



**Initiative
for Real
Growth**

Findings Presentation

Marc de Swaan Arons

New York, January 4 2018

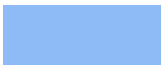
This Deck

1. The Growth Challenge
2. Initiative for Real Growth (IRG)
3. The 7 Building Blocks of Real Growth
4. Growth Leadership
5. Real Growth Foundation (RGF)

Please Note – January 4 version of this deck



- Many thanks for reviewing and providing your feedback to us
- This draft deck is **absolutely not for distribution** – internally or externally
- Please review and feel free to give flow, contents, and case study comments
- We will have one 3-page main case and several 1-slide case per building block
- This is the 45 minute version – many slides are 30 second slides to make a point
- This is not the final design but does give a sense of the new look and feel
- In January we will finalize case study & solution connections as well as design
- *Many thanks for your feedback and builds*

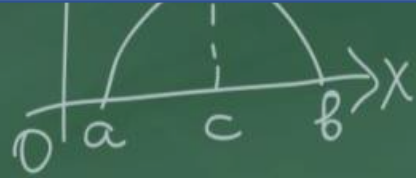




The Growth Challenge

Traditional business growth formulas are failing

① $x=a, x=b$
 $f'(x)=0$



$$\lim_{x \rightarrow 2} (x-2) = 0,$$

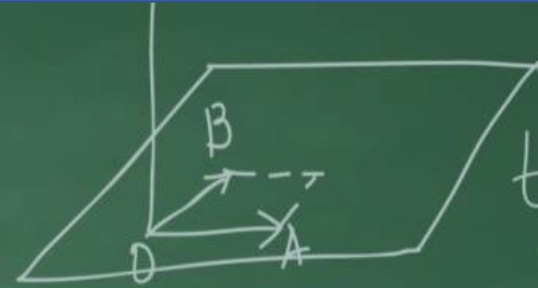
$$x = \rho \cos \varphi, y = \rho \sin \varphi$$

$$\lim_{x \rightarrow 2} (x+4) = 6 \neq 0$$

$$\rho = \sqrt{x^2 + y^2},$$

$$\tan \varphi = \frac{y}{x}$$

$$\lim_{n \rightarrow \infty} \left(1 + \frac{1}{n}\right)^n = e, n \rightarrow \infty$$



$$\tan 2d = \frac{2B}{A-C}$$

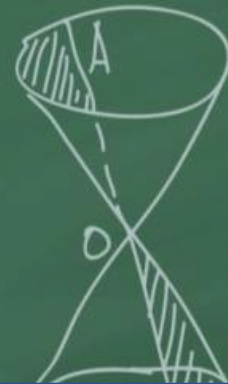


$$Ax^2 + 2Bxy + Cy^2 + 2Dx + 2Ey + F = 0,$$

$$\begin{cases} Ax_0 + By_0 + D = 0, \\ Bx_0 + Cy_0 + E = 0 \end{cases}$$

$$\begin{aligned} d(xe^{-x^2}) &= x de^{-x^2} + e^{-x^2} dx = xe^{-x^2} d(-x^2) + e^{-x^2} dx = \\ &= e^{-x^2} (1 - 2x^2) dx \end{aligned}$$

$$\frac{d \frac{e^t - e^{-t}}{e^t + e^{-t}}}{\frac{e^t + e^{-t}}{(e^t + e^{-t})^2}} = \frac{(e^t + e^{-t}) d(e^t - e^{-t}) - (e^t - e^{-t}) d(e^t + e^{-t})}{(e^t + e^{-t})^2} =$$

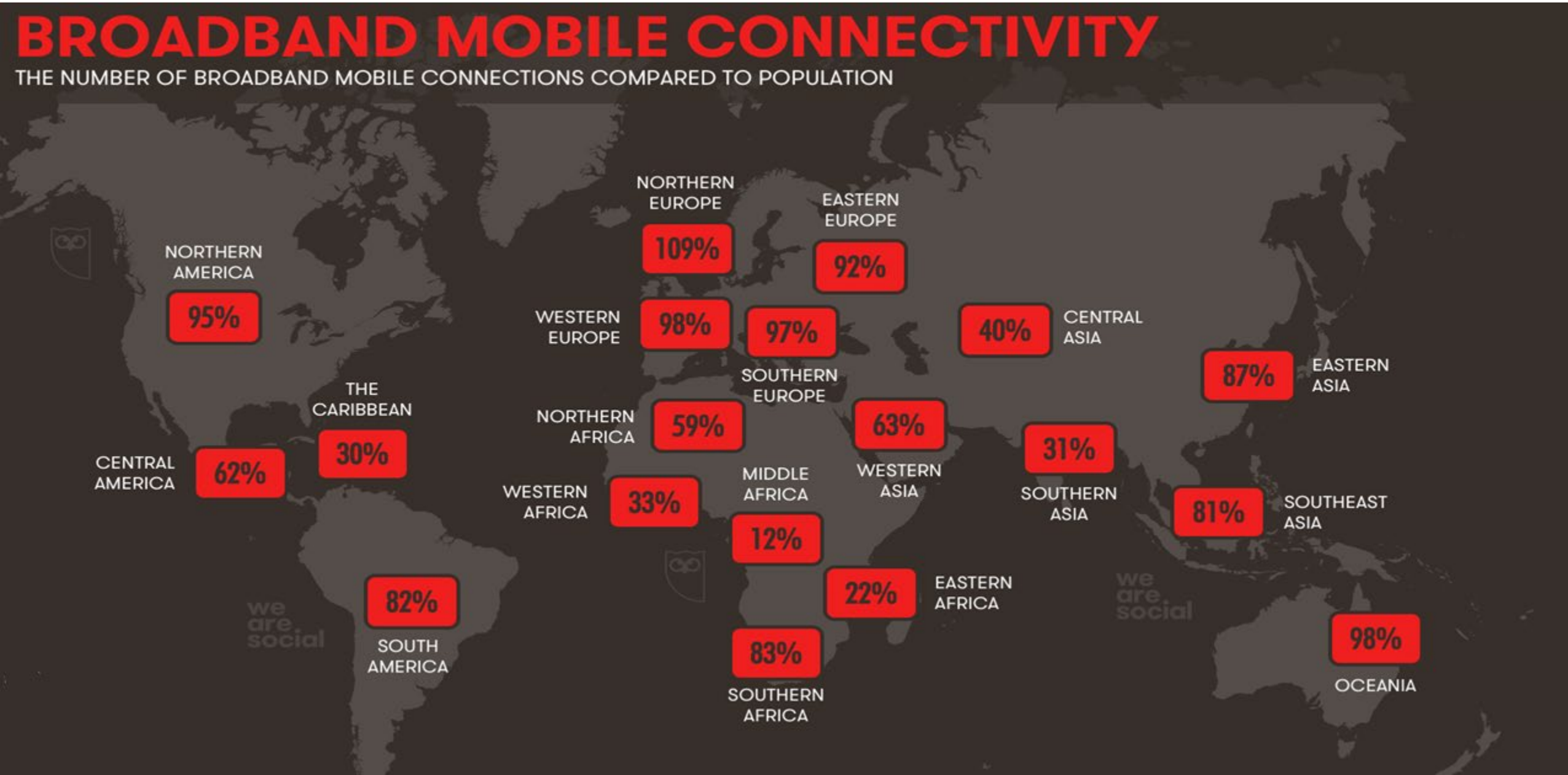


$$\begin{vmatrix} A & B \\ B & C \end{vmatrix} \neq 0$$

$$x_0 = - \frac{\frac{|D \ B|}{|E \ C|}}{\frac{|A \ B|}{|B \ C|}},$$

$$|A \ D|$$

Geographic expansion is running out of steam



Barriers to market entry are disappearing



Vs.

