

KEVIN ROBERTS: AD RADICAL

Meeting Kevin Roberts, the global CEO of advertising powerhouse Saatchi & Saatchi, was an out-of-body experience. At the recent Global Brand Forum in Singapore, ADOJ caught up with the man whose consistent positioning at the top of world marketing is underpinned by a belief in the power of great ideas and emotional connections to create unlimited value. Over the last decade he has applied this belief in an attempt to fundamentally change the face of marketing...

And if there's one man who can do it, that man is Kevin Roberts. He provokes, dares and questions the status quo... all in the name of love.

In 1987 when he was President and CEO of Pepsi in Canada the brand was number two behind Coke and at risk of slipping to number three: "My gut reaction has always been to zig when every one else zags. The best way for us to avoid becoming Number three, I figured, was to become Number one! We passed Coke. Nothing is impossible."

On beating Coke, Roberts' irreverent charisma (he is a self proclaimed "performance nut") surfaced at a keynote speech in a Toronto hotel. At the end of the speech he stooped behind the podium, picked up a machine gun and started blasting the coke dispenser. "When you machine gun a vending machine, it makes a serious noise," he says wryly. "Despite safety precautions, we had people diving under tables and heading for the doors. It was incredible."

One day he brought a real live lion to a business meeting with financial analysts at Lion Nathan, a brewer in New Zealand. Kevin writes in his book *Lovemarks: The Future Beyond Brands*, "I can tell you from that day on, no one in the company ever forgot the lion in Lion Nathan!"

EXCLUSIVE INTERVIEW

The fact is that lovemarks are created and owned by those people who love them.

BY HAMBO

KEVIN'S GUIDING MARKETING STAR IS A CONCEPT he calls Lovemarks, a simple theory holding that there is a magical place beyond brand loyalty where worshipped products like the Volkswagen Beetle, Guinness beer, and the iPod reside. His goal was to take Saatchi clients like Tide and Pampers from loyalty to Lovemark. To that end, he immersed the company in Kevin-speak. There were posters in the lobby reading A LOVEMARK IS LIKE A GREAT LOVER. NEVER BORING. On the Saatchi Website, he wrote, "Darwin would have got it straight off. Product to trademark. Trademark to brand. Brand to Lovemark. Lovemarks are super-evolved brands." Then there was Peak Performance, Roberts's path to boosting productivity. A sample tenet: "You either fear change and duck for cover, or you revel in it. I'm with the Chinese sage who said, 'When you're caught in a storm, don't run for your life. Build a windmill!'"

KEVIN ROBERTS
Global CEO, Saatchi & Saatchi



1949. Born Lancaster, England.
1960s. Educated Lancaster Royal Grammar School, England

1982-86. Pepsi Cola, Regional Vice President, Middle East.

1987-89. Pepsi Cola, President and Chief Executive Officer, Canada.

1989-96. Lion Nathan, Director and Chief Operating Officer

1969-72. Mary Quant Cosmetics, Brand Manager, United Kingdom

1972-75. Gillette, International New Products Manager, Europe

1975-82. Procter & Gamble, Group Marketing Manager, Export and Special Operations, Middle East/Africa

1998. Named by Frohlinger's Marketing Report as the Outstanding Advertising Agency Executive of 1998 (USA).

1998. Awarded Honorary Doctorate by the University of Waikato, Hamilton, New Zealand "in recognition of achievements as an inspirational business leader and for contribution to sport in New Zealand"

1997-2000.

Director New Zealand Rugby Football Union. Trustee of the Turn Your Life Around Trust (TYLA) in West Auckland, New Zealand



Photographer: Neil Price

Member of the Management Board, Publicis Groupe. Co-author of Peak Performing Organisations - Lessons for Business from the World's Leading Sports Organisations (Harper Collins, London 2000)

.2000

2001.

Inaugural CEO in Residence at The Judge Business School, Cambridge University's business school in the UK; Co-founder of The New Zealand Edge, www.nzedge.com - an idea to transform New Zealand identity and to network the million-strong community of New Zealanders living internationally

2003.

Appointed Professor of Sustainable Enterprise at the Waikato Management School, University of Waikato. www.management.ac.nz

.2004

2005. Author of Sisomo - The Future on Screen (powerHouse Books, 2005).



Awarded the New Yorker for New York Award by the Citizens for NYC, a non-profit organization; author of Lovemarks: The Future Beyond Brands (powerHouse Books, 2004) Lovemarks is translated into 17 languages worldwide; appointed as private sector ambassador to the New Zealand/United States Council; Appointed as Sponsor Governor of Lancaster Royal Grammar School.



