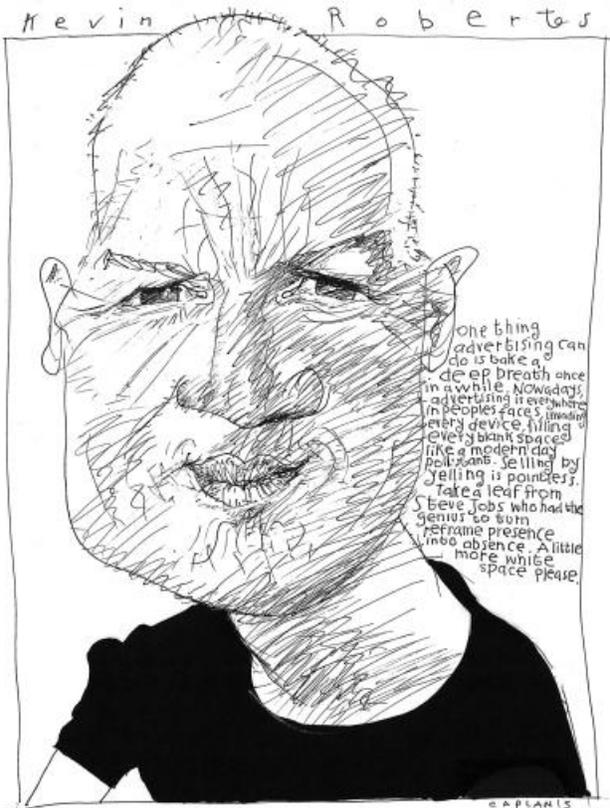


THE AGENCY REVIEW: A dialog with Kevin Roberts and Martin Bihl

<http://theagencyreview.wordpress.com/roberts/> Password = Lovemarks



When Kevin Roberts wrote "Lovemarks" in 2005 there were, to be sure, skeptics. Ad Age was not alone in dismissing it as a self-promotion piece, though they were among the few who publicly admitted that they may have misjudged its importance when JC Penney handed their business to Mr. Roberts' Saatchi & Saatchi in 2006 and cited "Lovemarks" as a key reason for doing so.

Born in Lancaster England (as was Myles Standish, for what that's worth), Roberts, the current Worldwide CEO began his career with fashion icon Mary Quant, did time selling Pepsi in the Middle East (and then globally, as CEO), before taking the helm at Saatchi & Saatchi in 1997. He graciously took time from his busy schedule to talk about Lovemarks – both the book and the idea – as well as the nature of advertising, of agencies, and of JC Penney.

different

Agency Review: As we point out in the review, when "Lovemarks" was published, the world was a very different place. Facebook was barely a year old. Twitter was a year away. The global financial meltdown was "an impossibility". Heck, A.G. Lafley was still running P&G. So, if you were writing "Lovemarks" for the first time this year, what would you write differently

Roberts: A.G. Lafley, a colleague, friend and fellow traveler through the years, is back running P&G – what goes around comes around! "Lovemarks" (like A.G.) gets the essentials of winning. When something works foundationally, stick with it, so there's not a lot I would write differently.

The principles of interactivity were already well established back then e.g. Metcalf's Law – connectivity expands exponentially. What we've seen since 2004 is this law in motion. What also has not changed is that people remain primarily emotional creatures, they love stories, and they want to participate when inspired. Video is still really the only ingredient in the mix to engage people emotionally. This is why the sight, sound and motion of television is so resilient (headline from today's WSJ: "Tribune pours money into TV") and still gets most of the media money. How many websites or apps make you laugh or cry? Maybe when you watch TV on the web?

The potential for involvement has sped up and spread out through more channels, a fantastic thing. We talked in the book about Inspirational Consumers, the brands activists who promote and advocate for their brand. With power added to passion, people have gone on to disintermediate the corporation. Social networks, peer to peer, word-of-mouth, recommendations, ratings, instant tech and all have exerted huge influence on the marketing process. One of the things that classic marketing theory missed is that the nirvana of one-to-one marketing model did not turn out to be corporation to consumer, but consumer to consumer.

Overall, I believe the three foundations of a Lovemark – Mystery, Sensuality and Intimacy – serve the social network movement very well. There is a phenomenal amount of personal storytelling, sharing and creativity going on. Social media is a very intimate medium; empathy is one of the most impressive qualities a person can have today.

