



Lovemarks, the future beyond brands by Kevin Roberts

Kevin Roberts, the CEO of Saatchi and Saatchi Worldwide and the author of *Lovemarks, the Future Beyond Brands*, claims to have found the formula to turn almost any product into an object of devotion. His big idea is the "lovemark" -- a brand for which the consumer has "loyalty beyond reason." In this interview, he talks about how the consumer has moved from products to experiences, the power of brands in a market where, thanks to the Internet, the consumer will soon have full control, and he cites the brands that have made an emotional connection to consumers and why this is so important: "The goal of any marketing manager should be to create loyalty beyond reason for their product. ... You want lifetime customers, and you want them to have a love affair with you so that no matter what Wal-Mart is offering cheaper, they will stay with you and they will pay a premium."

Let's talk about consumer brands, product brands. What is their situation today?

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. Watch any commercials on American TV and you'll see these words come up in the first three seconds, hammered remorselessly into your brain. But what's happened now is everybody's doing it. Everything works now: French fries taste crisp; coffee's hot; beer tastes good -- unless you live in America, and then you've got to live with what you get. But all these things are table stakes. So you're seeing the commodification of brands, just not enough.

How do you go beyond the brand?

You have to really dig in to emotional connections with consumers. The rational side of life isn't enough. We've got too much information. We do not live in the information age anymore, nor do we live in the age of knowledge. We've gone hurtling past that. Once everybody has information and knowledge, it's no longer a competitive advantage. We live now in the age of the idea. What consumers want now is an emotional connection. They want to be able to connect with what's behind the brand, what's behind the promise. They're not going to buy simply rational. You feel the world through your senses, the five senses, and that's what's next. The brands that can move to that emotional level, that can create loyalty beyond reason, are going to be the brands where premium profits lie.

If you read some of the literature, you see that people are struggling and not knowing where to go next. So there's antiglobalization, anti-brands. It's very easy to be anti something. It's very tough to be pro something and to build. So I think we're trying to develop with Lovemarks a way forward, not just an anti, "we don't think this is going to work" kind of approach.

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. And I'll give you two personal stories of mine. Maybe eight weeks ago now, I was in Seattle talking to 3,000 college professors -- not a very stimulating kind of way to spend the day. And I went to the Adidas concept



store in Seattle. I didn't need anything, nothing. Eight hundred and eighty dollars later and four bags later, I staggered out of the Adidas store, and I felt great, because I love Adidas and I always have. There's no reason for it. It's beyond reason. I didn't need anything in these bags. I bought stuff for my wife, for my kids, for me. I had no guilt, and I had no sense of "You stupid whatever, you just dropped 880 bucks." I didn't care; I felt great. I have loyalty beyond reason to Adidas, largely because of their heritage, their authenticity. If I try to rationalize how I've developed this -- as I was growing up playing rugby, Adidas were the best rugby boots -- but there's no reason really. I don't know why. They commune with me.

Next example for me. I live in Tribeca, right, in New York. It's a very kind of groovy, hip area, or at least we like to think it is. Everybody wears black T-shirts, and everybody goes out late at night. If you leave the office at 7:00, 8:00 on a Friday night and you go into a bar in Tribeca and you carry with you your IBM ThinkPad or your Dell computer or whatever, you will leave that bar alone. If, on the other hand, you walk in there with an iPod ... or with an iBook, man, you'll be part of the crowd, because Steve Jobs has made Apple a Lovemark. There is no reason why Apple should exist in our world, right? But we have got seven iPods in our family. All the kids have got them; we're all iTunes-mad. We've all been loyal to Mac all through the winters of discontent. And there is no reason for that whatsoever. They charge a premium versus Dell, versus everybody. I mean, hell, they don't even have Microsoft Windows. But it doesn't matter; it's a Lovemark. It's full of mystery and very sensual when you hold an iPod. I remember when the first iMac came out, that round, curved shape on your desk, [it was] amazing, full of sensuality.

And flavor.

And flavor. You remember how they launched it? Chiat/Day, best advertising campaign of whenever it was, 2001 or 2002. They just had those five flavors up there with one word underneath it, and that word was "Yum." How can you put "Yum" into a computer? But he did.

Is commodification of brands the landscape today?

