

# POWER AND THE PASSION

30 April 2008 - This speech from The Institute of Directors Annual Convention highlights how advertising plays an essential part in any company looking to develop and grow, the future of advertising and how it is set to become increasingly focused on the individual.

What times we live in. The planet is moving at warp speed, and some of it is pretty warped. We've got:

- 1 - Crunched credit - Sir Fred from hero to zero overnight
- 2 - Commodities through the roof
- 3 - Carbon in the roof
- 4 - Watery dollars
- 5 - Rock stars with morals
- 6 - Nobel Peace Prizes for PowerPoint
- 7 - The Dalai Lama Olympics
- 8 - Planet Google
- 9 - China Russia India and Brazil going shopping
- 10 - The Paris and Britney Brains trust
- 11 - ...and a contest between a 71yr old ex-POW, a Clinton, and an African-American JFK. I'm for Hope and Change and Dreams!

Everything connects with everyone. This year we'll have more people on earth using mobile phones, than not. In "Chavez-uela" to protect the kids, TV authorities have swapped out The Simpsons from morning TV, for Baywatch.

Globalization, so-called, is alive and kicking. It's a rollercoaster. What is to be done? People want inspiration not institutions, dreams not promises, and we chosen ones in business must step up.

Martin Luther King didn't say: "I have a mission statement." The role of business is to make the world a better place for everyone. Quite the challenge.

Napoleon was right on one thing: "A good sketch is better than a long speech". We need to draw images of possibility. I'm going to sketch three ideas that cut across business, government, marketing and media to power all of us forward.

The first idea is give: **POWER TO THE PEOPLE**

So we kids of the 1960s were right all along, except our revolution was flower-powered by acid rock, not by choice, competition and technology.

In the Screen Age no media dies. It's And / And. TV and Internet and print and store. Resist the revolution like the music moguls or newspaper princes did, and your "And" shrinks.

The people's revolution has dissolved the persuasion business model, but the Art of Advertising is in hot demand. For 2008, world ad spend will grow 6.5%.

Most advertising is still mass marketing, clubbing consumers with weapons of mass distraction. But no one is at home, and as David Ogilvy said: "The consumer is not a moron. She's your wife." She wants Ideas, not your credentials.

Here's the evolution... We've moved from Information Economy to Knowledge Economy to Interruption Marketing (aka the Mass Market) to Permission Marketing, to the Experience Economy, to Attention Economy to:

The **ATTRACTION ECONOMY**.

People are 20% rational and 80% emotional. Your biggest decisions - house, car, husband wife - were feelings. The more immeasurable a feeling is, the higher its value.

Neurologist Donald Calne tells us why emotion matters: "Reason leads to conclusions, emotion leads to action."

Action is why you're here today. You are all in the action business. Whether you're selling cars, managing funds or solving AIDS, you want people to act.

The second idea is: **EVOLVE BEYOND BRANDS**

Charles Darwin got it. Fish to lizard. Monkey to man. Product to Trademark. Trademark to Brand. Brand to Lovemark.

In the Attraction Economy "like" is not enough. Whether you're selling a product, a service, a nation. Whether you're Barak, Boris, Ken or Just Gordon, you have to be loved.

At Saatchi & Saatchi we call this Lovemarks. Not "Likemarks", not "Trustmarks", but Lovemarks.

- \* 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.
- \* Brands invest in Trust, Performance and Reputation. Lovemarks involve with Mystery, Sensuality and Intimacy.
- \* Great brands are Irreplaceable. Lovemarks are Irresistible.

This sketch positions any relationship on a map. We've positioned everything on here - from products to politicians.

**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.

The third idea is: **GO BEYOND GREEN**

Capitalism is the best of the "isms" by light years. In the last 50 years world poverty fell more than in the last 500. Since 1950, globalization of capitalism has easily trebled the average income in the world. Our challenge - rock star-assisted - is to make capitalism inclusive and to kill the down side.

We have more than a billion people online – all connected, creating, searching, playing, shopping. There's another billion coming up behind them. This massive market is an opportunity for wildfire change. People want to be part of something bigger than themselves. If we can change the language, we change the conversation, and the way of the world.

Al Gore's took a remarkable path in raising global consciousness about our environmental challenge, but for a mega-middle class crowd at the mall his message is about doomsday, threats and drastic personal limits. Dr King did not say "I have a nightmare."

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

The shift is **GREEN to BLUE:**

- 1 - Green is about the environment. Blue fuses environment, economy, society and culture.
- 2 - Green is about fear. Blue is about radical optimism.
- 3 - Green is about obligations. Blue is about opportunity.
- 4 - Green is about planet and consumers. Blue is about people. Who wants to be called a "consumer"?
- 5 - Green is about global problems. Blue is about individual passions, people saying: "I want to sustain this Blue Planet, and I can do something."

We formed Saatchi & Saatchi S to ignite change through emotional connectivity. We believe:

- \* In moving from limits to possibilities.
- \* In the power of consumers to change the world.
- \* Sustainability is a catalyst for business growth.
- \* No sustainability, no Lovemark.

We started with over a million Wal-Mart associates taking on Personal Sustainability Projects. They are inspiring shoppers toward the right choices. We need a Lifestyle Movement for sustainable choice inspired from the shopper up, not directives. S makes doing the right thing fun, irresistible and viral.

Where to from here?

- 1 - Think with your heart (you've been programmed!!)
- 2 - Embed Lovemarks in your organization.
- 3 - Go Green to Blue. You. Your family. Your firm. Let's go  
– before it's too late.