INITIATIVE FOR REAL GROWTH

LOCAL WORK SESSION

IMAGINE

By December 31, 2018

- In 10 major KC markets
- 100 colleagues have led interviews
- 250 leaders have been interviewed
- 1,000 survey completes

IMAGINE

By December 31, 2019

- 5 publications
- 10 articles and interviews
- 15 client events in 10 markets
- 25 conference contributions
- 100 in-company presentations
- 1,000 downloads of white papers
- 5,000 leaders understand our POV
- 10,000 leaders more effective

NEXT: WHAT TO EXPECT & WHEN

OCTOBER	NOVEMBE	DECEMBER	Q1	Q1-Q3
Synthesis & ANA Growth Council	Top Market Discussions & Research Top Up	Launch Preparation	Launch Events	Client Follow up & NBD

Global CMO Growth Council

November IRG Workshops

Amsterdam : 11/06
Paris : 11/08
London : 11/09

NYC : 11/12
Boston : 11/13
SF : 11/14
Stream US : 11/15

Cape Town : 11/23
Stream SA : 11/21

Singapore : 11/28
Shanghai : 11/29

Sao Paolo : 12/04

GLOBAL IRG ADVISORY BOARD

Antonio Lucio
Global CMO, Facebook

Lindsay Pattison
Chief Client Officer, WPP

Lorraine Twohill
CMO, Google

Bob Liodice
CEO, ANA

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VP Marketing Solutions, LinkedIn

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Director of Growth, Waze

Yoram Wind
Emeritus Professor Wharton

Cindy Wang
CMO, UXIN Group

Frank Cooper
CMO, BlackRock

INDUSTRY PARTNERS

11 WPP COMPANIES 20 IRG LEADERS

supernion

Ogilvy

WUNDERMAN

KANTAR

WM WAVEMAKER

J. WALTER THOMPSON WORLDWIDE

GREY

VMLY&R

“ Disruption is hitting us twice: our industry sector – banking and payments - is being reinvented completely, and then marketing is being transformed even faster! ”

Kristen Lemkau
CMO JPMorganChase

> “Map out the Chief Growth Officer role for me – What’s in and what’s out – how do CMOs become better business partners?”

Antonio Lucio
CMO Facebook

“Help me understand what my peers are doing, simplify it so I can engage my peers and CEO, and give me a framework to use …”

Jane Wakely
CMO Mars

“ We laugh every time someone presents a 2 years pay-back plan … So far we have only made 10 year decisions ”

SY Lau
CMO Tencent

“Two things: We are trying to learn how to accept multiple business models – and how to drive more data-inspired growth strategies”

Alison Lewis
CMO J&J

“ Most companies are just using the wrong metrics. We believe its all about experience and satisfaction. ”

Lorraine Twohill
CMO Google

“How do we ensure that Marketing has a seat at the business planning table? It’s all about influence.”

Marc Pritchard
Chief Brand Officer P&G

RESEARCH TOPICS

1. Defining growth
2. Finding growth
3. Creating growth
4. Removing internal barriers to growth
5. Diversity at moment of strategic decision making
6. New business models
7. Internal connectivity
8. External connectivity
9. Growth culture
10. Capability (leadership & training)
11. Marketing & Sales integration for eCommerce
12. Organizational nimbleness & agility
13. Data & analytics at the heart of decision making
14. Managing strategic choices
15. CGO

LEARNINGS

November 2018

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WHAT HAVE WE LEARNED - STORYLINE

- **Overperformers focus on people, profit will follow**
- **Focus on their own people: Culture of responsible freedom**
- **Focus on people we serve: Desire to take the friction away and add positive surprises**
- **The definition of real growth: Ever-evolving positive impact on people's lives**
- **A culture of innovation is key to succeed**
- **There are 4 stages that describe the journey to growth**
    - Predictably Incremental
    - Steady Innovation
    - Regular surprise
    - Unpredictable impact on people
- **Each stage of growth has internal and external levers to grow**
    - Growth ambition
    - Growth market
    - Growth model
    - Growth organisation
    - Growth mindset
    - Growth intel
- **All lead to people's ultimate ambition**
  Learning through Open Experiences = GROWTH