airbnb

Better informed consumers are more demanding



Established players are losing out

30%

Disrupters are being disrupted



Growth without strategic focus presents danger



Corporate values are becoming more transparent



Employees are increasingly mobile



Consumers are conscious of societal impact

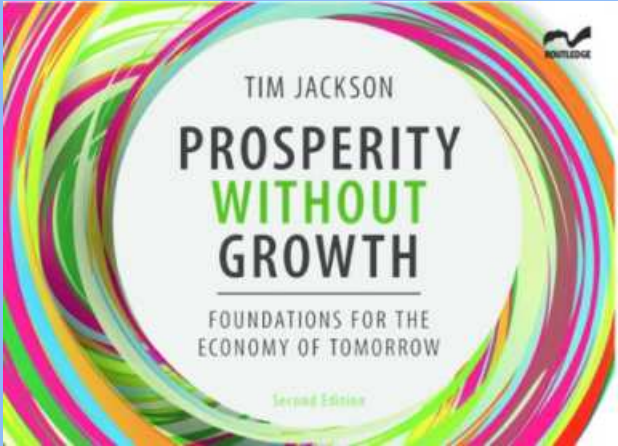
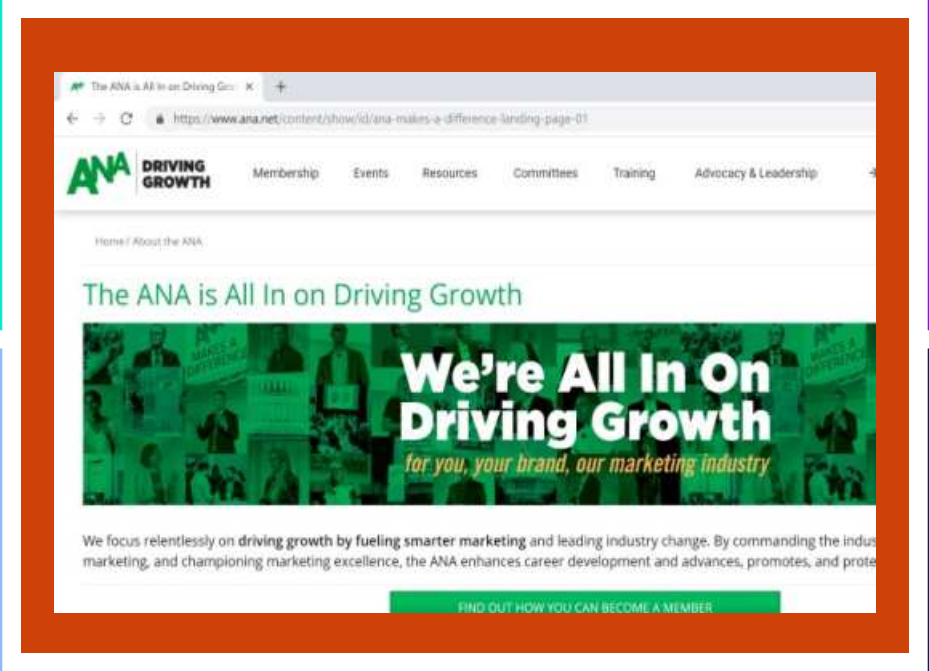
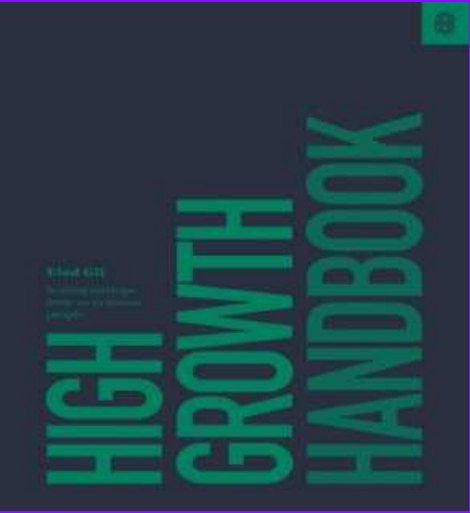
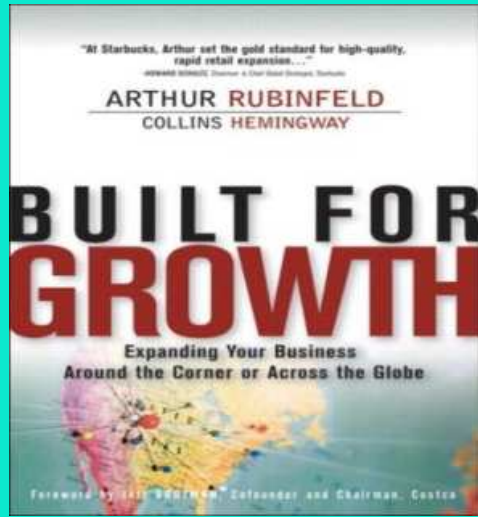


The 'License to operate' is being challenged



Alternative growth models are emerging

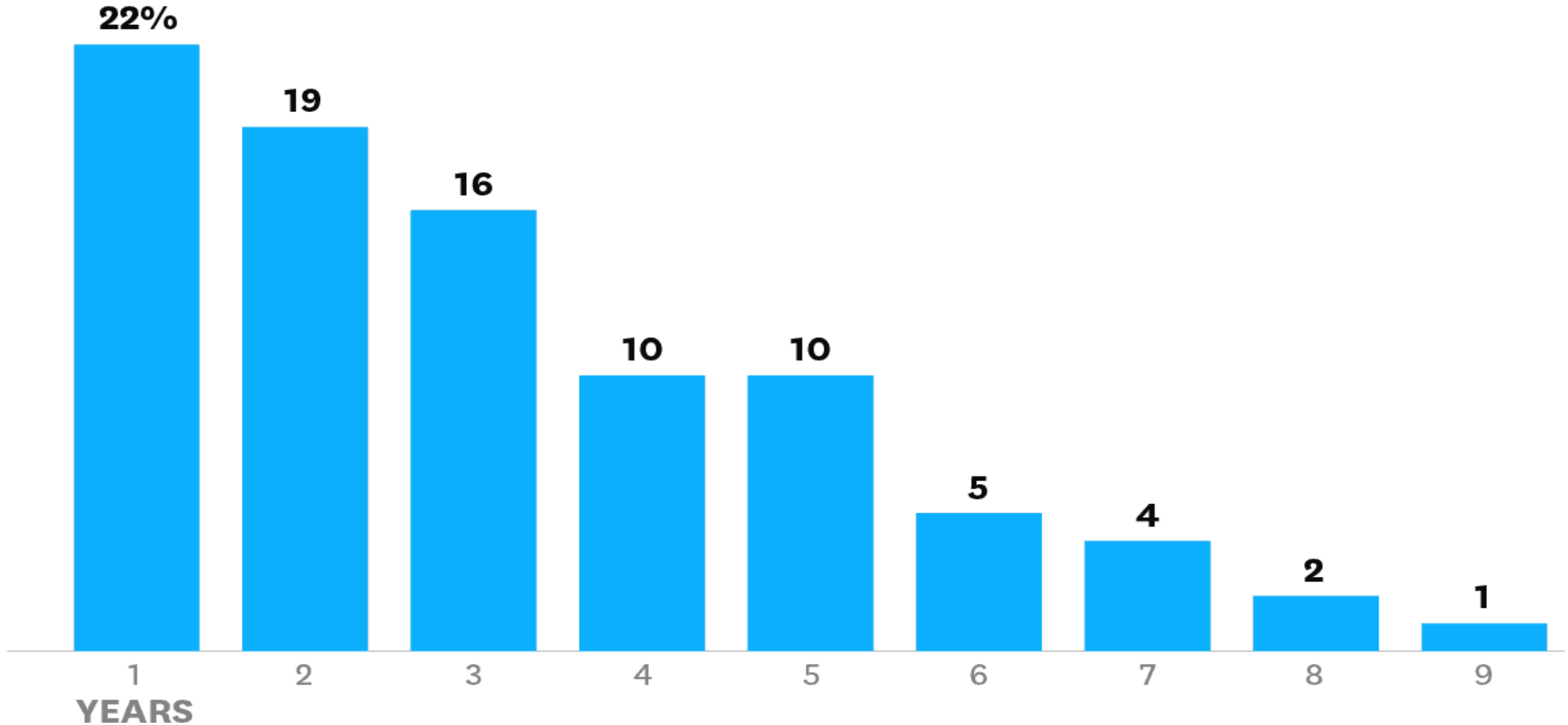




CMOs are the first to go when growth is lacking...