2006. Appointed Chairman of the USA Rugby Board. Author of The Lovemarks Effect - Winning in the Consumer Revolution (powerHouse Books, 2006).

COVER STORY

IN THEATRE WITH KEVIN ROBERTS

What is a Lovemark?

A Lovemark is a brand that has created loyalty beyond reason; it's infused with mystery, sensuality and intimacy, and that you recognize immediately as having some kind of iconic place in your heart. **The key behind brands is mystery, sensuality and intimacy**

Tell us about Saatchi & Saatchi Fallon or SSF...

We just put together a mini group of two great creative brands Saatchi & Saatchi and Fallon which will be in the UK and US first. Fallon Minneapolis in the 80s and 90s was a phenomenal agency but with the advent of shops like Crispin, Weiden and Goodby in recent years, it become tougher. So the brand needs energizing. In London, Fallon has been Agency of the Year for many years and it will give Saatchi the lift it needs in that market.

For me it's fun because I get to play with 2 brands now, which is pretty exciting.

What about your plans for Asia?

I'm in Asia two or three times a year and our plan for Asia is simple: dynamic explosive growth. I want to see 15 to 20-25% growth. We got Jim O'Mahony who's running CRIBA - China, Russia, India, Brazil and Asia. We told him, you can best learn about China from India, and you can best learn about Brazil from Russia and you can best learn about Russia from China. So instead of thinking about them as geographical centres, think about them as developing, fast-paced economic you can adopt best practices for other markets. Jim's job is to make sure learnings from one market are transferred to the others to ensure we sustain the double digit growth we have been seeing. We are the first agency to do this worldwide and we started this August 1.

You talk about the theatre of dreams...

You need theatre. The way to win today is not command and control, you need to unleash and inspire them to be the best they can be. And for that, people need to have some fun, some drama... In our business, a lot of theatre has gone out of it, we've become like clients, we've become very tactical, not being spontaneous, not being explosive... that's where we're missing out on this great emotional value creative people can bring to a problem... We simple got to get the theatre back into the business!

Tell us about your typical day...

Well, I travel 250 days a year. I try to do three things. First, I try to turn the Saatchi brand into a Lovemark so that we can attract the best talent.

And I was very fortunate to have inherited a great brand from the Saatchi brothers 10 years ago. Also a great set of beliefs and clients. So I spent a lot of time seeing how I can connect past,



Photographer: Duncan Cole, source: www.saatchikevin.com

present and future for the brand. As the CEO of Saatchi & Saatchi, I can pick up the phone and call Al Gore or Kofi Anan, because of the Saatchi brand! So the Saatchi brand legacy is key. But we need to take it into the future.

The second thing I do is spend my time inspiring our people. To be the best they can be. To achieve peak performance. How to make people feel like a family, to share a dream, and so on.

The third thing I spend time on is to figure out how we can get to the future first. Because getting there second doesn't count, right?

Where do you find the time to write so many books..

On the road, I share the load, it's something I'm very passionate about. Lovemarks was driven by fear and loathing really. For a while I feared brands were dying, when it was all about sales promotion, offers and so on... That's how Lovemarks came about... a burning platform for survival.

Brands were running out of juice. The era we left behind took us on the heroic journey from products to trademarks to brands. When I first

suggested love was the way to transform business, grown CEOs blushed and slid down their annual accounts. But I kept at them. I knew it was love that was missing. I knew that love was the only way to ante up the emotional temperature and create the new kinds of relationships brands needed.

We've helped Procter & Gamble change mere brands to "Lovemarks". For example, Tide ads convey that women can focus on other things in their lives because Tide is taking care of the laundry. With Pampers, it is no longer pitched as just the most absorbent diaper. Pampers now is sold as helping the development of your baby.

Sisomo is about sight, sound and emotion. The book came from the fact that we live in a screen age. And I don't think people have really picked that up yet. We are surrounded by screens all the time. And yet our entertainment and advertising vehicles are still in their infancy. This is the most exciting phenomenon that has happened since television.

Instead of having thousands of creative people at Saatchi doing 30-second spots, I want them producing content across all screens. The promise should not change. What should change

**"AN EMOTIONAL RESPONSE TO SOMETHING NEW TAKES 3 SECONDS
- ABOUT 3,000 TIMES FASTER THAN A RATIONAL ONE!"**

COVER STORY

is the context and the way it's handled for the mobile phone or the computer, TV or movies. The dominant interface of the future is the screen.

Peak Performance was about my belief that management was very boring, that leadership was uni-paced and that it was really about inspiring people rather than managing them..

