TIMES ONLINE

Business Section Friday September 12, 2003

BEYOND BRANDS

LOVE IS ALL YOU NEED, SAYS HEAD OF SAATCHI

By Raymond Snoddy

KEVIN ROBERTS, worldwide chief executive of Saatchi & Saatchi, cannot stop talking about Lovemarks and is equally into sensuality and intimacy.

Last month he began a lecture in Seattle by saying that he was going to talk about "love and inspiration".

Don't worry. It's not what you think. Roberts, who has spent most of his working life as a brand manager, can't stop talking about Lovemarks because they are his own invention and because he believes that the concept encapsulates what is now happening to brands and, indeed, to advertising itself.

"Advertising is a bit boring, very limiting, very defining," says the chief executive of the world's most famous advertising name.

And for good measure, Roberts, who is responsible within Saatchi & Saatchi for all Procter & Gamble's brands worldwide, adds: "Brands are dead. Nothing is happening in brands. They've run out of juice.

"Manufacturers used to have the power, retailers used to have the power. Today consumers have the power and they have been empowered through information and knowledge. The only way you can add value today and contribute to what is going on is through ideas."

The Lancastrian looks for ideas wherever he can find them and must be one of the least deskbound chief executives in business.

Yesterday morning he spent two hours live on Squawk Box, CNBC Europe's live business television programme.

Roberts took questions and helped to present the show and gained a few more insights - one from an Arab specialist who said that the negative impact of the Iraq war on American brands such Starbucks and Coca-Cola could last for as long as two years, which would be more serious than Roberts thought.

Roberts, a dedicated rugby fan, writes a column for Rugby World and last week he was in Madrid discussing peak performance with Real Madrid.

He regularly tests his ideas about marketing and the consumer against bright students and academics as chief executive in residence at the Judge Institute of Management at Cambridge and at Waikato Management School in New Zealand.

However, it is to Lovemarks that Roberts returns as a way of defining how he thinks marketing should go in an age in which all beer tastes good, all French fries are crispy and all cars start first time.

"If you have a relationship with a product, it's somewhere on the love-respect line or you don't have a relationship at all," the Saatchi & Saatchi chief executive says. "What makes a Lovemark is mystery, sensuality and intimacy."

Roberts believes that such attributes engender in consumers "loyalty beyond reason". He thought of the idea one night at 3am over a bottle of wine when he was looking for something more dramatic than his first thought - Trustmarks.

Roberts drew a heart on a piece of paper, and thought that products or services that are trusted are all very well, but that products that are loved will sell better.

He has set his students to work to seek empirical evidence for the effect of Lovemarks, and says that they have found it.

"We can prove quantitively that purchasing intentions if you love a brand are significantly higher than if you respect a brand," he claims.

The Saatchi & Saatchi chief executive reads The Times every day, but does not believe that it is a Lovemark. The newspaper, he says, has respect and trust, but has lost an emotional appeal, although most analysts would think that trust is not too bad a characteristic for a newspaper to enjoy.

"Its very good for information," Roberts says. "I read it, but I don't love it. It doesn't empathise. It's not sensual enough."

Lexus may be the biggest-selling luxury car in the United States, but things that used to be its defining points for buyers, such as the smell of the leather seats, are generic now. The cars, Roberts suggests, should come complete with a CD containing the new owner's 50 favourite tracks.

The CNN news channel is, Roberts believes, a Lovemark for at least some of its audience because of the noise and feel of the first Gulf War coverage.

Roberts is now working with A. G. Lafley, the chief executive of Procter and Gamble, to try to make its brands more loved than respected.

"Lafley wants to move from a detergent that gets rid of stains that's at the heart of the laundry to a detergent that becomes at the heart of the family," Roberts says.

Roberts explains that what he is trying to do is "build emotional collections and empathy and embrace the consumer at every touch-point with a combination of information, entertainment and ideas".

Whatever people make of his Lovemarks concept, there is little chance of escape in the coming months. Roberts is publishing the book of the idea, Loyalty Beyond Reason - From Brands to Lovemarks, early next year, with an initial print run of 60,000.

It is not clear yet whether the book could become a Lovemark with the communications industry.