... and average only a 25-month tenure



There is a need for a new growth model





Initiative for Real Growth

Our approach is familiar



Objectives



1 Scope: Sustained business growth

2 Focus: The what, why, and how of real growth

3 Output: Simple growth framework, storytelling & benchmarking

Thought Leadership

Peer Engagement

Solutions & Support



Experts from 11 WPP Companies



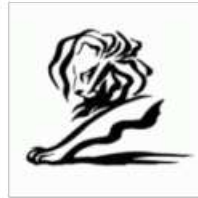
Program orchestration and partners



KANTAR CONSULTING

WPP

WARC



SpencerStuart



Adformatie

Forbes

the internationalist

Advisory Board



Antonio Lucio
Global CMO,
Facebook



Lindsay Pattison
Chief Client
Officer, WPP



Lorraine Twohill
CMO, Google



Bob Liodice
CEO, ANA



Carolyn Everson
VP, Global
Marketing Solutions,
Facebook



**Meredith
Verdone**
CMO, Bank of
America



Shiv Shivakumar
GE President for
Strategy & Bus.
Dev., Aditya Birla
Group



Enzo Scarcella
COO, MTN



Peter Ter Kulve
CGO, Unilever



Penry Price
VP Marketing
Solutions,
LinkedIn



Di-Ann Eisnor
Director of
Growth, Waze



Yoram Wind
Emeritus
Professor
Wharton



Cindy Wang
CMO, UXIN
Group

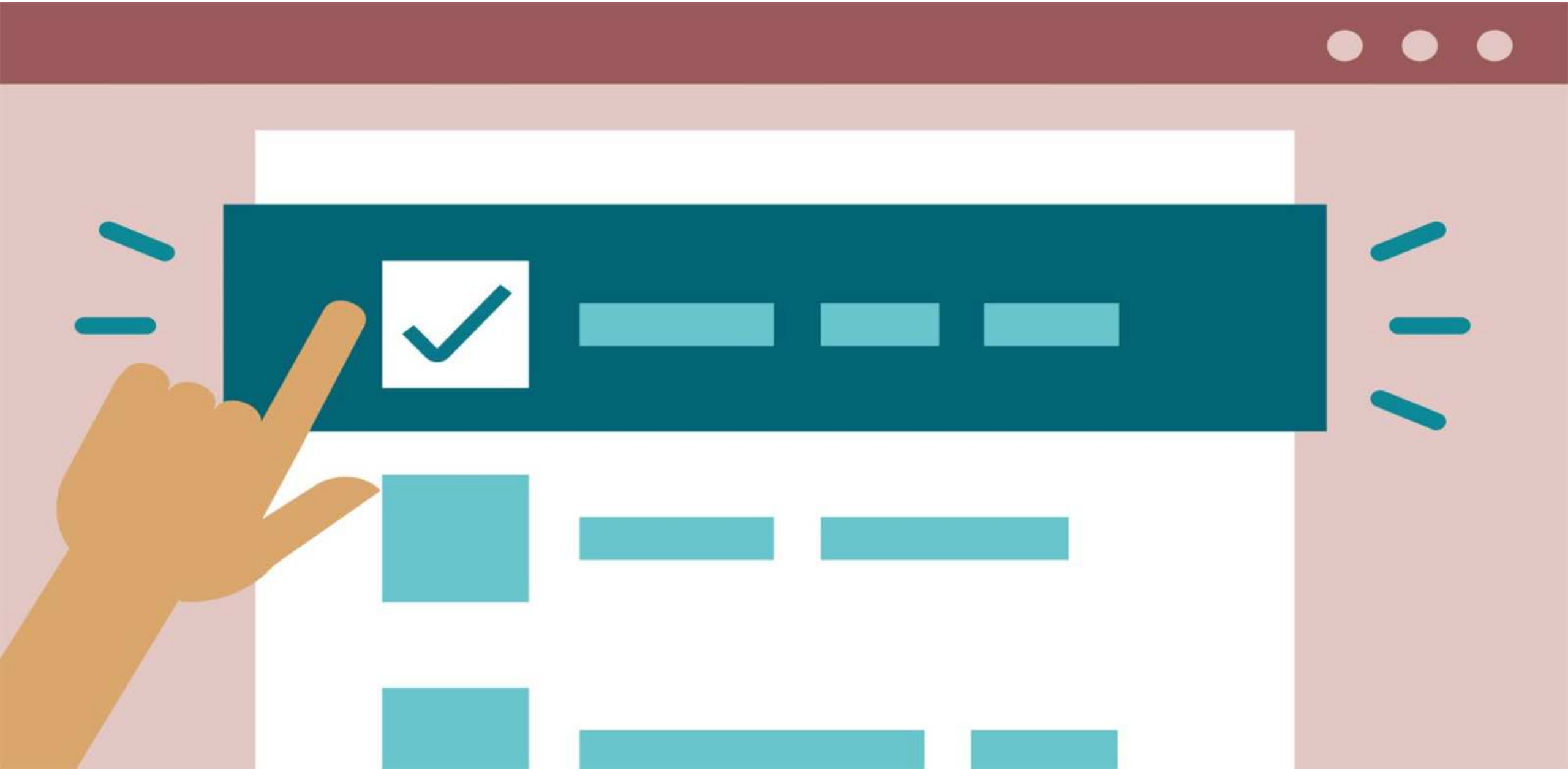


Frank Cooper
CMO, BlackRock

AI Meta analysis of all things 'Growth'



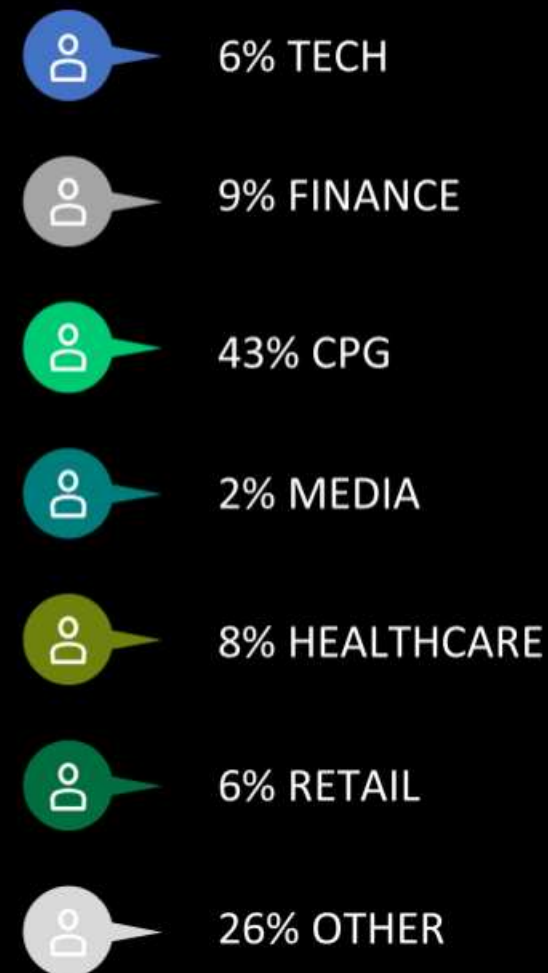
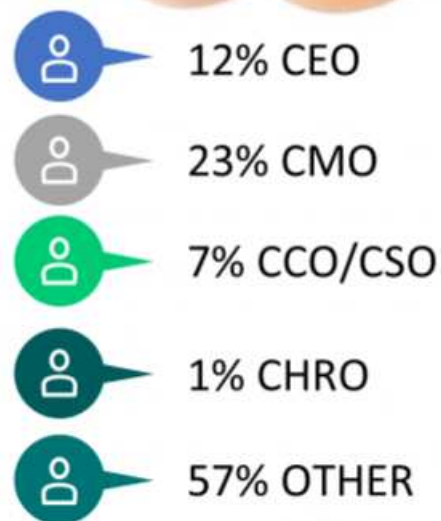
854 on-line survey respondents