OVERPERFORMERS HAVE A LONG TERM FOCUS

Long term growth focus

14% | 63%

THEY UNDERSTAND THAT IF YOU FOCUS ON PEOPLE'S LIVES… THE MONEY WILL FOLLOW

Company's #1 growth ambition focused on people

28% 43%

STARTING WITH EMPLOYEES- TAKE GOOD CARE OF THEM AND THEY WILL TAKE GOOD CARE OF YOUR CUSTOMERS

Growing team & talent

11% 19%

THEN FOCUS ON THE PEOPLE TO SERVE: TAKE AWAY FRICTION AND DELIVER SUPRISINGLY POSITIVE EXPERIENCES

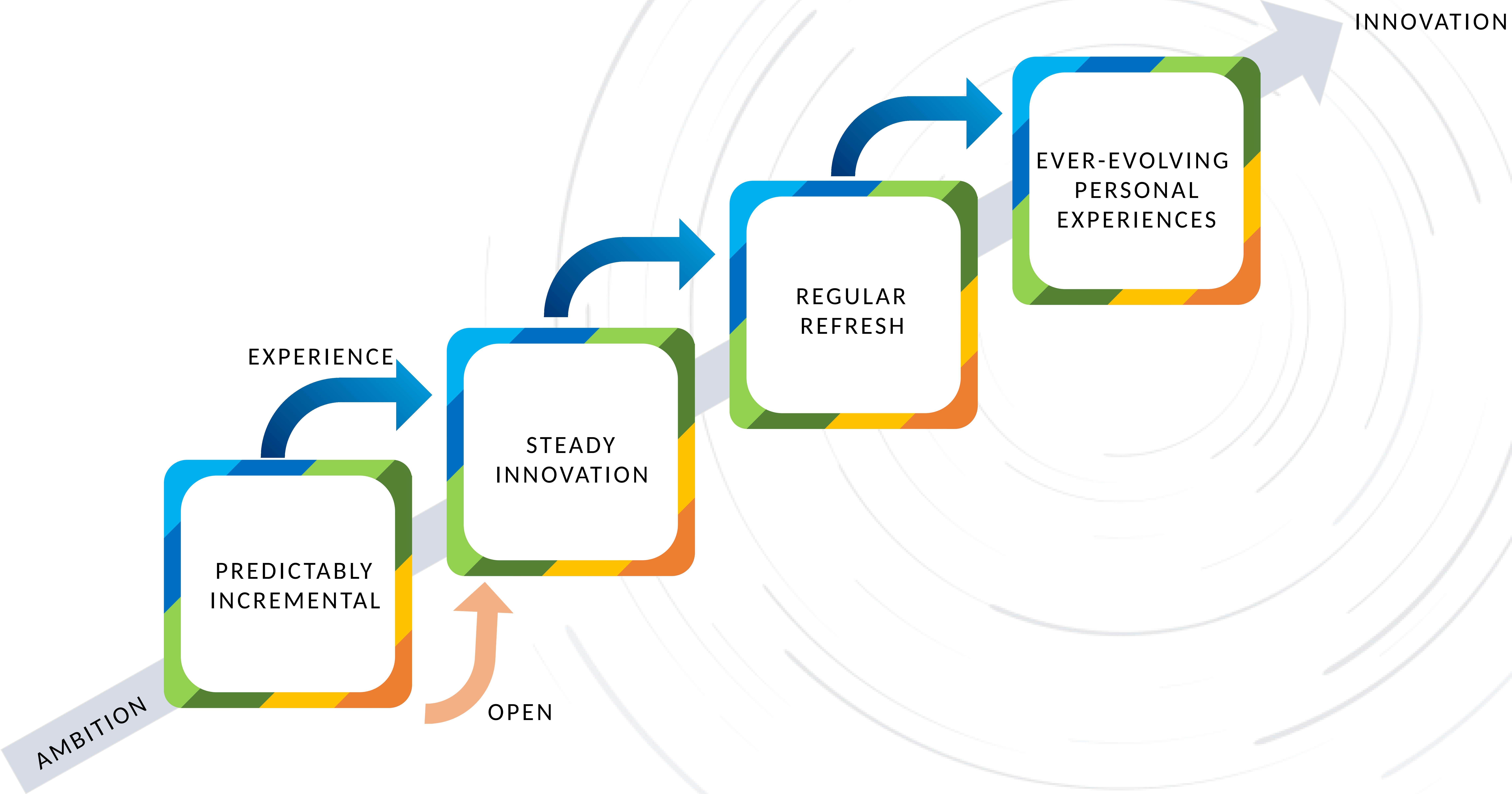
Focus on innovation, change & entrepeneurship

