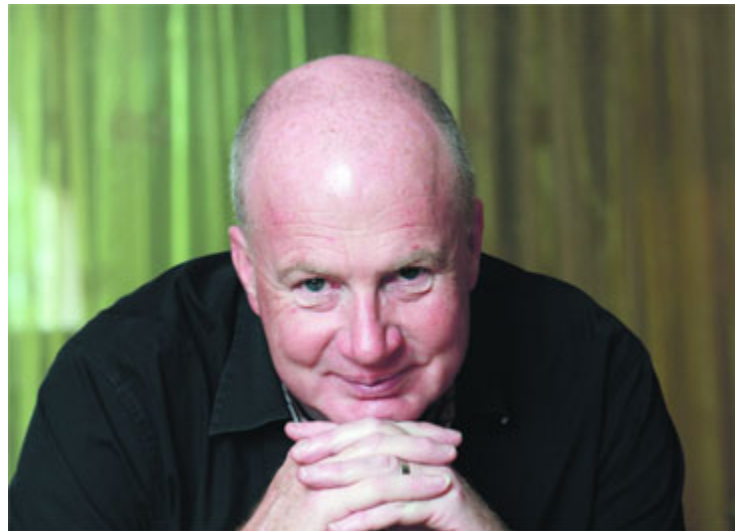


EMIRATES

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Why 'love' is the new black

By Rachel McArthur on Thursday, April 17, 2008



(ASHOK VERMA)

In business, love is officially the new black. So says Kevin Roberts, CEO Worldwide of advertising giants Saatchi & Saatchi, who is currently in Dubai to launch his new book, *The Lovemarks Effect: Winning in the Consumer Revolution*.

In case you're not familiar with the creative guru, Roberts was appointed by Saatchi & Saatchi in 1997, when, according to him, the advertising agency was in "deep trouble, with morale at an all-time low". He was advised to restructure the business drastically by bringing in his own people and moving current people around. Instead, he made no personnel changes for two years. Against all odds, he was able to get things moving again within a year, restoring the agency's reputation as one of the best in the world.

A marketing technique invented by Roberts to replace the idea of brands – achieved through the trinity of mystery, sensuality, and intimacy – *Lovemarks* certainly helped put Saatchi & Saatchi back on the map. In fact, in 2006, the idea won the agency a \$430million contract with JC Penney.

Roberts' new book is the follow-up to *Lovemarks: The Future Beyond Brands*, and examines the future of brands in stories told by the business leaders of some of the

world's most well-known products, including Montblanc, Toyota, and Tiffany & Co. **Emirates Business** talked to Roberts about the book, the future of advertising in the region and what he thinks of the UAE.

You're here to launch your new book, but I hear you're busy with other things, too?

I'm here to rev up Saatchi & Saatchi's presence in the region, to look at our whole strategy for Lebanon, Jordan, Egypt and the GCC, and the way forward. To many businesses, there are key regions that are very important, something we call CRIB – China, Russia, India and Brazil. But I also think the Middle East is extremely important. It is moving two to three times faster than any other region, but it isn't talked about as much as it should be.

Is it because of the way the Arab world is portrayed in the West?

I think Al Jazeera played a big part in that. The channel is a landmark; it certainly put the Arab world on the map, but at the same time, it didn't really do the Arab world any favours in the West. However, with the change that's hopefully happening in US policy this November, the comfort level will improve. If Obama moves forward, relations will improve drastically. The current branding of US foreign policy – the whole "you're either with us or against us" – is just not working. The world needs a US superpower that would work inclusively, not exclusively.

So what do you think of "Brand UAE"?

I first came here in 1972, and all I can say is that the progress of the UAE has been dramatic. While advertising here needs improvement, the country has repositioned itself thanks to places like Dubai Media City, for example. Dubai truly is the city of the future. Abu Dhabi is also picking up pace. And then there's Qatar and Oman - Dubai set up the path for others to follow. This place is all about entrepreneurship, and is innovative and focused on customer service, which is great for tourists and businesses.

So what's the new book about?

It's the follow-up to my first one, which sold a quarter of a million copies, making it one of the most successful business books. People kept on telling me that [from the first book] they understood what lovemarks were, but they didn't know how to create them, research them, test them, or even know when they had one. Lovemarks ties emotions with branding and people love that, and we used examples such as Emirates airlines, T-Mobile, and Ariel to explain it. A lot of brand managers use it, and it is extremely useful for those in small businesses. In fact, some university business courses use it as a reference now.

What do you make of advertising here?