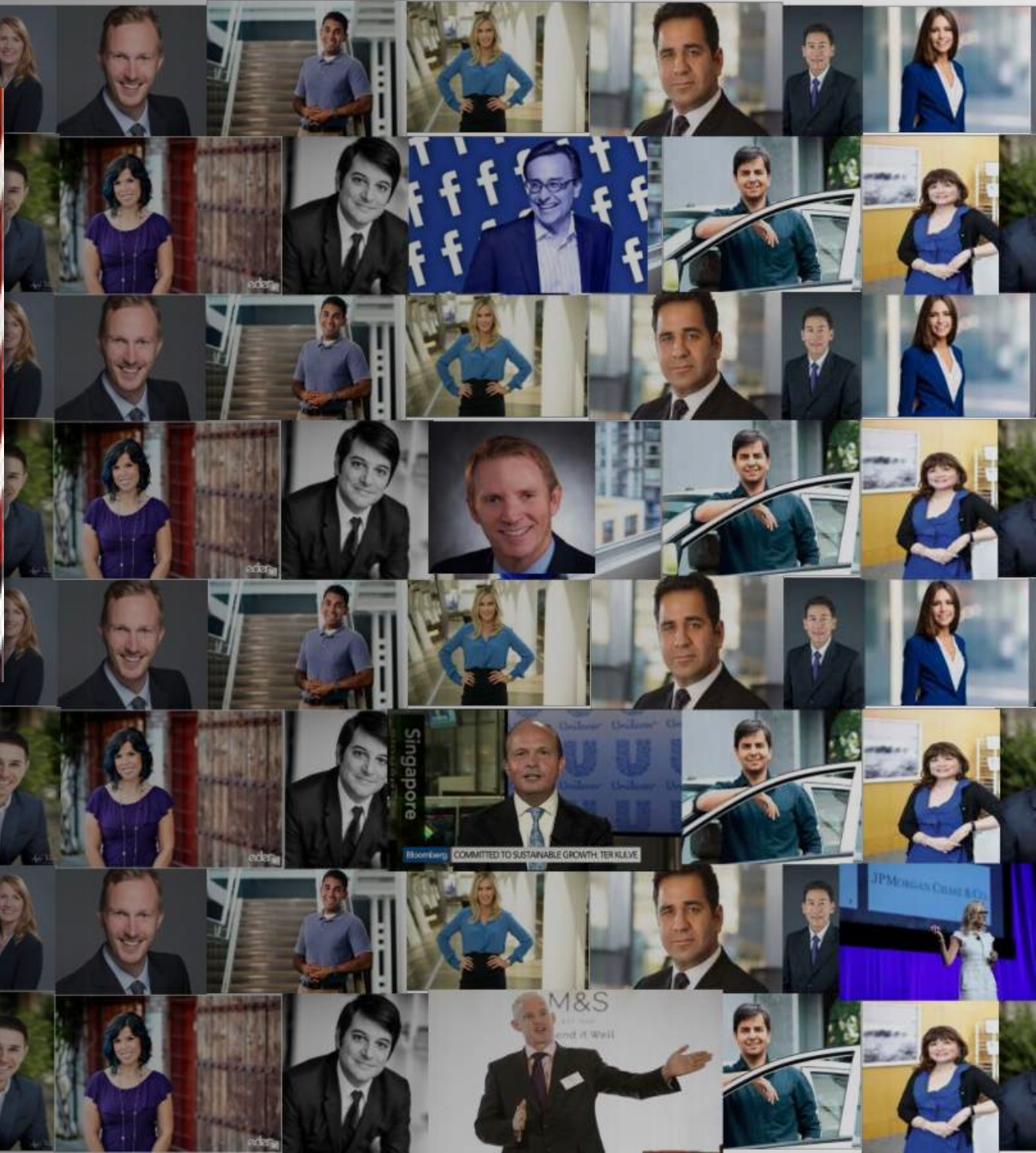
586 vision interviews in 15 markets



WIDE SAMPLE OF FUNCTIONS, LEVELS & INDUSTRIES



Growth Leaders Like ...













What keeps growth leaders awake at night?



Negative economic outlook



Industry reputation & recruitment challenges



#BadReviews



Private labels – retailers acting as brands



The Chief Growth Officer

Coca-Cola ditches global CMO role in leadership shake-up

The shake-up will see Coca-Cola's chief marketing officer Marcos de Quinto retire, as the soft drinks giant moves the marketing function under the remit of the newly-created chief growth officer role.

By [Leonie Roderick](#) 23 Mar 2017 1:26 pm



Amazon...



... Amazon...



AmazonBasics offers quality and value on everyday products delivered straight to your door.

Shop other
Amazon brands



... and Amazon



Overall: Declining influence on growth strategy

HOW TO INFLUENCE DECISION-MAKERS





**What gets growth leaders up
in the morning?**

New Retail – Commerce



Broader solutions through strategic partnerships



JOIN NOW
LIVE EASY, CLEAN WELL

PICK YOUR TIDE ON DEMAND PLAN

Choose the subscription that fits your household size and we'll deliver your Tide PODS right when you need it.

SINGLE	COUPLE	FAMILY
1 person	2 people	3+ people
\$5.33* per month	\$7.99* per month	\$10.49* per month
Select	Select	Select

*Includes free shipping and handling. Taxes and fees may apply. See website for details.



HOW TIDE ON DEMAND WORKS

Simply the easiest way to get your laundry clean. Choose your subscription and we'll send you the 3-in-1, soap-in-a-pod of Tide PODS® Original Scent right when you need it.

PICK YOUR PLAN

WASH AWAY

ENJOY LIFE

A LIGHTER LOAD

- Free Shipping**
Shipping is included in every order.
- No Commitment**
Skip or change your subscription at any time.
- Easy Management**
Skip or change your subscription at any time.

[Join Now](#)



Tide on Demand meets the now common free shipping and replenishment expectations of consumers.

Direct to Consumer Models



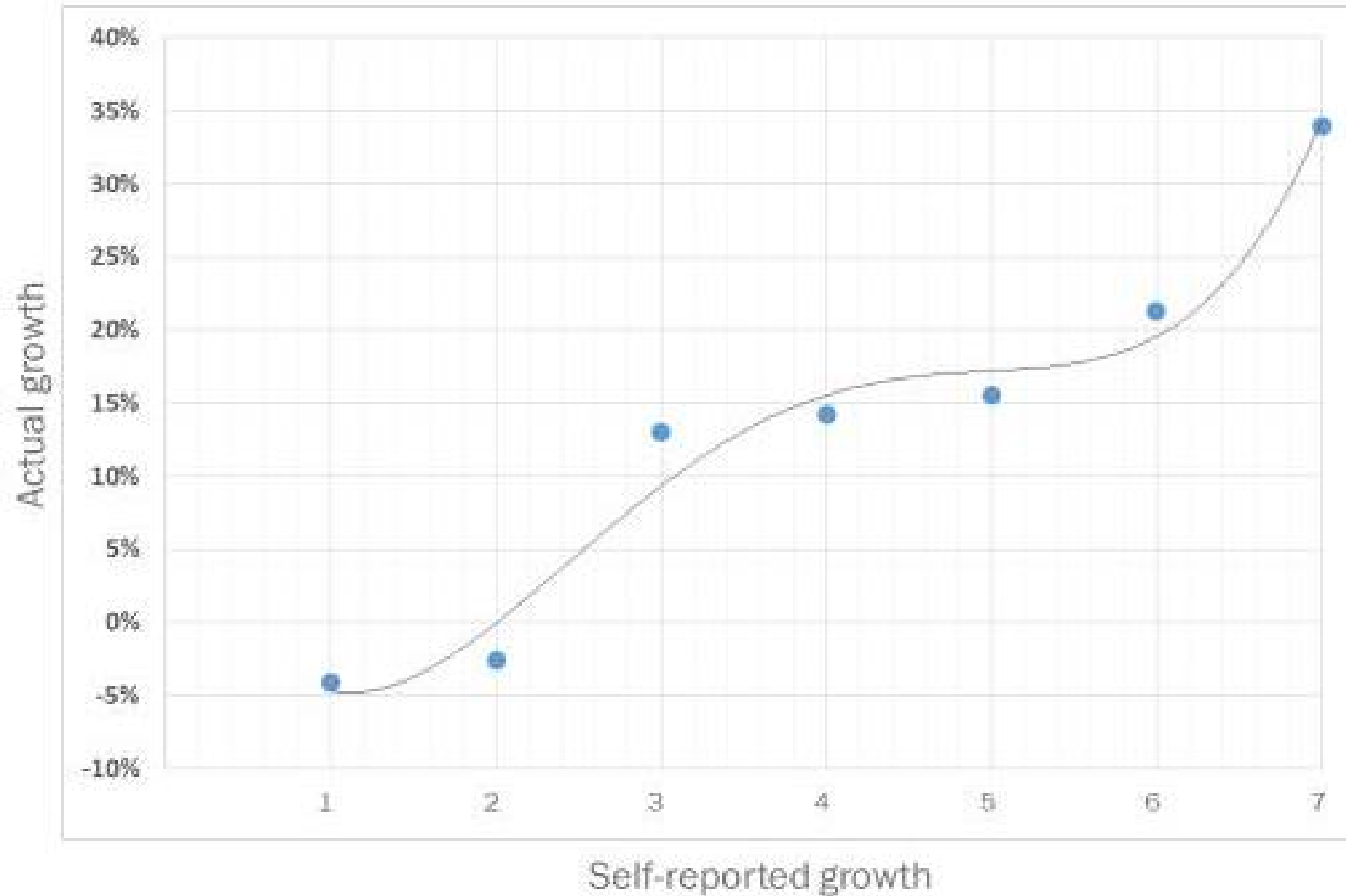
Overall: Personal and team capability growth



