman of advertising agency Saatchi & Saatchi, "I have no idea if that's what Philippe Starck [the French designer and author of the quote] actually means."

Tomorrow Roberts may have less but today he's sated, flush from the accolades recently handed down to the Saatchi & Saatchi worldwide network.

There was the *Adweek* decision that Saatchi & Saatchi was its Global Agency last year.

On the same day, *Advertising Age* picked the agency as the year's best global agency network.

It was impressed because Saatchi & Saatchi won US\$1.2 billion (\$2.2 billion) in new business over the year, as marketing budgets shrank and other agencies struggled.

It also noted the agency's awards tally — 12 of the Saatchi & Saatchi agencies won Lions at the Cannes Advertising Festival.

Roberts, who joined the agency five years ago, has made significant changes.

For one, it encourages its clients to adopt a fee structure that pays the agency partially on percentage — between 1 and 4 per cent — of sales.

Just under half of its clients use the system, including Procter & Gamble, which has an estimated adspend of US\$4 billion.

"It works for us and the client,"

says Roberts. "Most agencies are opposed to it because it is new and it is risky, and they say they can't control what the client does with its pricing and distribution and things like that."

"But we only work with partners that we do have confidence in. We don't spend a lot of time worrying if they have got their basics right."

He says the global slowdown after September 11 did not impact on the firm.

Some of its biggest clients, including Procter & Gamble and Toyota, increased their marketing budgets, capitalising on cheap media and consumers looking to be reassured.

"In a recession, most people are worried about cost so they go into neutral."

"They cut advertising budgets, development, new product innovation and what happens? They disappear into a vortex of despair."

Marketing, according to Roberts' philosophy, is ultimately about "Lovemarks".

He says he introduced the concept after studying consumers' perceptions of various great brands.

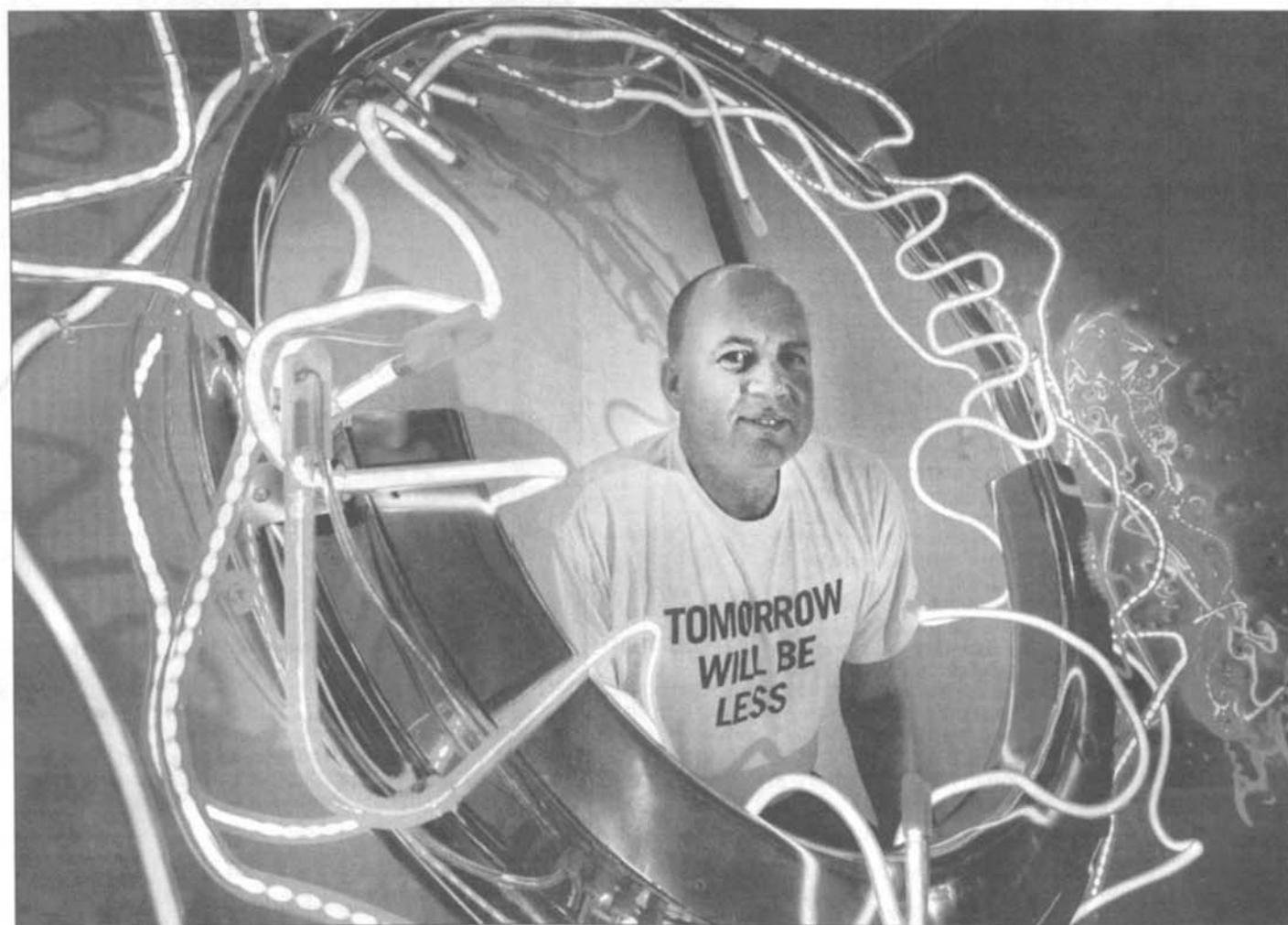
The theory is that a Lovemark is bigger than a brand, with consumers having an unconditional and illogical love for the product.