You see a landscape where the power shift is enormous. It has moved from manufacturers, where we held power until probably the '80s, to retailers. We now live in a Wal-Mart world. But that's all about to change. Power is about to go completely to the consumer. The Internet's been the most fantastic thing for consumers, because it has moved power away from manufacturers, away from distributors, away from retailers, into the hands of the consumer. There is now no place to hide. The consumer can find everything she wants about you. You've got to be true, authentic, open, and you've got to connect with her.

Remember, we're living in the attention economy. You are bombarded with messages left, right and center. Wherever you go, you're surrounded by brands and media. You've got about three seconds to connect with a consumer emotionally and then to interest her. And that's what we're trying to do with Lovemarks: We're trying to entertain, interest and bond.

Do you think most advertisers understand the stakes today?

I think a lot of companies are struggling to figure it out. And they have certainly started to embrace the idea that retailers have more power than they thought. Procter & Gamble believes the consumer is boss. Toyota understand that the consumer is at the heart of everything that they do. General Mills believe that the consumer sits at the head of their table. So I think that the enlightened leading companies are getting it. What they're now struggling with is, how do we affect that bond? The media landscape's changing; context is changing; content's changing. What's the role of television? What's the role of the Internet? What's the role of in-store? All these questions are now being asked.

I think what transcends this, though, is that the way you relate to a consumer has to change. You can no longer talk at her or "educate" her or yell at her. If you look at most of the television advertising in the U.S., you wouldn't want to see any of it again. It's junk, right? It treats the housewife as a moron, or it tries to entice the teenagers in a very manipulative way. I find it very manipulative.

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What you've got to do now, I think, is to find empathy, not with the consumers as they used to be or as you'd like them to be, but with consumers as they truly are. And you won't find that out by endless focus groups, because people don't tell the truth in focus groups; they're not themselves. You've got to go in home. You've got to understand not what they say or what they do, but how they feel. So I think that's what big companies wrestle with, because they hire a lot of marketing people who are by nature rational, left-brain, analytical people, with MBAs and so on. We need to be getting more anthropologists and sociologists and psychologists involved in trying to find out where the consumer's heading.

Does the consumer know she's boss?

Oh, absolutely, yeah, the consumer is now in total control. She's going to decide when she buys, what she buys, where she buys, how she buys. They're so empowered at every age. They are not cynical. They are completely empowered; they're autonomous. You talk to kids 14, 15, 16; they know who they are. You talk to men now as well; they are much more certain in terms of what they're buying and why they're buying.

Just look at the car business. Used to be the most traumatic experience for anybody to buy a car -- you know, go to the dealership, this guy is going to be all overpowering you and frightening, and it was a terrible experience. Now 95 percent of consumers spend three or four days on the Internet; they shop around. They do these great interactive sites, for instance, looking at a Toyota or a Lexus. They go and look at everything: the colors, the prices, do price checks. Then all they do at the dealership is drive a car. All the fear is gone, and all the control is passed over to the consumer. It's a good thing.

You see this as an opportunity.

Absolutely. If you can get in sync with the consumer, this is a great, terrific opportunity for you now.

How do you find emotional information?

You've got to dig deep and go into homes, and you've got to have people who are curious, who are really interested and who can get on with the consumer and can really understand them, can predict, can interpret -- not just a lot of quant[itative] stuff. And you've got to be able to figure out how do you feel what they're thinking, rather than how do you enumerate it?

Do you think the "housewife" is gone?

I think she's been gone for about 30 years, and I don't think she would ever have recognized herself now. We've moved from brands into experiences, right? So you don't buy a washing powder anymore. Look at Tide, for instance. In the U.S., Tide's no longer a laundry detergent; it's not about getting clothes clean anymore. All detergents get your clothes clean. Tide's about a much deeper thing than that: It's an enabler; it's a liberator. I guess you could think about moving Tide from the heart of the laundry to the heart of the family, because if a lady today in her busy life can send her kids, her husband, the rest of her family out into the world wearing the right clothes, clothes that look good, that last for a long time, then Tide's played a role in family harmony, not just in washday.

But Cheer and All will play the same roles.

