

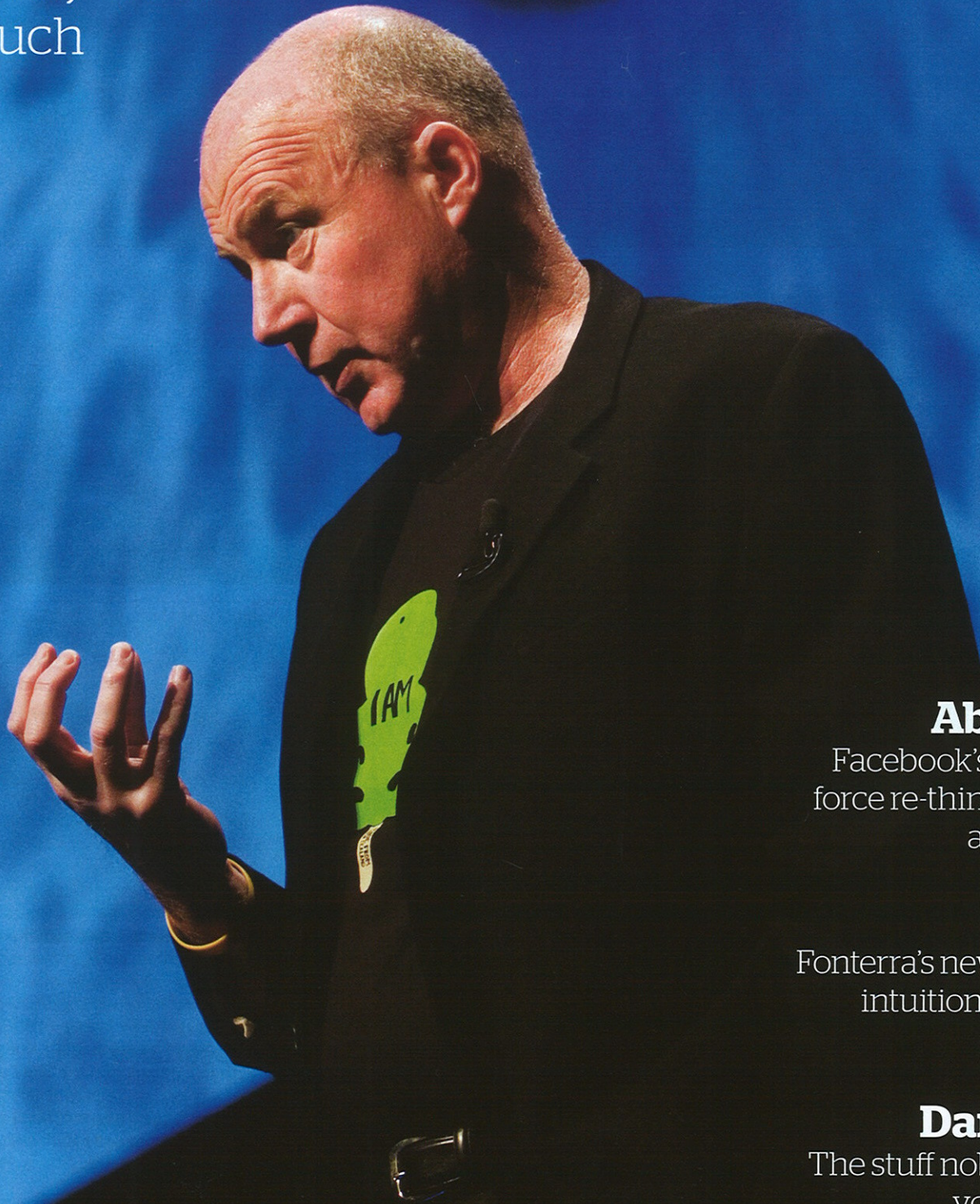
AdNews

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Where's the rhythm?

Saatchi & Saatchi's global
boss on why we are
losing touch



About face

Facebook's reach rules
force re-think for brands
and agencies

No bull

Fonterra's new CMO talks
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come home

Dark social

The stuff nobody knows
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To like, click or give them the flick

Six out of ten people don't like social ads and other things you may not have known