3% | 24%

REAL GROWTH = MAKING AN EVER-EVOLVING POSITIVE IMPACT ON PEOPLE’S LIVES

WHAT ABOUT LEARNING THROUGH EVER-EVOLVING OPEN EXPERIENCES

ACHIEVING THIS IS ABOUT EMBARKING ON A JOURNEY



SPOTIFY AND THEIR JOURNEY OF GROWTH

Spotify

MAGNUM AND THEIR JOURNEY OF GROWTH

COMPANIES TEND TO HAVE CLEAR HEARTLAND ON THE MAP

LET’S DIVE INTO THE 7 DRIVERS THAT LEAD TO GROWTH

01. Growth Ambition

02. Growth Market

03. Growth Models

04. Growth Mindset

05. Growth Organization

06. Growth Intel

07. Growth Leadership

GROWTH AMBITION

Company’s #1 growth ambition focused on people

28%	43%

GROWTH AMBITION

"Growth at Nvidia is focused around people first. Retention and employee satisfaction are important growth metrics. Business growth is seen as a consequence of having satisfied, engaged, committed employees."

Alix Hart, Nvidia

GREAT EXAMPLE

Driscoll's®
Only the Finest Berries™

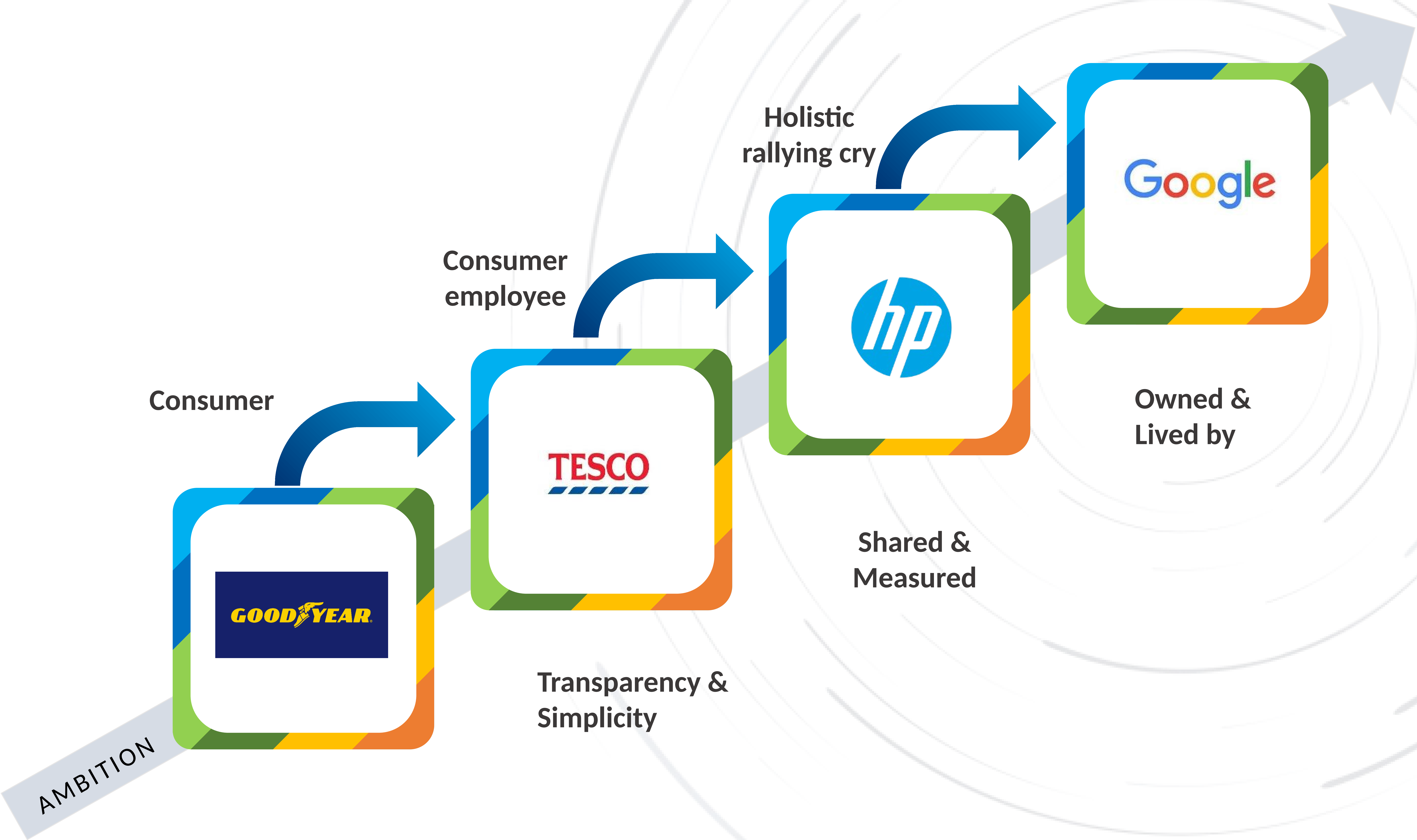
3 GOLDEN RULES

People first! Install employees + Consumers growth metrics

Balance long term and short term

Leadership's responsibility to make growth ambition stick: should be infectious & simple

GROWTH AMBITION



GROWTH AMBITION 3 STEP APPROACH

ARTICULATE

1. Define/ Review compelling Purpose- why we exist

2. Identify growth ambition: balance external inputs with core strengths, with Consumers, Colleagues at the heart of it

3. Set multiple time frames
- ST
- LT

INFUSE

1. Involve different perspectives on draft ambition & metrics

2. Set final simple metrics, using clear and consistent language across the globe

3. 360 execution

4. Create real-time dashboard

5. Link dashboard to individual KPI’s

AMPLIFY

1. Amplify ambition through role modelling

2. Review metrics in team meetings, town hall, fuel conversation

3. Encourage collaboration based on results

4. Celebrate success based on metrics

GROWTH MARKET

Assess and understand market developments

37% 90%

GROWTH MARKET

“Growth is about momentum. You need to spot the wave, peddle as hard as you can and get on it. That requires focus, guts and grit”

AartJan van Triest
Friesland Campina

“Winning companies have dedicated people who have external and future-facing focus. These people define ‘hunting grounds’; new spaces that the company has to understand and get into.”

Jim Stengel

GREAT EXAMPLE

3 GOLDEN RULES

- From 80% market share to 2%
- Embrace the magic: future and outward focus
- Dedicate resource, time and money

GROWTH MARKET

EXPERIENCE

GROWTH MARKET: HOW TO BECOME BEST IN CLASS?