Contrasting overperformers and underperformers



Validating reported performance



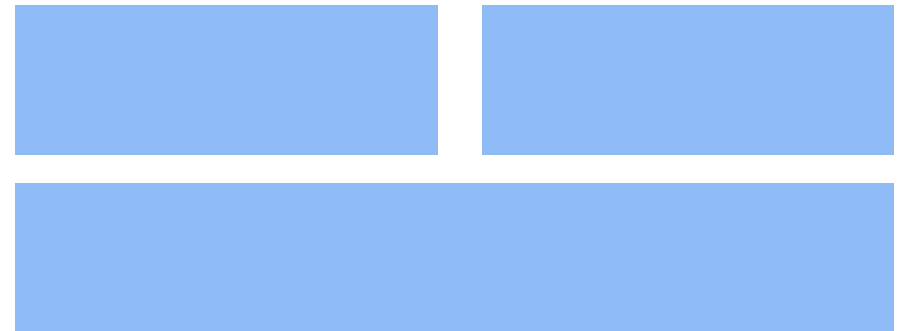


Real Growth Building Blocks

The seven building blocks of real growth

WHAT

What the company brings to market



The seven building blocks of real growth

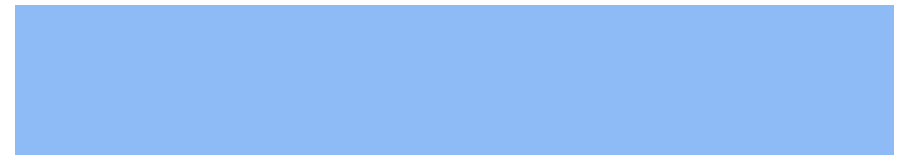
HOW

How the company is organized



WHAT

What the company brings to market



The seven building blocks of real growth

WHY

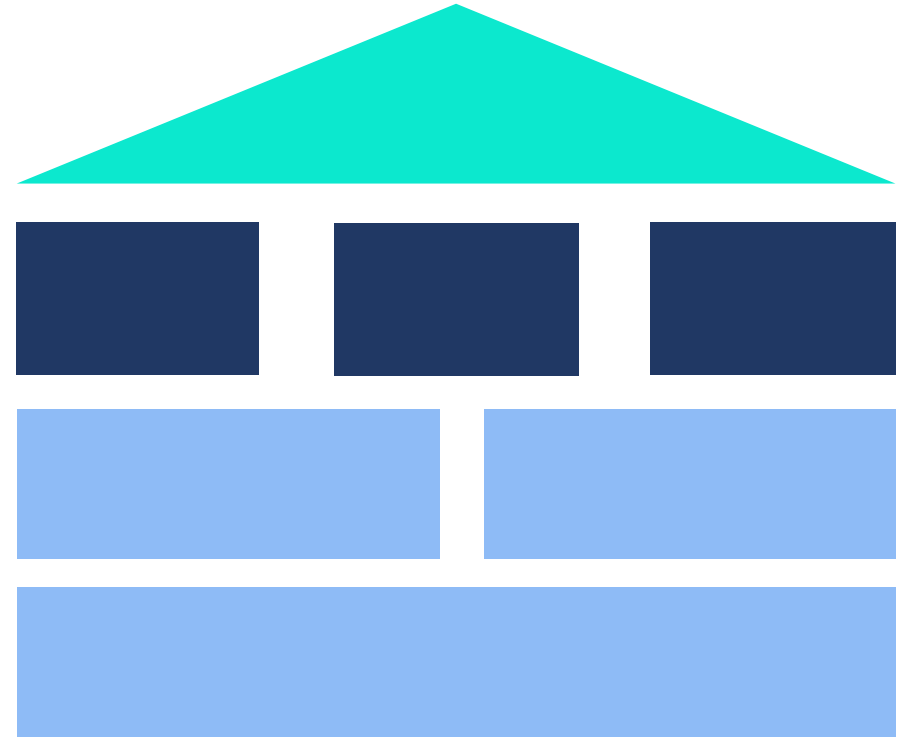
Why the company 'does what it does'

