

All you need is...



Have
Saatchi
& Saatchi
found the
magic formula
for successful
marketing in the
attraction economy?
By Edward Poultney

Around five years ago Saatchi & Saatchi global chief executive Kevin Roberts drew back the curtain on the latest phase toward successful consumer marketing, opening the world's eyes to a very contemporary phenomenon. He called it "Lovemarks: The future beyond brands."

"There's a context - the world's moved on, things have changed and so have brands," says Steve Anastasiadis, CEO of Saatchi's Dubai office. "First the manufacturers had the power, then it shifted to the retailers - so the Wal-Marts etc had control of what they stocked and who they stocked and how much they stocked. Now the world has changed in terms of media proliferation and, ultimately, choice. The consumer's in charge now."

So what exactly are Lovemarks? According to the website a Lovemark is a brand that is infused with three ingredients: Mystery, Sensuality and Intimacy. So far, so intangible (and quite confusing). But once Anastasiadis explains the concept it becomes almost childishly simple.

"Lovemarks isn't some theoretical science that dazzles with the complexities - it's based on a very simple premise: We are emotional beings. There's a quote by [neurologist Donald] Calne that we sometimes refer to: "The essential difference between emotion and reason is that emotion leads to action while reason leads to conclusions.""

The consumer purchasing the product is, of course, the action that every manufacturer or service provider wants. So the fundamental questions remain: What is the best way to achieve this? And who are the best examples?

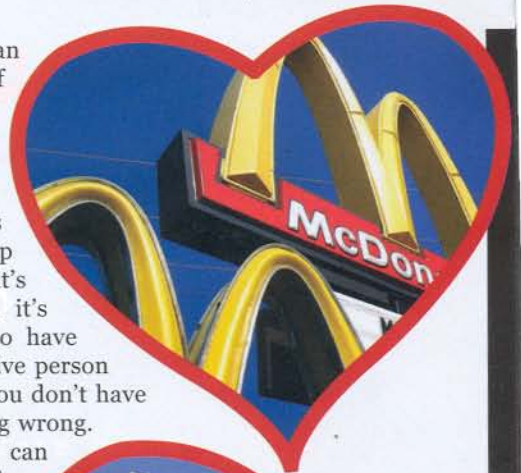
"Globally there are lots! Harley-Davidson, Apple, Starbucks, Coke are just a few. People change their lifestyles for Harleys, they become weekend warriors - it takes them away from themselves. And actually Harley isn't faster or technologically better than the other guys but it taps into deep emotional territory and that's what Lovemarks are about. They don't talk about 'we're faster' or 'our detergents wash brighter' and all those traditional ways of marketing, it's on a much more

personal level. It's an understanding of what's important to people and what they care about."

"Look at Apple; whether it's iPods or iMacs they tap into something that's much more sensual, it's a desire you want to have an iMac - as a creative person it's the currency, if you don't have one there's something wrong. Take iPods, people can argue until they're blue in the face that a competitor is faster, better, cheaper, lasts longer, has more memory - I know all that but it doesn't matter, I still won't give up my iPod."

"Starbucks is into sensuality and intimacy. They've marketed themselves as 'The Third Place'; there's Home, there's Work and there's Starbucks. Now, other people might say 'but look, we have better coffee', but that's not really the point. People don't just go there for the coffee, people go there for the experience."

The marketing for Pampers, one of Saatchi's regional client brands, is an ideal example of how tapping into consumers emotionally is paying off. The mark is the market leader by sales and is enjoying double-digit growth year-on-year. Rather than focusing the campaign on the 'dry' aspect of the nappy the team shifted attention to how it helps babies to develop. "It's about understanding what's important to the people who are buying Pampers. Kids' brains process the day in their sleep, so a good night is hugely important to a baby's development. So the nappies have been improved for comfort and dryness to allow the baby to get the best night's sleep: When you explain development to a mother and you talk about how important a good night's sleep is for their child,



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then they get it. When they understand that, there's no way that they're not going to do what's best for their kid."

Such a seemingly small step represents a fundamental shift in the way products are presented to the public. It is no longer a matter of what is being offered, but rather how it will directly affect the purchaser's lifestyle. It is a concept that is catching on in boardrooms worldwide, according to Anastasiadis

CEOs are among the first to see the benefits – it is only in the company marketing departments that it meets resistance: "Lovemarks is to the consumer the notion of loyalty beyond reason. If you have that you can charge premium prices; iPods are a premium, Harleys charge a premium. So there's a business case for it; people are prepared to pay if they can make a connection to the product. And they're happy to because they see that there's value to it, they'd be worried if it was cheaper. There are whole studies that show that Lovemark brands offer greater returns."

So why aren't all companies' marketing strategies being transformed by this revolution? Well, in order to gauge exactly how different

products are received, research methods have to undergo a thorough change. As Anastasiadis puts it you have to "go from the zoo to the jungle."

Rather than convening focus groups into sterile boardrooms to canvas opinions, researchers have to venture into people's homes and workplaces. Reliance on the traditional 'media schedule target group' philosophy fades almost into insignificance when

presented with the sheer amount of choice on offer, whether on satellite television, terrestrial radio or the internet.