UNDERSTAND

- Incorporates a full horizon scan to identify key change dynamics impacting the business
- Macro-level market analysis to evaluate overall market size and structure (Growth finder). Competitor analysis, growth rate and sources of growth
- Foresight techniques
- Expert Network: Future-facing experts to provide insider view of societal, technological and other shifts

ANTICIPATE

- Leverage analysis to understand high-level opportunities: For growth based on category structure and development.
- Further phases include Future Forums with external voices / other companies who have faced similar future dynamics
- Redefine what I stand for as a business and a brand informed by all of this

SHAPE

- Designed to guide decisions on the full value chain, including supply chain, business model and potential M&A activity
- Install metrics and measure with helicopter, long term view

GROWTH MODELS

Accepting new business models

11%	37%

External connectivity

54%	67%

GROWTH MODELS

"You need to collaborate, you need to inspire and engage the people around you so they contribute. Reaching out, building partnerships, and bringing like-minded people together brings growth. We could never ever do it on our own."

Ralph Zimmerer
Vice President for Global Nivea Brand and Design

GREAT EXAMPLE

PEPSICO

3 GOLDEN RULES

Speed up. Try, test and learn

If you don't have the capability: partner or buy

Make innovation a way of life, not a separate division

GROWTH MODEL

GROWTH MODEL: HOW TO BECOME BEST IN CLASS?

UNDERSTAND

- Review the purpose: is it unique, relevant & future focussed
- Conduct a full horizon scan to identify key change dynamics impacting the business
- Create Expert Network: Retailers, Consumers, Digital/ Tech savvy to provide insider view of shifting needs
- Identify opportunities

EXPERIMENT

- Define opportunity and address strategy to embrace it
- Create centre of excellence with cross-functional project team. If necessary buy/ partner new capabilities
- Experiment on a small scale with new product or service
- Track, learn and adapt

SCALE

- Identify opportunities for roll out in other markets/ divisions
- Review route to market
- Launch optimized product or service one step at the time

GROWTH MINDSET

Focus on innovation, change, entrepeneurship

3% | 24%

GROWTH MINDSET

"Creating a growth mindset in a company culture is difficult, but it can be done, it requires: risk taking, deep analytical thinking, deep listening, and very robust, almost unbelievable curiosity."