"Brands are dead because they are commoditised," says Roberts.

"The real point of difference now is the emotional connection. You add mystery and sensuality and intimacy to a brand then you have loyalty beyond reason."

Roberts uses energy drink Red Bull as an example: Teenagers love it because it has mystery and sensuality and intimacy, he says.

"Red Bull's profits are enormous, its pricing is enormous. [Teenagers] can't tell you what it tastes like but



they can tell you myths like how it is made of bulls' semen or whatever... but they can't tell you what it tastes like."

Despite global success, the New Zealand offices had a rough year with fleeing business.

Creative accolades continued to be piled on the two offices, but major brands including Steinlager and Lion Red shifted elsewhere.

When this is mentioned, Roberts bristles. Firstly, he points out, the New Zealand shop isn't his direct concern, as he is the global chief executive.

Secondly, profit from New Zealand barely registers on the global Saatchi & Saatchi income.

"We make more in New York in a week than New Zealand makes in a year," says Roberts.

"The importance of New Zealand to my network is purely and simply creatively. I am really happy with Saatchi & Saatchi New Zealand."

Roberts, a keynote speaker at next month's Knowledge Wave conference, is a huge advocate for New Zealand.

He frequents the speaking circuit to encourage investment and foster local creativity, and brings interna-

tional advertising shoots into the country.

Roberts' advertising clout last attracted significant local media attention in 1999, after a dinner with then Prime Minister Jenny Shipley.

She was accused of offering the agency a \$30 million Tourism Board contract in return for a good deal on National Party advertising at the next election.

Audacious plans by Saatchi & Saatchi for a promotional campaign starring Xena the Warrior Princess subsequently fell over, to be later replaced by the more sedate 100% Pure campaign, which was created by rival agency M&C Saatchi.

That campaign is regarded as a success but is, says Roberts, somewhat safe and bland. And he thinks it can be ratcheted up to another level.

"It is time to move on from the foundation of purity into the next stage, which is to showcase our greatest asset — our people."

In recent years his local profile has been low.

Despite his business life being spent in a global mindset, he has never lost his allegiance to New Zealand.

Local artworks adorn his walls: Peter Roche's *Ring of Fire*, a blue and red neon artwork, is chosen as focus for the photographs.

It was a wedding anniversary present commissioned by wife Ro, but Roberts can't remember which anniversary: "We've been married 28 years."

His wife and children have never moved to New York, preferring to stay in New Zealand.

He returns here for a week every month, hunkering in the depths of the Parnell Saatchi & Saatchi offices, down the stairs which have a sign, "Stairway to Kevin."

His offices are pedantically tidy, the stark glass furniture and white walls offset by bold art. Behind his desk another Peter Roche artwork dominates the wall. It is a giant flat donut of black, overlaid with flashing red neon ferns.

Roberts says he likes the NZ symbol above the desk, prominent in the visitor's line of sight and flashing over his shoulder as he works.

The man with the accent that is mostly New York but reflects his British heritage and a touch of Kiwi says: "It reminds me of where my heart is, where my home is."

KIWI AT HEART: Kevin Roberts' Parnell office features local art, including Peter Roche's *Ring of Fire*.

PICTURE / KENNY RODGER