Agency Review: I'd like to pick up on your comment about the model not being corporate-to-consumer but consumer-to-consumer, because I've been arguing for some time that the real measure of advertising's success – whether its social or traditional or alternative or what – is word of mouth, consumer to consumer. What made "Think Small" great was that people shared the joke with each other; what made "I am not a role model" great is that people argued about it; what made Marlboro Men successful was that it became a part of the vocabulary. They demonstrated that they had tapped into something vital by being passed around. But that was in an era when viral was substantially more difficult than it is now. So do you think it's harder to distinguish the substantial from the superficial now because of the very explosion of media that helps consumers bypass corporate and talk to each other?

Roberts: Ideas with emotional power will always travel. Yes, today there is more 'noise' around the substance in a very fragmented media environment, but distribution is instant and it's the good stuff that gets distributed and scales. Amidst so much superficial crap (most advertising), I don't think it's harder to distinguish the substantial. If anything, it's easier – and with consumer-to-consumer on turbo boosters the cream rises faster. The recent Cheerios spot that featured a mixed-race family, which generated a racist backlash in the unvarnished Internet space, traveled on the truth.

clients

Agency Review: My father, who was a CD in Chicago and New York, used to say "you can't sell a client something they don't want to buy." And the thing about a big new idea like "Lovemarks" is that it **is** a big and new idea – and that stuff makes clients nervous. And nervous clients don't buy. So how did you go about convincing them that on the one hand it wasn't just the same old "we've got a proprietary blah blah" that everyone says, that it was actually something new and innovative – then on the other hand, how did you actually get them to buy it?

Roberts: As a 'creative' versus 'strategic' agency, Saatchi & Saatchi were already on the journey and we were known as an emotionally connecting agency – so we had a credible platform. Lovemarks was a vehicle to move clients to more emotional territory. Some were asking to be taken there because they too were realizing that more information would not move more product. Rather than asking "how much metal did you move today?", we reframed the question "how much does the metal move you?"

In other instances, clients ran away from Lovemarks and the L word because it was too provocative, but two things happened. We found alternative language that people were comfortable with such as 'Loyalty Beyond Reason' to represent the same idea. And we were subversive. For example, despite one prominent client not walking the walk, we've had more Lovemarks stories for this brand supplied by planners, creative and suits than for any other brand in our portfolio.

Agency Review: So you embarked on this path knowing that it wasn't going to work for everyone? That's as courageous as it is rare. So what were the conversations like leading up to it internally like? And, perhaps more importantly, what were the conversations with the clients who were "uncomfortable" like? Because I can imagine there was a bit of "you're not giving me what I want; I want to talk to your supervisor" followed by some serious C-level "No, really, this is who we are, this is what we do" which must have been very challenging.

Roberts: Internally our 'doers' – the ones who saw the natural fit Lovemarks had with both Saatchi DNA and the future – kept the conversation hot and the positive Lovemarks momentum going. With 'uncomfortable' clients, as with all difficult sales scenarios, it was a case of boiling it down to a simple truth that they could see and get their heads around fast. So one of the examples I've put out there to doubters is – what answer do you think I always get when I ask CEOs this question: 'Do you want your brand to be liked? Or do you want your brand to be liked AND loved?' Put this way, it's a no-brainer.

implementation

Agency Review: We like to think of agencies as monolithic structures with distinct brands – Saatchi, different from DDB, different Mother, different from Droga – and while there are differences, they're all made up of hundreds, sometimes thousands, of people who all have wildly differing opinions and perspectives. Now, diversity is great, but you need to have everyone on the same page if you're staking your reputation – and your future business – on something innovative and new like "Lovemarks". So, how did you get everyone in the vast Saatchi network of 140 offices in over 70 countries to not just talk the talk, but actually *understand the idea*?

Roberts: Revolution starts with language. You can't have change without getting the wordsmithing right! It also starts with a great question. I asked "what comes after brands?" This was a pretty simple and obvious question, but also quite profound in that it was designed to take Saatchi & Saatchi into an entirely new metaphorical territory. Being "creative" and "original" were no longer enough; these were table stakes in our business. Everything fell into place when Lovemarks just popped out of the work we were doing. It was there hiding in plain sight, we just needed the right question to bring it to the surface.