Bob Wiltz, Paris Presents

"More companies need to learn to accept failure. In order to be innovative, things will inevitably fail and companies need to be able to adapt, move on and learn from mistakes. This has two implications:

- Performance evaluations need to change – we need to reward failure
- New workforces need to be agile, empowered and be made up of people who have an entrepreneurial mindset

- Andy DasGupta, Fonterra"

GREAT EXAMPLE

GROWTH MINDSET

3 GOLDEN RULES

Leadership: Have the guts to be vulnerable and humble. Vulnerability establishes mindset of empowerment, embracing risks, of trust and of diversity

Meaningful Connections: Organize events & moments for meaningful connection

Common skills: Curiosity, Risk-taking, Problem-solving

GROWTH MINDSET

CONNECT

- Internal engagement survey to understand what values currently live through organisation
- Leadership session to review purpose and set vision of the ideal culture, values and company. Establish trust amongst leaders. Review key employee needs
- Establish clear culture & mindset
- Create team across company who will become ambassadors of new behaviour

INSPIRE

- Review all employee touchpoints and review each with the new culture script
- Translate mindset into:
- Capability building program
- Talent & Development
- Hire & fire based on adapted culture
- Adapt Reward system
- Change yearly personal development plans based on

BUILD

- Leaders set the example and walk the talk with their teams
- Establish a tool which supports vision (eg Facebook Workplace)
- Storytelling
- Organize frequent offsites to maintain trust and focus amongst leadership team
- Roll out capability building programs
- Reward and celebrate success

GROWTH ORGANISATION

Integrating marketing & sales

40% | 78%

Effectively removing internal barriers

6% | 43%

GROWTH ORGANIZATION

"Essential to building a growth organisation is trust. If you trust each other, you can work autonomously. People dare to take risks if they are trusted. People connect on a deeper level if they trust each other. I think you have to bring people together, create connections that add meaning."

Lorraine Twohill, Google

GREAT EXAMPLE

GROWTH MINDSET

3 GOLDEN RULES

- Take control by letting go: full transparency
- Work in micro-battles and scale if succesfull
- Elevate consumer voice

GROWTH ORGANISATION

CONNECT

- xxxxxxxxxxx

INSPIRE

- xxxxxxxxxxxxxxx

BUILD

- xxxxxxxxxxxxxxxx

GROWTH INTELL

Data & analytics at the core of strategic decision making

40% | 75%

GROWTH INTEL

"Data can be used to be objective in decision making. Use data to become better investors, drive continued ROI and be both future growth platform focused and agile: fast multifunctional test, learn & improve approach. "

Andrew Clarke, CMO, Mars

GREAT EXAMPLE

Tencent
腾讯

3 GOLDEN RULES

XXXX

GROWTH INTEL

GROWTH INTEL- HOW TO BECOME BEST IN CLASS

IDENTIFY

1. Invest in data workstream:
   - Review strategic objectives
   - Discuss relevant sources
   - Identify nature & quality of current data
   - Hire experts to review
   - Involve IT
   - Review capabilities to draw insights from data

2. Identify relevant external, new sources and tools for data

ARTICULATE

1. Set final simple metrics, using clear and consistent language across the globe

2. Create real-time dashboards per function and integrate in daily business

3. Link dashboard to individual KPI’s

4. Build culture of data centricity through reward system, leadership setting example

TRACK & EMBED

1. Review metrics in team meetings, town hall

2. Encourage action based on results

3. Celebrate success based on metrics

GROWTH EXPERIENCE

X% believe the roles of leadership are changing

GROWTH EXPERIENCE

“Centennials will dictate the growth agenda. We need to deliver an omnichannel experience that surprises”

“Innovation goes beyond the product. Innovation is a lifestyle. What is your answer to voice technology?”