We live in the age of the idea, and the biggest idea at the moment is Dubai. The only problem is that there seems to be no imagination – everything is pre-tested and safe, and everyone tends to stick to the same old, because there's fear they won't succeed otherwise. This is something we have attempted to get rid of. The consumer is not a moron. The consumer is your wife – she has full understanding of what's going on around her, even though you may not think so. So you've got to find ways of connecting with her. In advertising there are two ways: the idea should be the heart of the work, and digital advertising should be used innovatively.

You've been with Saatchi & Saatchi for 11 years. Has the advertising world changed?

Completely. We've moved from being directors to being connectors, from providing service to adding value, from being TV-centric to idea-centric, from brand bosses to consumer bosses, from analogue to digital. And we're now in the age of attraction. Just look at the newspapers sold, and how colourful the packaging is. Then look at boring black and white papers in the UK.

Celebrity endorsements. Are you for or against them?

They are overused and overrated. If your friend e-mailed you saying she just tried a great product and she recommended it, then you'd try it, right? But if Angelina Jolie did the same thing, you probably wouldn't be rushing out to get it. Recommendation is more powerful than a celebrity endorsement.

Are you a fan of the digital revolution?

We're in the screen age, but we should be focusing on the ideas as opposed to the technology. Everyone obsesses about the technology. But, like a friend of mine told me, in order to succeed, you've got to be able to fail fast, learn fast, and fix fast, and this is possible thanks to the digital age we live in. Now you can fail cheaply on the internet.

Are you on Facebook?

All my kids are on Facebook and they are obsessed with it. This new generation of connectivity is superb. They're also crazy about Skype and MySpace.

What about advertising on these sites? Is it effective?

The new generation judges very quickly and can easily punish you. If they see a good advert that's fun and quirky, they'll absolutely love it, but if it's bad, then they wouldn't stand it and would just knock you down. Advertisers should learn they have to give up control of their brands. Sometimes a product just speaks for itself – just look at the buzz around the iPhone. That's good marketing.

So what products do you have a soft spot for? Any extravagant purchases?

I spend money on experiences rather than things. I just bought a place in St Tropez, as well as in the Lake District in the UK. And I travel around all the time, and so do my wife and kids, so it's more about what we do.

Ever been tempted to invest over here?

I remember they flew me out to the Palm Jumeirah when it was first being developed, and David Beckham had just bought a property. I was close to buying a place, but I went with St Tropez because I visit France a lot. Mind you prices have gone through the roof, so it would've been a good investment!

How do you juggle it all?

People always say it's all about life, work and balance. But I don't believe in balance. It's about integrating your life and work. Family comes first, then everything else.

What's on your iPod?

About 9,000 songs right now. My son's a DJ and film director, so he keeps me up-to-date with the new releases, but I'm a product of the 1960s so I love the Beatles, Bob Dylan and Bruce Springsteen. When it comes to artists these days, I like Lily Allen, and Amy Winehouse and the White Stripes.

You have a reputation for having a rebellious streak. Is that the key to your success?

You've got to be willing to let go of old rules, and fully embrace an idea if you have it. You've gotta zig when the rest of the world is zagging. At the end of the day, progress doesn't come from reasonable men. With Saatchi & Saatchi, we're not the biggest advertising agency in the world – but we're the most well known. And I am content with that.

Roberts' key events

1949: Born in Lancaster, UK

1960-1969: Attended Lancaster Royal Grammar School; expelled at the age of 16

1969-1972: Appointed as Brand Manager for Mary Quant Cosmetics, UK

1972-1975: International New Products Manager, Gillette, Europe

1975-1982: Group Marketing Manager, Procter & Gamble, Export and Special Operations, Middle East/Africa

1982-1986: Regional Vice-President, Pepsi Cola, Middle East

1987-1989: President and CEO, Pepsi Cola, Middle East

1989-1996: Director and CEO, Lion Nathan, Worldwide

1997: CEO Worldwide, Saatchi & Saatchi

1998: Named by Frohlinger's Marketing Report as the Outstanding Advertising Agency Executive of the Year. Also 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

2003: Appointed Professor of Sustainable Enterprise at the Waikato Management School, University of Waikato, and at the University of Limerick, Ireland

2004: Awarded the New Yorker for New York Award by the Citizens for NYC, a non-profit organisation

The numbers

\$593m: Saatchi & Saatchi's current worth, according to advertising website, Adbrands.net

\$430m: The amount offered in JC Penney's contract to Saatchi & Saatchi, because of Roberts' idea of Lovemarks

\$1.96m: Is approximately how much Roberts makes in a year with bonus and benefits, according to a report in The Independent newspaper roberts' key events