

GAMES OF MAGIC

4 June 2008 - In today's economy, it's not about giving people what they want. It's about giving them what they never dreamed possible. Kevin Roberts, CEO Worldwide of Saatchi & Saatchi, shared his ideas on how to win in the Attraction Economy at ExpoManagement, Madrid.

I won't be talking about marketing. It's dead. The weapons of mass distraction have been disarmed, thanks to choice, competition and technology. Power to the people!! The people revolution has dissolved the production and persuasion business model. People can say what they want, watch what they want, where they want, on the device they want.

Targeting is history. Customization is tablestakes. The playing field is flat, every playbook is open, and consumers turn the pages. Welcome to Ground Hero, cosmic chaos, where anyone can play – but only the courageous win.

Quite the challenge.

It's not about giving people what they want. It's about giving them what they never dreamed possible. You can't seize people's attention in a cluttered and fragmented marketplace. No more selling by yelling. No more interruption and distraction.

From Information Economy, Knowledge Economy, Experience Economy, Attention Economy to the **ATTRACTION ECONOMY**.

ATTENTION ECONOMY	ATTRACTION ECONOMY
Interrupt	Engage
Directors	Connectors
One-to-many	Many-to-one
Reactive	Interactive
Return on Investment	Return on Involvement
Marketing at	Connecting with
Consumers	People

FIVE WAYS TO WIN IN THE ATTRACTION ECONOMY

IDEA 1: START WITH IDEAS

Capitalism used to be about means of production. Now it's about powers of creation. And most institutions educate people out of their creativity!

1. Ideas are the currency of the future.
2. Ideas can come from anywhere.
3. Ideas offer differentiation in a world of parity.

We need ideas with stopping power, talking power, and staying power, ideas simple, big and brave enough to live in any and many media.

Example 1: Santiago Calatrava's fantastic City of Arts and Sciences in his native Valencia was a big idea – pumping life into a formless area. His current projects include: The World Trade Center Transport Hub in New York, the Atlanta Symphony Center, and El Cuarto Puente sobre el Canal Grande in Venice.

Example 2: Buying the great Zinedine Zidane in 2001 at a super premium was a big idea; in 2002 Zizou scored in the Champions League Final with probably the greatest goal ever in that competition; though clustering "Galácticos" didn't work for Real...

Example 3: El Bulli (molecular gastronomy with a sensorial big bang - 8,000 diners a season, out of 800,000 requests) – and don't forget Rafa!

The winning formula is to connect a great idea with real opportunities across different media at multiple scales.

It took McDonald's 24 years to make its first billion dollars. Google, another simple idea, did it in six. The best ideas are obvious in hindsight. They make you think: Why didn't I think of that?

IDEA 2: THINK WITH YOUR HEART

Emotion is powerful because it is close to immeasurable. To win today, brands need to drip with emotion. The iPod is the only MP3 player people lick.

Emotion makes our biggest life decisions – house, car, husband, wife. People are driven by how they feel. Emotion makes up about 80% of how we think; reason, 20%.

We're not marketers anymore. We're in the emotion business. Neurologist Donald Calne: "Reason leads to conclusions. Emotion leads to action."

IDEA 3: PURSUE THE TRUTH

Formal research, like marketing, is dead.

If you want to understand how a lion hunts, don't go to the zoo...go to the jungle. Saatchi & Saatchi's Xploring takes on the big challenge: to uncover the difference between how business thinks about consumers, and how real people feel about themselves.

Traditional research asks questions. Xploring opens conversations. Emotion is at the heart of Xploring. Truthful, Real, Simple, Actionable. We uncover the truth of people's experience. We get personally involved. Xploring for insight to get to creative foresight.

IDEA 4: LET GO AND SHARE

The more control you give up, the faster you win. The music labels discovered this the hard way. Apple connects around 70% of all people online with what they want most: music. Connect musicians and music lovers – and to hell with the music industry!

Steve Jobs was right: "Creativity is just connecting things." To get share, let go. Apple's share price has risen 2,300% over the past five years. The new business model is "people". People want to share, hang out, have fun and also to save. Open source, piracy, and remix culture thrive on this reality.

People use:

- * YouTube to share video.
- * Facebook to share their lives.
- * Neopets to share their love.
- * Second Life to share their fantasies.
- * Wikipedia to share their knowledge.
- * eBay to share their belongings!

Word of Mouth was always the strongest touchpoint. Now it travels at warp speed. Who do you believe? Brad Pitt or your best friend? No contest.

We need a rallying cry – for brand managers, creatives, account directors, designers, media gurus, interactives. Stop interrupting viewers and start connecting, creating, engaging, rewarding people – especially the Inspirational Consumer-Connectors.