"It's easier to market to people than to connect with people," he explains, "but in the attraction economy you have to inspire, motivate, connect with – and these are words that you don't normally use as marketers. You need a big idea that people can engage with and they come from deep insights."

Getting to this stage does require some groundwork, Anastasiadis admits that before brands can become Lovemarks they have to already benefit from consumers' respect. Some companies can build that up quickly but it normally does take time. "Take Coke for example, that's a Lovemark. If you take a generic brand off the shelves people will just switch to another, but if you take a Lovemark off the shelves they'll revolt! They'll say "you can't do that, that's MY brand". When Coke changed their recipe there's was an uproar, they were forced to change it back because the public wouldn't accept their 'messaging about' with 'their' brand."

Regionally Middle Eastern companies have benefited greatly from the dynamism of global companies arriving on the scene. Homegrown brands such as Emirates and

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Jumeirah are now making their own marks on the world in turn and taking on the big name competition.

"Zaatar w Zeit is a Lovemark for Lebanese people for example, it stands for more than a take-away place or a fast food outlet. People feel that "this is my place", it's open 24 hours a day, it's like a favourite rendez-vous spot. Patchi chocolates is another big Lebanese

Lovemark brand. Al Marai is a Lovemark in Saudi. Brands like Kiri find it really hard to compete because it's so strong there. It's a pride thing; it comes from there, 'it nourished my parents' and so on..."

Despite operating across a sometimes very disparate region Anastasiadis is enthusiastic that the advantage of dealing with Lovemarks is that the campaigns and brands pitch so deep that they transcend cultural nuances: "The trick is to find commonalities.


"People are fundamentally very similar so you have to find what works and something built on a deep insight can cross borders; like Pampers, or Zain's 'It's a beautiful world' campaign. Then the barriers break down."

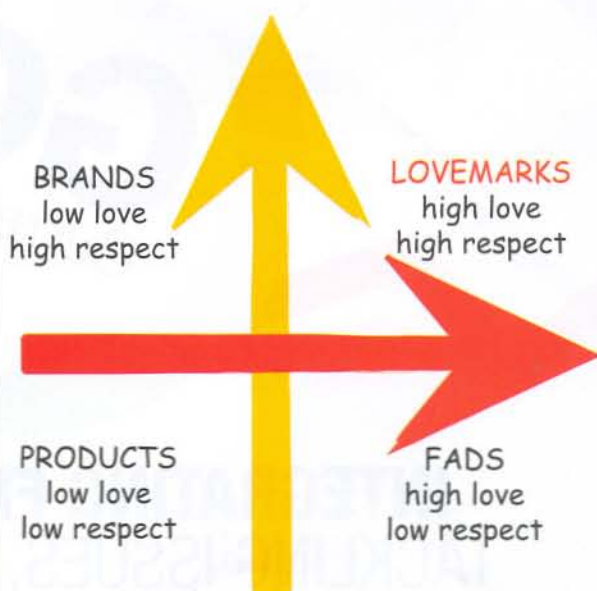
In response to suggestions that the group are using a marketing 'gimmick' without any real substance Anastasiadis is sanguine. "These days there are no bad products. The quality is really high; clothes will wash white, chocolate will taste good.

"These are all givens for people now. So when you say 'my chocolate tastes better' that's not a sustainable advantage, someone will come with a new formula that will taste better and then your differentiator is gone. But when your product stands out on different fundamentals such as what is important, then you've hit the jackpot. It's not just functionality; it's design, it's feel."

With studies suggesting that 80% of decisions are made at the point of purchase, it is unarguable that consumers do act on their emotions – but have Saatchi been able to convince prospective clients that they have found the ultimate goal of the contemporary branding market? Well, next

time you have a spare five minutes why not log on to the website and watch the cross-region, cross-culture, cross-age group online community checking in to give their opinions; you might just see why global giants such as Procter & Gamble and JCPenney have

seen the light. 



love marks =

- The bottom left finds you in the Low Respect and Low Love quadrant. This is the positioning of classic commodities. Public Utilities, low value transactions. Essential to our lives but going nowhere. Zero brand heat.
- Now, move across to the bottom right quadrant to Low Respect and High Love. This is the land of fads, trends and infatuations. Last month's gotta-haves. Next month's has-beens. Hairstyles and Pop Stars. You can have a lot of fun down here but you won't get Loyalty Beyond Reason.
- The High Respect and Low Love quadrant in the top left of the axis is where most major brands are stuck. Functional benefits, solid performance, and always fixed on those "e-r" words. Newer, brighter, stronger, bolder and worst of all cheaper. Needed but not desired.
- High Respect and High Love is the place to be. The top right of the top right hand quadrant. This is Lovemark territory.
- Only here, stretching for high love and resting on high respect, are deep emotional connections are made.
- Remember, only the customer can decide Lovemark status. And they'll only do it for brands that are up there in the top right, where the sun always shines.

www.lovemarks.com