Oh, absolutely, yeah, completely. I think that brands' role is not based on their product performance at all. It's based on that mysterious emotional connection that they have with the consumer. One of the grooviest things that happened to me, I was in a recording studio once, and Neil Young walked in, and he was wearing a singlet with the Tide logo on it. Now, Neil Young doesn't do any commercial stuff at all; he was wearing this because it was an iconic symbol, I think, of America and American family life. Well, he wouldn't be wearing Cheer or another brand, you know what I'm saying? So you have this mysterious connection, which is a great opportunity for us. I think Tide is about a washday miracle. Tide works wonders every day by doing things, small things, that absolutely make a difference.

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What's the importance of this emotional connection to a brand?

The goal of any marketing manager should be to create loyalty beyond reason for their product, to create loyalty beyond reason, because that means you can appeal to heavy users forever. You make all your money with your heavy, committed users, not through new users. Toyota makes its money by selling to people throughout the range, from a Scion through to a Prius to a Lexus -- customers for life. You want lifetime customers, and you want them to have a love affair with you so that no matter what the competition do, no matter what Wal-Mart is offering cheaper, they will stay with you and they will pay a premium, just as you will stay with your wife or your husband over 30 years because you have towards them loyalty beyond reason, something bigger than a product attribute, bigger than a brand benefit, OK? That's the role of marketing.

The deepest emotion of all is love. It's not trust, it's not respect; these are table stakes. You need those, so you need to trust and respect your brand. You've got to have fantastic performance. But what will ultimately differentiate Nike, Adidas and Reebok is not their performance, and it's not their athletes; it is the emotional connection they can build.

I'll give you an example: Nike. Nike started life as a product -- a lighter running shoe. [Bill] Bowerman introduced that at the University of Oregon versus Adidas. And so athletes, Steve Prefontaine and these guys, frankly ran faster. It soon turned into a trademark because they put the swoosh all over it, and then it turned into a brand with great advertising from Wieden & Kennedy and "Just do it." Some of the best advertising I've ever seen.

And then one act with Nike turned this into a Lovemark, an emotional connection, and that was Michael Jordan. He single-handedly took Nike from being a brand to being a Lovemark. He took the price of Nikes from \$70 to \$200. People didn't care anymore; you had loyalty beyond reason. And Michael retired, and then all this Asian sweatshop drama came into play, and the love ebbed. So probably today Nike is a very powerful brand, but it hasn't yet found the next emotional connection after Jordan.

You've got to keep it up to stay a Lovemark.

One of the important things about a Lovemark is that it has to be full of mystery. So when we watched Mike, we knew we weren't going to be Michael Jordan, but we wanted to be like him. There was mystery in it: How did he do this? What about all these crazy things they have in their shoes? What is this stuff inside there? Most brand managers are obsessed with explaining their product in the minutest detail and nobody could care less, because once you know everything there is to know and there's nothing left, who cares anymore? I mean, even Einstein said that, that the more you know, the less interesting something becomes, right? Most brands and marketers overload information, and that's not what they want.

If you have a boyfriend or a girlfriend and they wear the same clothes every night, and they eat the same food and they respond the same way, the relationship gets boring pretty quickly. There's got to be mystery. So you've got to be constantly innovating; you've got to be constantly entertaining, constantly stimulating, not just through product innovation. I think the marketing innovation in the world today has gone to sleep. All the marketers do now [is] wait for incremental initiatives on the product side, and they've given up the great marketing ideas in the past.

So you think mystery beats cynicism.

Absolutely. What makes a superbrand? What does create loyalty beyond reason? It's three things: It's mystery, sensuality and intimacy. Lots of brands operate on intimacy -- Pampers, Olay and so on -- but very few operate on sensuality. I'll give you an example: Lexus. We work for Lexus. It's the biggest selling luxury car in the United States. It was introduced at a time when the idea of a Japanese luxury car was an oxymoron. But it outsells BMW, Mercedes, Audi, Porsche and all these guys. It's fantastic, the relentless pursuit of perfection, performs beautifully. The experience is amazing. But there's still opportunities. When you are lucky enough to buy your first new Lexus and you open that door and you breathe in, you smell that great new car smell of leather. If you're a try-hard yuppie and you've made the mistake of buying a BMW and you open that door and

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smell, what do you smell? You smell leather. What should happen when you open a Lexus is it should promise her anything but give her Lexus No. 5. There should be a fantastic personalized scent unique to Lexus because our memory holds scent. When you turn on the stereo in a Lexus, it's a Mark Levinson stereo. It's the best stereo in any luxury car. But a radio station will come on. What should come on is a preprogrammed -- your 100 classic tracks that we've already asked you about on the Internet the day before you bought the car. We all have a soundtrack to our lives, and Lexus should own that. So there's masses of opportunities for every brand to be operating on all senses.