IDEA 5: BELIEVE IN LOVE

In the Attraction Economy "like" is not enough. Whether you're selling a product, a service, a nation, you have to be loved. At Saatchi & Saatchi we call this Lovemarks. Not "Likemarks", not "Trustmarks" but Lovemarks.

- * Brands are built on Respect. Lovemarks are created out of Love and Respect.
- * Brands create loyalty for a reason. Lovemarks create Loyalty Beyond Reason.
- * Brands are owned by managers, marketers and shareholders. Lovemarks are owned by the people who love them.
- * Great brands are Irreplaceable. Lovemarks are Irresistible.

The truth of Love is simple and intuitive.

Low Respect. Low Love. Commodities without differentiation. US Airlines are here.

High Love. Low Respect. Fads, infatuations and fizzers. Paris Hilton to Sustainability 1.0.

High Respect. Low Love. "e-r" words: faster, bigger, cheaper.

High Love. High Respect. Lovemarks – authentic, true, sustainable – and loved.

FIVE WAYS TO CREATE LOVEMARKS

IDEA 1: START WITH THE DREAM

Martin Luther King didn't say: "I have a mission statement." Nor should any company or brand. Saatchi & Saatchi's dream: "To be revered as the hot-house for

world-changing ideas that create sustainable growth for our clients." The bigger the dream, the higher you fly and the longer your range. People want to be part of something bigger than themselves.

Only through daring to believe in a dream, do we open the possibility for magnificent success.

We all need a dream.

IDEA 2: USE THE THREE SECRETS

Brands invest in Trust, Performance and Reputation. Lovemarks involve with Mystery, Sensuality and Intimacy.

Mystery: The power of the unknown. Dreams, stories and icons unfolding through past, present and future. It's what we don't know that draws us in.

Sensuality: Sight, sound, smell, touch and taste are portals to the emotions. Apple sold its original iMac with tangerine taste. Yum! Starbucks was built on sensuality – and became the fastest-growing retail story of all time.

Intimacy: It's the small touch, the perfect gesture that takes loyalty beyond reason. Today's website is yesterday's packaging disaster, the very opposite of intimate. Intimacy is empathy, commitment and passion.

IDEA 3: DO IT WITH SISOMO

The digital revolution is transforming marketing, entertainment, communications, technology. And they all play out on screens – computers, mobile phones, TV.

There is an obsession over what makes media different. What matters is what makes media the same. People don't care whether something is digital or not. They just care about what's on the screen. Their big, bright, beautiful TV screen or the intimate screen they take everywhere.

We call this SISOMO: Sight, Sound and Motion on screen. I even wrote the book on it.

Sisomo puts us in the right space. It's not about tools and technologies. It's about bringing together people and emotion, ideas and creativity. TV is both the past and the future of sisomo.

Why? Because TV is an idea, not a box. The new TV industry will be with us in a decade as digital, High Def, DVR, mobile,

Wi-Fi, addressable kick in. The new TV viewer is with us now. People want TV with emotion, pace and interactivity, and live programming.

To win, get smart about the elements of your story that matter most and let them loose where they connect best. Ten seconds or 10 minutes, only one question matters: Do you want to watch it again?

IDEA 4: BUILD A THEATRE OF DREAMS

Around the world the store experience is a nightmare.

- * More than 70% of purchase decisions are made in store.
- * Only 1 in 4 shoppers is loyal to their retailer.
- * Almost 50% of shoppers find in-store shopping stressful.

The store is the biggest creative opportunity out there, and the First Moment of Truth.

We set up Saatchi & Saatchi X to infuse Lovemarks through the entire shopper experience. To create real emotion and motivation. To turn shoppers into buyers.

The retail challenge is holistic; to engage with the whole shopper cycle of planning, searching and selecting. Marketing in store is not about working the data. It's about creating what we call Dream States. We have to turn stores into stories.

IDEA 5: MAKE THE WORLD A BETTER PLACE FOR EVERYONE

The role of business is to make the world a better place for everyone. Business is on the front lines of the long journey to a sustainable planet. How we move people to our cause has never mattered more. No one connects with the world like we do – in stores, offices, homes.

The real opportunity is how billions of everyday choices scale up. We need a solution the size of the sustainability problem, not just new light bulbs.

We set up Saatchi & Saatchi S to address this. We believe:

1. In moving from limits to possibilities.
2. In the power of consumers to change the world.
3. Sustainability is a catalyst for business growth.
4. No sustainability, no Lovemark.

This seismic shift is **GREEN to BLUE:**

- * Green is about the environment. Blue fuses **environment, economy, society and culture.**
- * Green is about fear. Blue is about **radical optimism.**
- * Green is about obligations. Blue is about **opportunity.**
- * Green is about consumption. Blue is about **people.** Who wants to be called a “consumer”?
- * Green is about problems. Blue is about **passions,** people saying: “I want to sustain this Blue Planet, and I can do something.”

Welcome to the forever revolution. Be part of it.