HOW

How the company is organized

WHAT

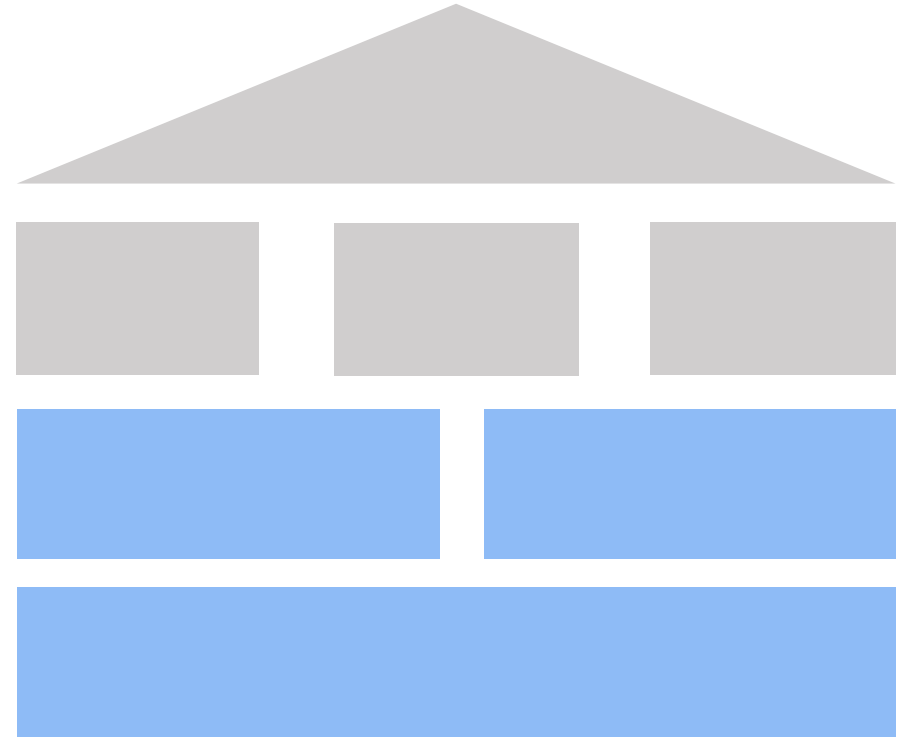
What the company brings to market



The seven building blocks of real growth

WHAT

3. Succeed with multiple business models
2. Deliver ever-evolving experiences
1. Take an abundant market view



The seven building blocks of real growth

HOW

6. Foster an open culture
5. Build a fluid organization
4. Apply whole-brain intelligence

WHAT

3. Succeed with multiple business models
2. Deliver ever-evolving experiences
1. Take an abundant market view



The seven building blocks of real growth

WHY

7. Humanize growth

HOW

6. Foster an open culture

5. Build a fluid organization

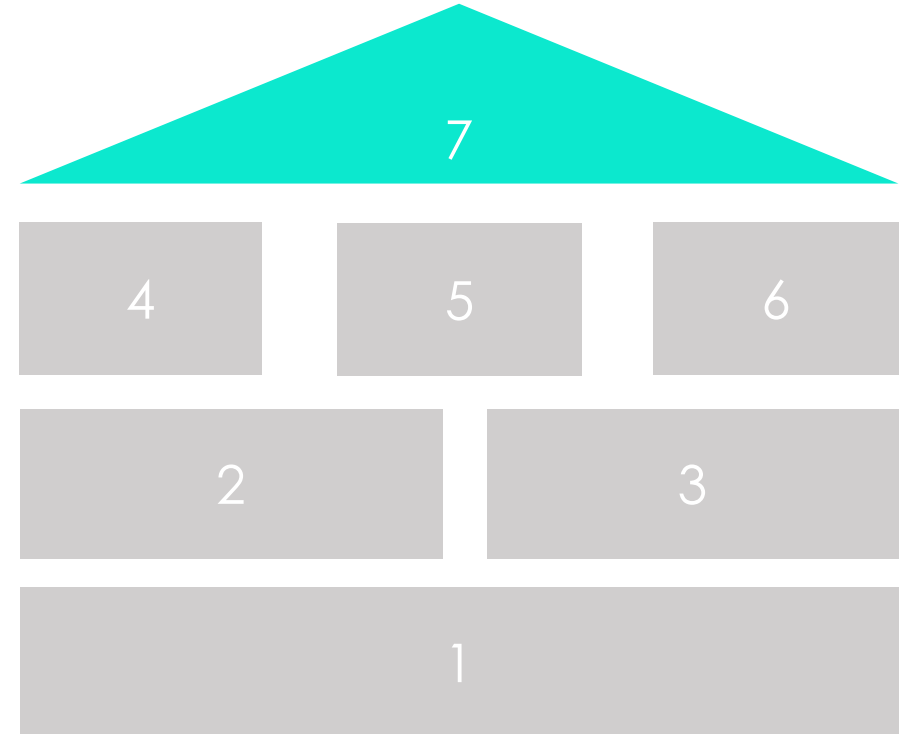
4. Apply whole-brain intelligence

WHAT

3. Succeed with multiple business models

2. Deliver ever-evolving experiences

1. Take an abundant market view



The seven building blocks of real growth

WHY

7. Humanize growth

HOW

6. Foster an open culture

5. Build a fluid organization

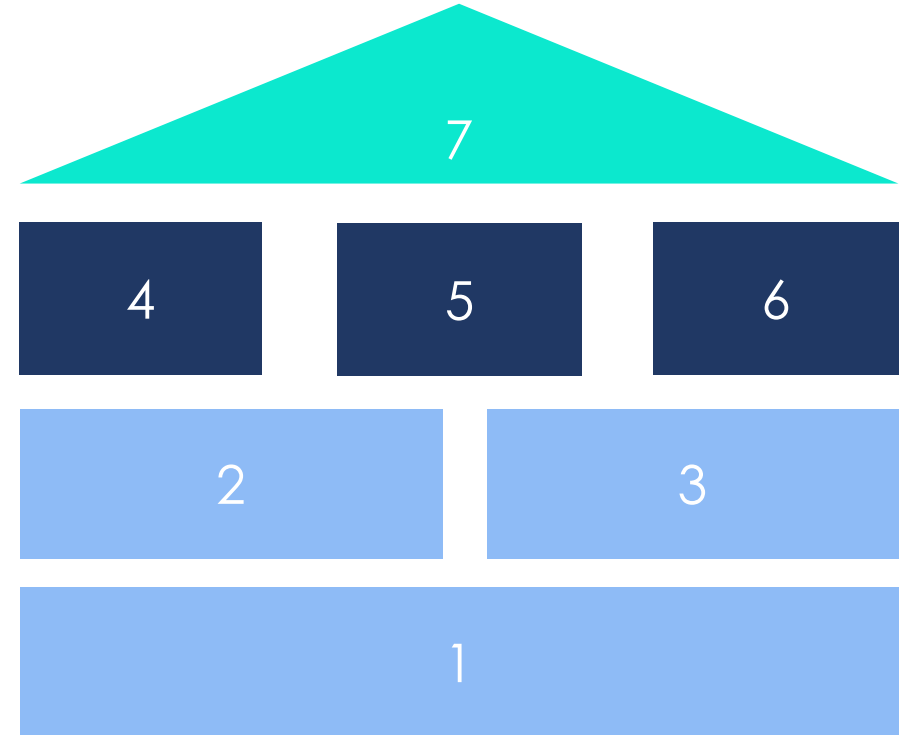
4. Apply whole-brain intelligence

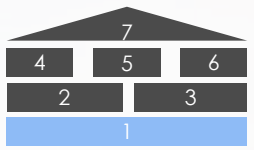
WHAT

3. Succeed with multiple business models

2. Deliver ever-evolving experiences

1. Take an abundant market view





1.

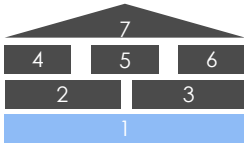
Take an abundant market view

Myth 1

“Growth is about winning market share from competitors”



Overperformers focus on Nielsen, Amazon and Kickstarter



27%



11%

amazon

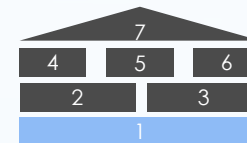
3%

KICK
STARTER
.COM

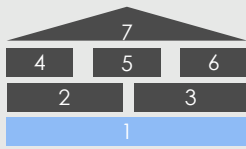
82%

45%

Assess and
understand
market
developments



Excelling at spotting and choosing the right wave



71%

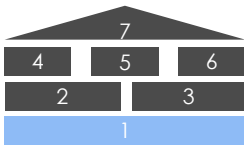
39%

Consistency
with big bets



KEEP
CALM
AND
BE
CONSISTENT

Overperformers make big bets and stay consistent...



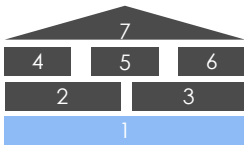
40%

Focus on
Increasing
market share

55%



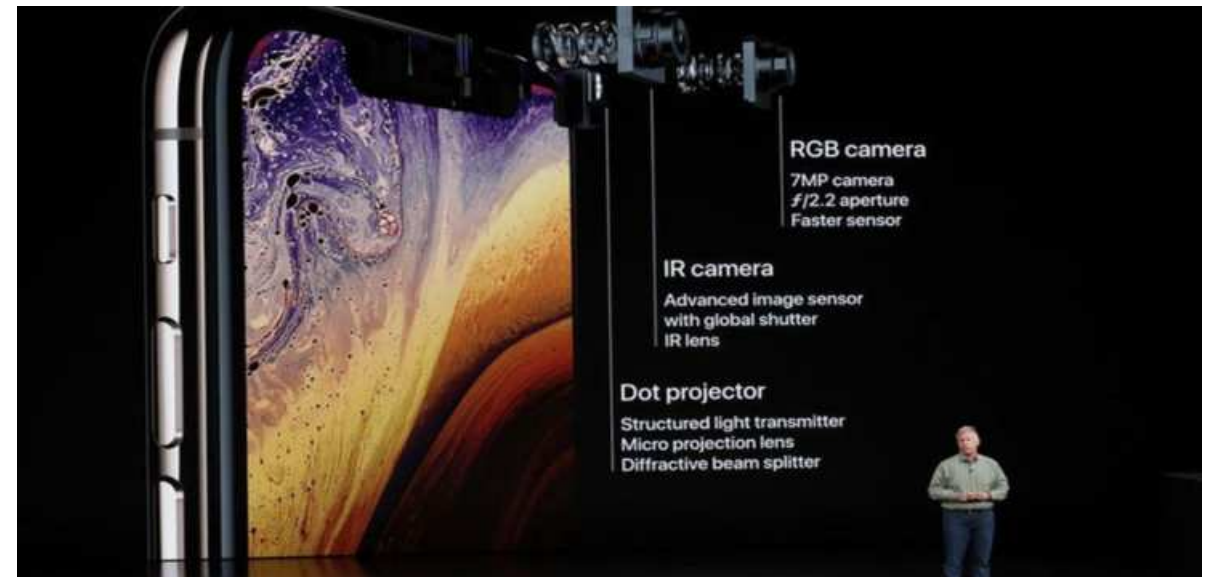
Underperformers focus mostly on growing market share...