Is there room for big ideas today?

I think it's the best opportunity of all right now, because everyone is totally immersed in communications. We are very fast response units. We don't need 30 seconds or 60 seconds to understand something now. We eliminate dross like that -- three seconds, boom, don't buy that, don't buy that, don't pay attention to this, poof. So where there is an idea, where there is an emotional connection, it shines through like a beacon.

Are people awake enough to be shocked by a big idea in advertising?

Not shocked. We don't want to shock them -- we want to embrace them; we want to love them; we want to lead them into it. We want to entertain them, to stimulate them, to bring them in mysteriously.

We see the world through our senses, and then the brain kicks in. That's how neurology works; they tell you that you first feel an experience. So great Lovemark advertising connects that way before the brain kicks in. Most brand managers want you to get the product up front, the claim up front, the benefit up front, the demonstration up front. And immediately consumers will say boof, that's a shampoo commercial, it's going to show shiny hair, I don't care, boom, I've gone.

Before I've made a conscious decision.

Absolutely. No question about it. It's what the French call a *coup de foudre*, a thunderbolt. It's like a love at first sight. You have that feeling: "Wow! I'm interested now." And then you can go back to the Net and you can find out as much information as you want.

It's going to happen in two places. First is television. There is a strong point of view out there that television is dead. Nothing could be further away from the truth. Television will be the most powerful medium for at least the next 20 years, in America and in the rest of the world. In America, first of all, everybody's got five. So everybody's got one -- every kid's got one; they've all got their own.

Secondly, everybody knows how to use one. Nobody I've met can use a TiVo. Everybody talks about it; nobody's got a clue how to use it. They can't even use their VCR. But everybody can use the TV. It's like turning a light on. And third, television is that one great medium that gives you fantastic visualization. Most marketing companies and brand groups think it's all in the copy and all in the writing. We don't get messages like that. We get them with our eyes primarily. We love visual media, and television is a fantastic visual [medium], and getting better and better. Once you've seen plasma, you will never go back to any other screen, because it's a fantastic thing.

The other reason why TV will be so dominant in advertising is that the growth of advertising will come from China, India, Mexico, Brazil and Russia. That's where the growth's going to be in the next decade. And all those are TV-dominated markets for the next 20 years. So the idea that the 30-second commercial or that TV's dead, I believe is completely fallacious.

The second most important medium, in my view, is the store. If you go into a Wal-Mart now, the average amount of time to shop in Wal-Mart [is] 19 minutes. Wal-Mart are totally, totally obsessed with "Let's make that 20 minutes, or 21 minutes," because that's where the business is going to be. And the only way you will do that is not through lower prices. The prices are already very low. Not through a bigger range. They're going to do it through having an experience in the store. You've got to make the store a theater of dreams. It's got to be

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full of mystery, full of sensuality and full of intimacy. Just like great advertising. Most companies, most agencies are nowhere in-store. They're still doing old-fashioned retail promotions and price-offs and bonus packs and on-packs and all this kind of stuff, frankly.

Then, over and above that, you have to get the Web site looking fantastic. You'll have more interactive TV opportunities. Radio is a big idea, I think, because you can really target a demographic. You have the paradox of this mass market and the market of one, and radio is very helpful. Magazines, again, very helpful for teenagers. Teenage girls trust their magazines more than they trust television or the store. Teenage boys, they're really interested in their rock magazines and their computer magazines, in the "big boys' toys" kind of stuff. Newspaper will play a role as well. So no one medium will ever replace another. So we're going to have to get used to and embrace and welcome media proliferation, but with TV and the store at the center for experiences.

Kevin Roberts is the CEO of Saatchi and Saatchi Worldwide and the author of *Lovemarks, the Future Beyond Brands*

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