Facebook changes twist agency landscape

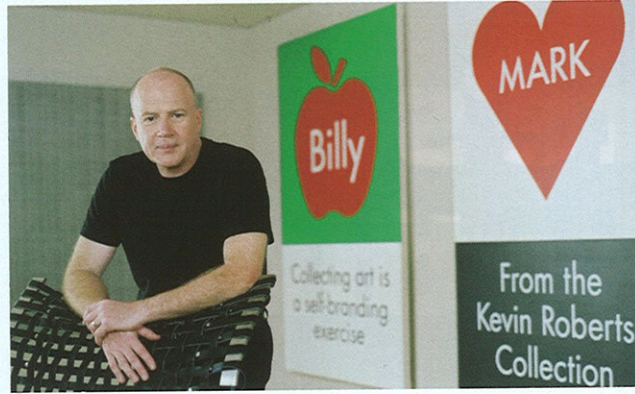
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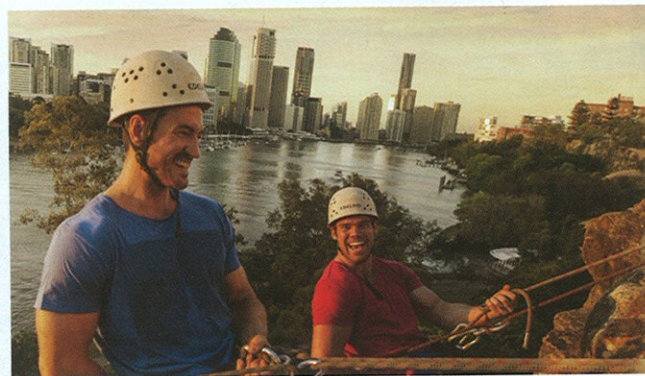
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I'm algorithmically correlated

Kevin Roberts was a breath of fresh air when he challenged the corporate mantra of doing 'everything by numbers', writes **Paul McIntyre**.

Academia must have a theory for it but let's call it WDWAACCIASBNC Syndrome (why do we all agree corporate culture is absolute shit but nothing changes).

Saatchi & Saatchi's global boss Kevin Roberts was smoking hot on this theme at the World Business Forum a few weeks back in Sydney - a cast of thousands from all corners of industry and business were there and from crowd dynamics, Roberts was clearly pushing more buttons than a 1960s Russian cosmonaut.

One of his central themes on stage, and later when we smashed up midmorning in an empty bar, was that business, and most certainly the marketing industry, needs more anthropology and systemic "feel" for customers and markets.

Yeah, I know, not the language for corporate marketing professionals trying to advance their agenda - or for the broader marketing industry attempting to retain some sense of value and purpose in the business food chain.

But let's not get carried away - stock markets are as much about sentiment and perception as they are for trading on financial "fundamentals". Sure, we've got machine-led trading systems but the wild market swings we see from one day to another still have a lot of human emotion to them - and are entirely acceptable, in this instance, to the dark corporate suits.

Roberts is not anti-tech or anti-data but he does put both bluntly in their place. They too easily become crutches for all of us, he argues.

The subtext for much of his address to the World Business Forum, and our later conversation, was essentially this (and it's my interpretation): big data and analytics is entrenching an obsession with correlation algorithms - "if you liked this movie, bought that book and habitually lick your left ear, you'll probably going to like 'this'."

Algorithmic correlation marketing (I made that dumb-arse acronym up five minutes before it appeared here because I couldn't think of anything better on deadline - sorry) does not answer any questions around the "why". Correlation marketing doesn't account for the real motivations of people doing shit because it's the correlation, stupid. Please, smart people, don't forget correlation algorithms would not have allowed Henry Ford to leap from the horse nor let Apple beat-up on Sony's Walkman with the iPod or disconnect Nokia with the iPhone.

I'm a big fan of tech-sceptic Evgeny Morozov. Not because he's anti-tech - he's not - but because he cleverly challenges a lot of the digerati's assumptions and blind evangelism. Take him on the TED talks, for instance, of which I have been a big fan.

"There are many problems I have with TED," Morozov told The Guardian last year. "It has created this infrastructure where it very easy to be interesting without being very deep. If TED exercised their curatorial powers responsibly, they would be able to separate the good interesting from the bad interesting, but my fear is they don't care as long as it drives eyeballs to the website. They don't align themselves with the thinkers, they align themselves with marketing, advertising, futurist crowd who are interested in ideas for the sake of ideas. They don't care how these ideas relate to each other and they don't care for what those ideas actually mean. TED has come to exercise lots of power but they don't exercise it wisely."

Boom. I'll leave it there. Read Newsmaker inside on Kevin Roberts' take or put it on your Wish List so the machines can correlate.



Taking a big punt

Andrew Demetriou's new role is a lesson in powerful connections, writes **Simon Canning**.

When Andrew Demetriou appeared on the board of little known-Melbourne sports marketing holding company Bastion Group last week it was a very Melbourne story.

Melbourne's reputation as "The Club" is well earned - the antithesis of Sydney where deals appear to take place on the stage of harbour-front restaurants - in Yarra City it all happens behind closed doors where networks have been built over generations, not just lunch.

Just a week after signing off as arguably the most powerful man in Australian sport, Demetriou's first major post-football appointment was a working demonstration of the power of The Club.

Bastion Group - which includes under its umbrella sponsorship, communications and lifestyle businesses - is the creation of good mates from Demetriou's past.

Founded by Fergus Watt, a former AFL player, its directors include Watt's father Jim Watt (ex-St Kilda CEO where he and Demetriou first met) and the brother of Demetriou's hand-picked successor at the helm of the AFL (Gillon McLachlan), Hamish McLachlan.

Demetriou told *AdNews* he was unaware of McLachlan's links with the company until he first spoke to Jim about joining. Such are the machinations of The Club.

Regardless of the degrees of separation involved in Demetriou's new role (one of several expected to be announced), what bears watching now is where his strategic insights and mentoring take the business.