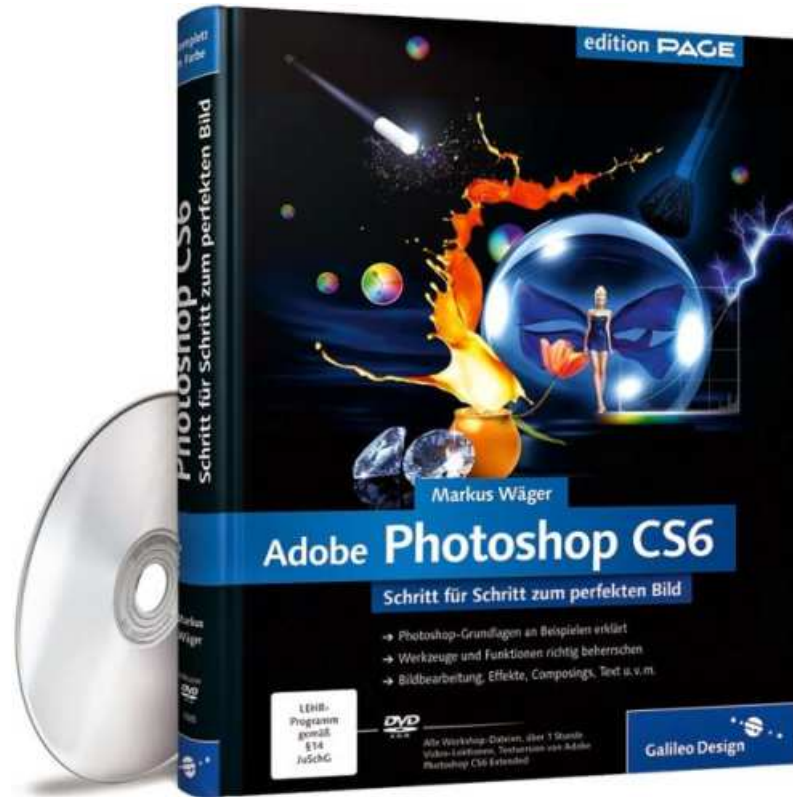
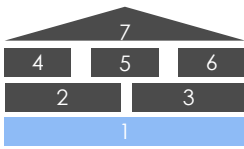
59%

42%

Focus on
category growth
and beyond



... taking a wide-angle lens: category growth and beyond

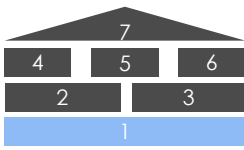


Adobe recognized the need to expand beyond creative...

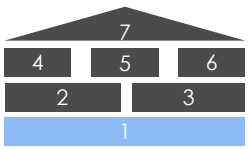


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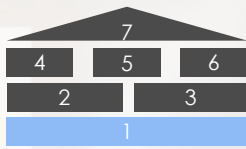
Broadening the lens: Omniture acquisition



... into marketing solutions



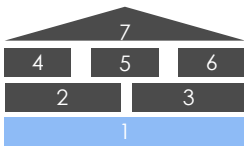
Partnering to offer...



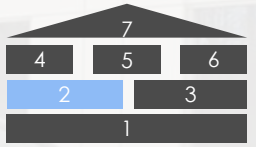
Adobe



Adding a full marketing delivery suite through acquisition

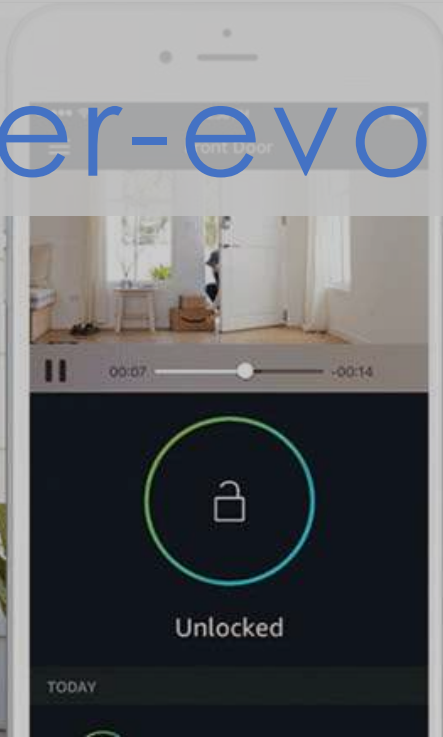


Mars moved its focus from pet food to pet care



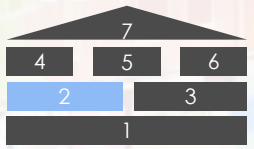
2.

Deliver ever-evolving experiences

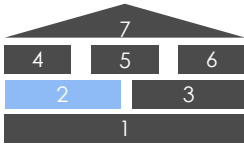


Myth 2

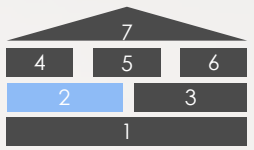
“Growth is all about increasing customer satisfaction”



Overperformers embrace being 'Always Beautifully Dissatisfied'



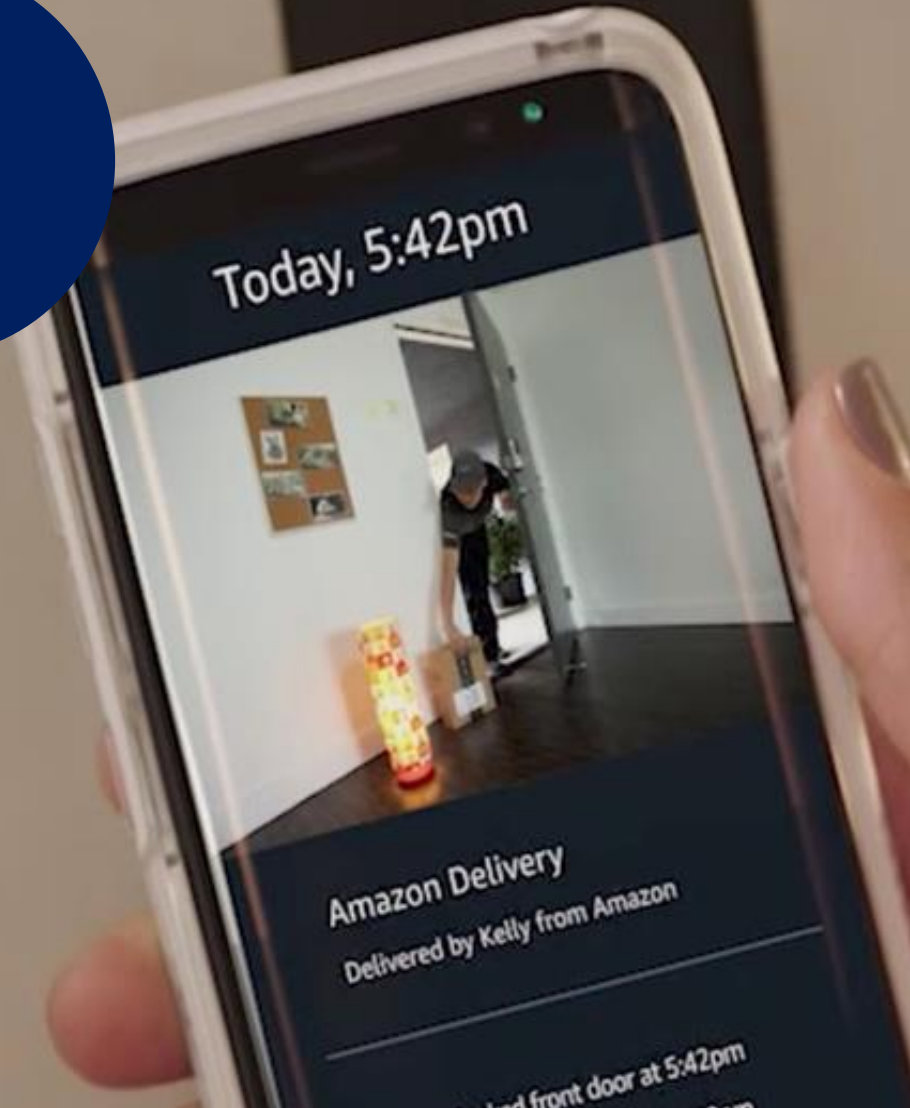
amazon



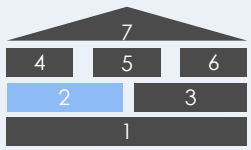
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21%