In terms of distributing the message, it's easy over 80 countries to become a 'network' rather than a network. Our unity comes through shared beliefs and language. We're 'One Team; One Dream/Nothing Is Impossible'. Our 'strategic plan' is one page and is shared with everyone. Our focus is to fill the world with Lovemarks. We were surprised at the response to Lovemarks, we thought people would see it as soft even in a soft power world. The reverse happened. There was a lot of early denial and over time these people self-selected, so we were left with the 'decorators' who saw Lovemarks as a great new business tool and did not think much beyond this, and the 'doers' who really burrowed into the emotional DNA of Saatchi. I'm a lead-from-the-front CEO and have given hundreds speeches and interviews throughout the world – to our people, to our clients, to conferences, on television, in magazines. The Lovemarks book gave us real traction

(18 languages), and then the JC Penney win gave us strong commercial validation. I am very happy about the performance of Saatchi & Saatchi in a Lovemarks Company context but of course as a CEO you are rarely truly satisfied because there is no best, only better.

The Lovemarks process is continuous at Saatchi, we are about inviting, involving and immersing. We run the Lovemarks Academy and 2000 people have participated – they have been so successful clients have asked to be involved. We knew from the get-go that Lovemarks could not be prescriptive e.g. saying a Lovemarks ad looks like this and not this. There are many ways to becoming a Lovemark and the role of our planners and creatives is to travel down the Path to Love, as we call it, and emerge with the deep emotional truth and an execution to bring it alive. Lovemarks has differentiated Saatchi & Saatchi, we stand for something. Being “creatively effective and effectively creative” is not a compelling proposition. We’re The Lovemarks Company standing for Loyalty Beyond Reason. This is not marketing malarkey. Lovemarks is compelling differentiation.

Agency Review: I’ll bypass that admirable shot across Mr. Sorrell’s bow to pursue a slightly different question; it sounds like you view Lovemarks as a mission and not just a mission statement, which, of course, is as it should be. But when you discovered what was, as you put it “hiding in plain sight” were you aware of all the ancillary support you were going to have to do to bring it to life and keep it alive – the one page, the self-selecting, the Lovemarks Academy? And if not, how did all of that roll-out and what were the challenges with it? And what surprised you about all the ancillary support?

Roberts: Lovemarks is one of those rare things we call a big idea, and so we knew it was always going to involve more than ‘hey presto – shazam!’ Lovemarks is a dream, a belief, a strategy, a feeling, a focus, a method, a learning and more. The depth in the idea has made for a journey of discovery. The support always had to come in behind the idea to help the orb create its universe. It’s rolled out gradually but surely, assisted by natural appeal. The only challenge has been to give the idea the energy it deserves – not too tough because the surprising thing about the support is how much fun it is to provide. I have found that most people get Lovemarks instinctively, as opposed to the latest branding tripe. Of course there are the usual cynics, but love is an infectious thing. The enthusiasm that Lovemarks generates has made championing it a pleasure.

jc penney

Agency Review: One of the events that dramatically turned critics of “Lovemarks” into fans was winning the JC Penney business – and rightly so. Not only was that a huge piece of business, but JC Penney specifically called “Lovemarks” a big influence on the decision. But over the past few years JC Penney has had, shall we say, some challenging days. Now, without simply pointing fingers, where do you think they went wrong and why? What should they have done that they didn’t do, and what should they do moving forward?

Roberts: Lovemarks had a turnaround effect on JCP but being a Lovemark is much more than about the advertising. The in store experience has to deliver as well, and I think the new management had their hearts in the right place with store modernization but they violated a fundamental principle of marketing – don’t go to war with your customers, especially in a business with fragile margins like retail. Going forward should be about innovation in tune with what customers are wanting *and* being a little bit ahead of them (as opposed to trying to be miles ahead). The new approach lacked empathy on all fronts. Going forward it is about

staying close to core consumers, moving them a few degrees at a time, inviting in some new folk, moving everyone along at a pace that can satisfy both customers and shareholders. Easier said than done; it is about delicate sensing rather than bold moves. Mike Ullman is great at that. He'll turn the tide.