He swears it won't be in the direction of the AFL. If true, the little known Bastion ("a young business" in the words of Fergus Watt) may not be little-known for long.

Demetriou has overseen the growth of a sporting powerhouse and a nascent media brand. His old Club included some of Australia's biggest advertisers.

Who will join Demetriou's new club? Watch this space.

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Feeling the rhythm

Saatchi & Saatchi's global CEO **Kevin Roberts** is a renowned oral troublemaker and he's turned his sights on our "slavery" to technology. In Sydney recently for a punching keynote to the World Business Forum, **Paul McIntyre** sat back in a nightclub for a daytime session on the lost art of connecting with people and bending technology to our agenda.

We've got to get from behind our monkey number-crunching desks

Kevin Roberts had 2500 delegates to the World Business Forum in Sydney two weeks ago eating out of his hand.

Few dare to challenge CFOs and cost-cutting, conservative, rational company beings like an advertising mad man.

As the typically outspoken worldwide CEO of Saatchi & Saatchi, Roberts is one of the more accomplished in that regard. And for a business audience - rather than a free-wheeling media and agency crowd - it's clearly a novelty to have the finance bots challenged about their reason for being. The

"abominable no men" is how Roberts framed stifling finance and



HR departments during his recent visit to Australia, and the business types loved it.

But Roberts, unsurprisingly, also had a few words for the industry he's been neck deep in for more than a decade.

Take marketing's obsession with data and analytics. Roberts is adamant the industry has lost touch with the people and a "feel" for humanity's rhythm.

"The risk with all this is that marketers go from one crutch to another," he says in a session after his keynote. "So we've gone from GRPs (gross ratings points) and all those measurement systems to, OK, let's find a way to measure this with big data, all these social likes and all this crap and it's avoiding the real issue. The real issue is we've got to get from behind our monkey number-crunching data-desks and get out there on the streets and have more anthropology-minded people who can feel the rhythm, feel where this is going. People are using measurement tools and the big data stuff as crutches rather than saying 'you know what, this is about me feeling the rhythm, me being a surfer, me feeling the ebb and flow of the market'."

It "feels" like such viewpoints are on the rise at present. TV maestro Andrew Denton said as much a few weeks back at the Semi-Permanent design conference in Sydney. Drop the subservience to technology, online trolls and an always-on tech obsession for a better, breakthrough creative pathway, Denton beseeched the creative community. And last week, Pharrell Williams, the artist behind the global hit *Happy*, soundtrack to *Despicable Me 2*, said as much to Reuters on the consequences of our addiction to devices - people, he says, are searching for personal and emotional links, possibly as an antidote to tech.

"People want to feel," Williams said. "They're over-inundated with thinking. We're a different species than we were 15 years ago. The only thing we have left that reminds us that we are humans that cannot be duplicated is feeling. It's the most important thing ever." Roberts is certainly in that camp, personally and with Saatchi & Saatchi the business. Roberts, in a strikingly similar pattern to another of his one-time Publicis colleagues, former Publicis Mojo chairman Graeme Wills, eschews email on his phone and hand-writes responses to every email he gets (see breakout). "Always-on is not good enough. What you've got to be is always compelling. We've got to get people back on the street. We've got to get them out of the offices where they're all very comfortable wandering around writing reports internally and they've got to get out like they did 20 years ago. That's a lost capability now because people are actually believing what they're seeing on their screens and they're using that to make decisions. You would have never invented iTunes or the iPhone that way.

"We have this belief that telling a story has to have a beginning, middle or end. This is not the way the world works now. It's just an ongoing narrative all the time and you don't get that factually and rationally and through analysis. We've lost confidence. I mean when you talk to marketers, they spend all their time on technical analysis, data analysis, looking for the next big data solution. And when you actually go around and talk to them, do they understand the ebb and flow of their customers? Do they understand what's deeply driving their category?" ●

BACK TO BASICS

Kevin Roberts doesn't do email on his mobile and he doesn't type email responses - everything is handwritten. Anachronistic or anarchist? Roberts says neither. Rather it's making technology work for him, not the other way around.

"You got to be able to bend it to your world, not be a servant or a slave to it," he says. "I'm

not a slave to it. Nobody has my mobile. I have no emails on my mobile. None. The only people who have my mobile are family. Clients don't have it. My own people don't have it. I use an iPad purely for entertainment and travel. I'm very disciplined on it.

"I hand write every email I get. I hand write every response, an assistant scans it back so that people can see I've read it. It's the most nonsensical system but people understand - they go 'yes, great, it's him'."

But to be fair, you have an executive assistant.

That's an indulgence almost exclusively for CEOs these days.

"I have four," Roberts says. "And it's a mistake not having one. We've all got rid of them and we've all dumbed down our jobs. All my guys have PAs because they're useful. If you don't have great logistics, you spend a lot of your time doing your subordinate's job instead of your superior's job. It takes you three-to-four times as long and you've only got x amount of EQ [emotional intelligence] and it's all going against this angst. You know it's stupid."