

THE STRAITS TIMES – ONLINE

June 5, 2007

To survive, print and TV must engage consumers

By Gabriel Chen

ONLINE advertising is booming and marketers cannot stop talking about digital and interactive media but that does not mean old-school print and TV are finished.

However, their survival, says Mr Kevin Roberts, chief executive worldwide of ad agency Saatchi & Saatchi, means creating new ideas and a better understanding of consumers. They must also interact with and emotionally engage the consumer, he adds.

'We can no longer interrupt consumers. We must inspire and entertain them no matter what media we use,' he told The Straits Times by telephone from England. 'But newspapers have to change their focus from breaking news to more indepth analyses and commentaries.

'What your mobile doesn't do on news is tell you the answers to your questions. It doesn't tell you what it means for you and it doesn't tell you what you should do about it.'

Because newspapers do not have to disseminate information as quickly as new media - users of the Internet, e-mail, SMS, multimedia, mobile want it now - they should aim to tell readers beyond a cursory glance why a piece of news really matters to them.

While he says print growth is 'flat' and 'quite challenging', he is more bullish on online growth. Online ad spending is increasing faster than you can imagine, he says.

'In 2004, online adspend in the United States was US\$9.6 billion (S\$14.7 billion). Three years later, it is projected to be US\$19.5 billion,' says Mr Roberts, often credited as the man who turned Saatchi & Saatchi into one of the world's top agencies since taking over in 1997.

'Online adspend comprises close to 8 per cent of total adspend in the US. In 2009, it'll pass the 10 per cent mark for the first time.

'All media will be interactive in the next five years, whether it is print or TV. So you had better get switched on to that, as consumers are demanding it.'

England-born Mr Roberts, 58, says brands are running out of juice, and it is love that is needed to rescue them. He is credited with inventing and promoting the marketing concept 'lovemarks' - a marketing technique intended to replace the idea of brands.

He describes lovemarks as brands that inspire loyalty beyond reason. Some of the ingredients to create them, he adds, are mystery, sensuality and intimacy.

'If you look at Whole Foods, wherever you walk, you can sample their products, you can smell their products,' he says of the retailer of natural and organic foods, which recently unveiled a 'whole new concept' at its stores in Austin, Texas.

'The navigation inside has moved from linear direct to curving journeys of mysteries. They're building three things in their offering, that is mystery, sensuality and intimacy, and those are the things consumers really look for.'

Mr Roberts, who lives with his family in New Zealand, said one of the most dominant new areas of advertising in the next three to five years will be in-store at retail outlets like supermarkets.

'Eighty per cent of decision-making is taking place in-store, and the store as a medium has not developed. The store will turn into a theatre of dreams, the next creative canvass,' he says.

Mr Roberts will be one of the speakers at the Global Brand Forum to be held from Aug 6 to 7.

gabrielc@sph.com.sg