GROWTH EXPERIENCE

GROWTH EXPERIENCE- HOW TO BECOME BEST IN CLASS

DEFINE

1. Map customer journey: today, tomorrow and in 3 years time, building on technological developments

2. Understand any types of friction across the journey. Involve relevant partners (retailers, suppliers, customers, tech experts)

3. Define areas of opportunity

TEST

1. Create small centres of excellence to pursue opportunities

2. Test, learn. Adapt

LEARN & ADAPT

1. Review metrics in team meetings, town hall

2. Encourage action based on results

3. Celebrate success based on metrics

GROWTH LEADERSHIP

X% believe the roles of leadership are changing

GROWTH LEADERSHIP

"The CGO is just a CMO doing the job well"

WIP

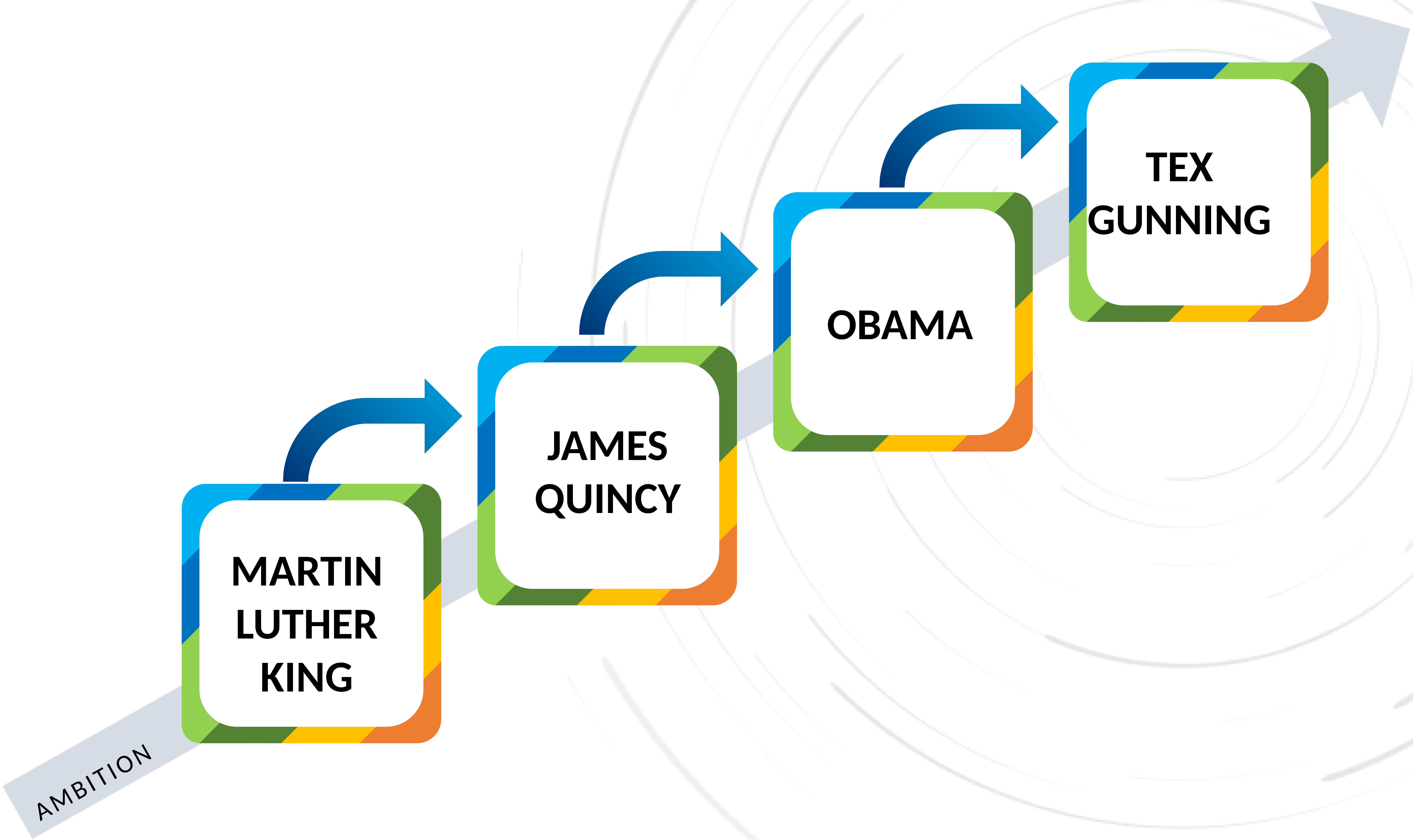
GREAT EXAMPLE: TEX GUNNING

AkzoNobel

TNT

LeasePlan

GROWTH LEADERSHIP




ALL LEAD TO PEOPLE’S ULTIMATE AMBITION
LEARNING THROUGH OPEN EXPERIENCES