Kevin teaches Peak Performance to MBA students, undergraduates, faculty, community groups, and in major companies around world. He believes inspiration eclipses both management and leadership. "In business and in life it is inspiration that gets you to Peak Performance. It is inspiration that keeps you there."

So, I only write on what I'm passionate about. And that's no chore.

Why do you like (or should I say love) to wear black?

I wear black because when I was growing up I was influenced by a singer called Johnny Cash. He wore black for the poor and oppressed and he didn't want to wear colour until there was equality. And when I was a young guy I could empathise with him. And I believe business has a similar role. The role of business is to create a better world; not create shareholder value. And the role of the CEO of today is to make sure the enterprise is sustainable, which means he's got to take a stand on social and environmental issues. I also wear black because the All-Blacks wear black. Plus I wear black because if you travel 250 days a year, you need only one pair of clothing!

Do you shuttle between London and New York all the time? What's your routine..

No routine, I like random. You can't inspire by being doing the same thing all the time. It's boring, people want variety, they want excitement. They want you to have a sound set of principles they understand, a shared dream, a shared purpose. And tactically, they want to be volatile, they want to move all the time. I don't do routine.

You go to Cannes every year, what do you say about creatives who shun clients coming to Cannes, saying it's a private party for creatives..

Well, we're the instigators of taking P&G to Cannes and last year we won 11 Gold Lions for them, including Grand Prix, and they are our biggest client! We taking Novartis next year, we took General Mills, we are the instigator! Think of what it brings back. It opens the client eyes to great creative work outside of their category and it brings back the great bond between client and agency.

We should go out more with clients. The best ideas come when you and the client are having a good time together and you forget who's the client and who's the agency. We've lost all that with emails, video conferencing, and so on...

What do you love about Asia?

I love the discipline of small budgets. Small budgets truly drive creativity because you can't go to the default solution of tv or print. Some of the mobile stuff that's coming out of Singapore and Malaysia are just brilliant.

Also love the fact that you guys can jump technologies. Forget landlines, you go straight to mobile, it's an amazing leap frog. That's what happened in China. The ads there are going to go directly to mobile and the Internet.

We don't have problems getting our finest creatives from around the world to come and work in Asia. Because they feel there's more creative freedom here.

Where do you see growth? Via acquisitions?

I'd like to grow in the sustainability area. Sustainability is going to be huge. And to get that established, you need to have some passionate advocates/disciples who come probably from a cause-related background. I'd like to acquire some talent in that space.

Later this year, we will become the first ad agency network to launch a 'green' division with Saatchi & Saatchi Sustainability. The idea is

to offer strategic advice and drive profitability for sustainability-led businesses. With an issue like climate change, you have to be proactive and lead from the front.

I also think I'd like to acquire some talent in the mobile space. I mean, we understand how the technology works in mobile. But there are some creative people around the track who are doing it better and faster. Shopper marketing is another area: turning shoppers into buyers; the first moment of truth. In-store really holds interest for me. The focus will be on the consumer up, and packaging and point of sale is where we can best influence consumers.

Tell us about Digitas...

Digitas is fantastic; it gives me a production platform and a metrics measurement system,

which we didn't have before. It's a brilliant acquisition. There is a massive transformation happening in the way consumers live and the data we have about them, but very few companies have stepped up to it yet. It is only a matter of time until nearly all advertisements around the world are digital. The plan is to build a global digital ad network that uses offshore labor to create thousands of versions of ads. Then, using data about consumers and computer algorithms, the network will decide which advertising message to show at which moment to every person who turns on a computer, cellphone or — eventually — a television.



**"THE GODS FIRST
MAKE BORED THOSE
WHOM THEY WISH TO DESTROY"**

Photographer: Duncan Cole, source: www.saatchikevin.com

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To access Kevin's talk at The Global Brand Forum recently, just visit

http://www.saatchikevin.com/Lovemarks_in_the_Asian_Century/

ON BRANDS:

Brands are dead, I think. We've seen this incredible journey that started off years ago with products. Products were invented to supply a benefit, a functional attribute to make you feel better. They morphed very quickly into trademarks, which is all about protection: Protect the manufacturer; protect the consumer. And then in the '30s Neil McElroy at P&G [Procter & Gamble] invented brands. And what were brands? They were based on what I call "ER words": whiter, brighter, cleaner, stronger, fitter.

ON GOOGLE, YAHOO AND MICROSOFT:

Our industry is changing and the borders are blurring, so it's clear these companies will have a huge share of revenues which will come from advertising. But they will have to make a choice between being a medium or being an ad agency, and I believe their interest will be to be a medium. We will partner with them as we partner CBS, ABC, Time Warner or any other media group.