Agency Review: I'd like to pick up on something you said there – do you think JCPenney was too far out ahead of its customers? Because I've been wondering if the problem was more fundamental than that – when JCPenney got rid of the sales/coupons, not only did they lose what made them different from other retailers, they lost how their customers had been trained over years to engage with them. Which is fine, I suppose, if you replace those things with something better. But they didn't. So, in the parlance of "Lovemarks", customers were no longer in love with JCPenney because they didn't know why or even how. That's not about being ahead, that's about being irrelevant, right? Or at the very least, failing to articulate how and why you actually **are** relevant.

Roberts: I agree, customers fell out of love with JC Penney. Relevance was lost. Being too far ahead of customers plays into this. As I said before, Mike Ullman has a great touch. He has steadied the company, stemmed the bleeding, the boardroom hullabaloo is hopefully behind him, there is new investor interest including George Soros, employees and associates are re-engaged, purpose has come back to the brand by focusing on affordability and family relevance, and their popular private label brands are returning. There is a longish list of things to bring right but within this there are many opportunities including re-establishing their presence on the internet which the previous management inexplicably left slip. I'm usually an advocate of velocity in execution but this seems to be a situation of Aesop's "slow and steady wins the race." If I can mix my metaphors to create a paradox, JCPenney need to be real fast at being real steady, especially so that they can be in tune with customers' needs. Patience is a key element of empathy and that's what everyone needs to show right now. Get to the end of 2013 and start the rebound in 2014.

future

Agency Review: I've been arguing for a few years now that this is the most exciting time to be in advertising in perhaps a hundred years. Indeed, there's so much going on I'm not even comfortable calling it "advertising" anymore. Do you agree? Or do you think that it's always been as exciting as it is now, and I'm just finally paying attention? Or, conversely, do you think that this is a deadly dull and tedious time for our business and that I should have my head examined?

Roberts: We ditched the label 'ad agency' in 1997 and became an ideas company. Life has always been exciting here otherwise we wouldn't be Saatchi & Saatchi; and I agree, this is the most exciting time to be in this business because there is unlimited scope for creativity and scalability across a huge range of mediums where exciting stuff can come from the edges / the margins / the fringes.

There's no rule book, no winning formulas other than 'Big Emotion'. This is our counter-insurgency against the drone that is Big Data – bent on the perfection of customized one-to-one real time marketing. This machine resembles a 'Rogerian' therapist who mirrors his clients but does not inspire or move them. Emotion leads to action. Data leads to conclusions. A conclusion is a place where you got tired of thinking.

One thing advertising can do is take a deep breath once in a while. Nowadays advertising is everywhere, in peoples' faces, invading every device, filling every blank space like a modern day pollutant. Selling by yelling is pointless. Take a leaf from Steve Jobs who had the genius to turn reframe presence into absence. A little more white space please.

Agency Review: I love that idea of “Big Emotion”, and I think you’re spot on in theory, but these things have to be understood and acted upon by people and that’s where things get challenging. For example, a friend of mine is trying to reinvent the newspaper industry and has some very good ideas about it, but it requires finding people who think about newspapers in a completely different way and I keep asking him “where are these people coming from?” Not the current industry, not the schools. And I would wager that one of the reasons that Big Data has been so alluring is that it’s easy – it’s quantifiable, it fits in a spreadsheet; it’s facts and figures and MBAs love facts and figures. So how do you wean tomorrow’s brand managers from Big Data before it’s too late – or, where do you find the people to bring Lovemarks to life in the 21st century?

Roberts: I talked earlier about exciting stuff coming from the edges, the margins, the fringes. This is the biological idea that species change happens far out on the edge away from the center. This is where the pirates, the rebels, the outlanders who cause earthquakes will always come from, whether they are flying the Big Data drone in brave new directions or pumping juice into life with Big Love. The crazies have always come from outer places, and this will always be so. Your newspaper industry example calls to mind Jeff Bezos picking up the Washington Post. What’s he going to do with this venerable but ailing property? It’s not certain. What is certain is that as an edge player he is going to do something different.

You can read our review of Kevin’s book [here](#), or order it from Amazon [here](#) or from Barnes & Noble [here](#) - or pick it up at your local bookseller (find one [here](#)). Or you can reach out directly to Kevin [here](#).