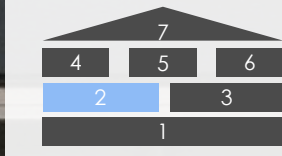
Deliver ever-evolving experiences



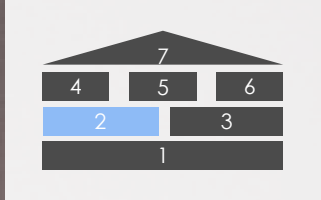
Overperformers focus on eliminating friction to delight



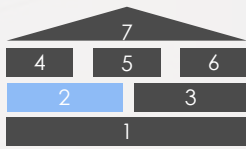
From hotel rooms to full-service business travel solutions



From lobby check-in to terminal arrival assistance



Seamless entry experience



Reinventing the business center in partnership with FedEx

7		
4	5	6
2	3	
1		



Spotify®

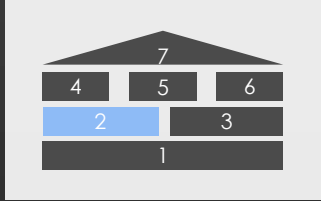
NETFLIX



pandora®



Connectivity and entertainment personalization



MADE FOR ABBY

Discover Weekly

Your weekly mixtape of fresh music. Enjoy new discoveries and deep cuts chosen just for you. Updated every Monday, so save your favourites!

Made for Abby Ch by Spotify • 30 songs, 1 hr 50 min

PLAY

FOLLOWING

⋮

FOLLOWER
1

Q Filter

Download ☐

	TITLE		ARTIST	ALBUM	
+	Sweeterman	EXPLICIT	Ramriddlz	Sweeterman	3 days ago
+	my boo		kerri	my boo	3 days ago
+	Down Girl	EXPLICIT	Roy Woods	Waking at Dawn	3 days ago

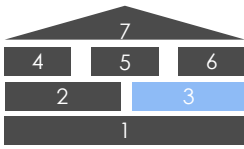
Continuously improving the value delivered



7		
4	5	6
2	3	
1		

LeasePlan USA introduces OneScore

From car financing to mobility data solutions



3.

Succeed with multiple business models

Myth 3

“If it doesn’t fit in our ROI model, the spreadsheet mafia will kill it”



Overperformers play chess and checkers simultaneously

7		
4	5	6
2	3	
1		



7		
4	5	6
2	3	
1		

67%

43%

Willingness to
accept new
business models

Harvard Business Review

JANUARY-FEBRUARY 2012
REPRINT R1201M



THE GLOBE

When One Business Model Isn't Enough

LAN Airlines flourishes by running three distinctly different operations at the same time. *by Ramon Casadesus-Masanell and Jorge Tarziján*

Succeeding with multiple business models

Costa Coffee



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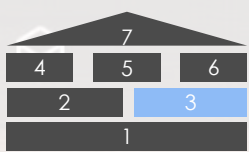
From supermarket to high street and subscription models



 **Shell**

**First
Utility**

Across different industries ...



BLADES BUNDLES



THE HUMBLE TWIN

EVERY
MONTH

\$1

+2.00
S&H

SELECT

A great basic shaver, for guys who dig simplicity and precision.



THE 4X

EVERY
MONTH

\$6

SHIPS
FREE

SELECT

Member favorite - a gentle shave in a single stroke.



THE EXECUTIVE

EVERY
MONTH

\$9

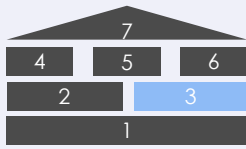
SHIPS
FREE

SELECT

The final frontier - it's like a personal assistant for your face.

... different verticals...

thoughtfully designed inside & out.



SC Johnson
A FAMILY COMPANY

... different cultural and consumer segments...

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Through acquisition, and also home-grown

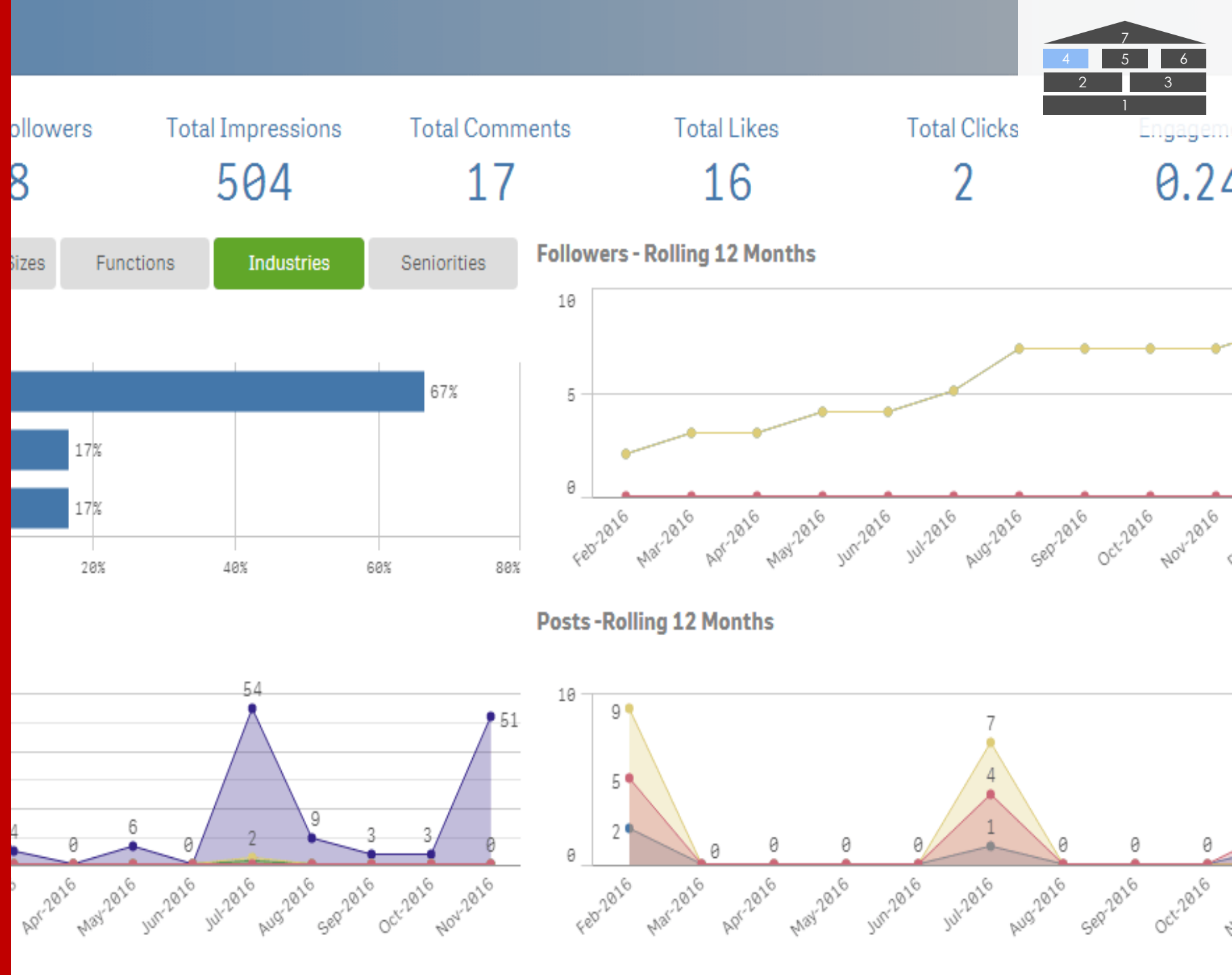
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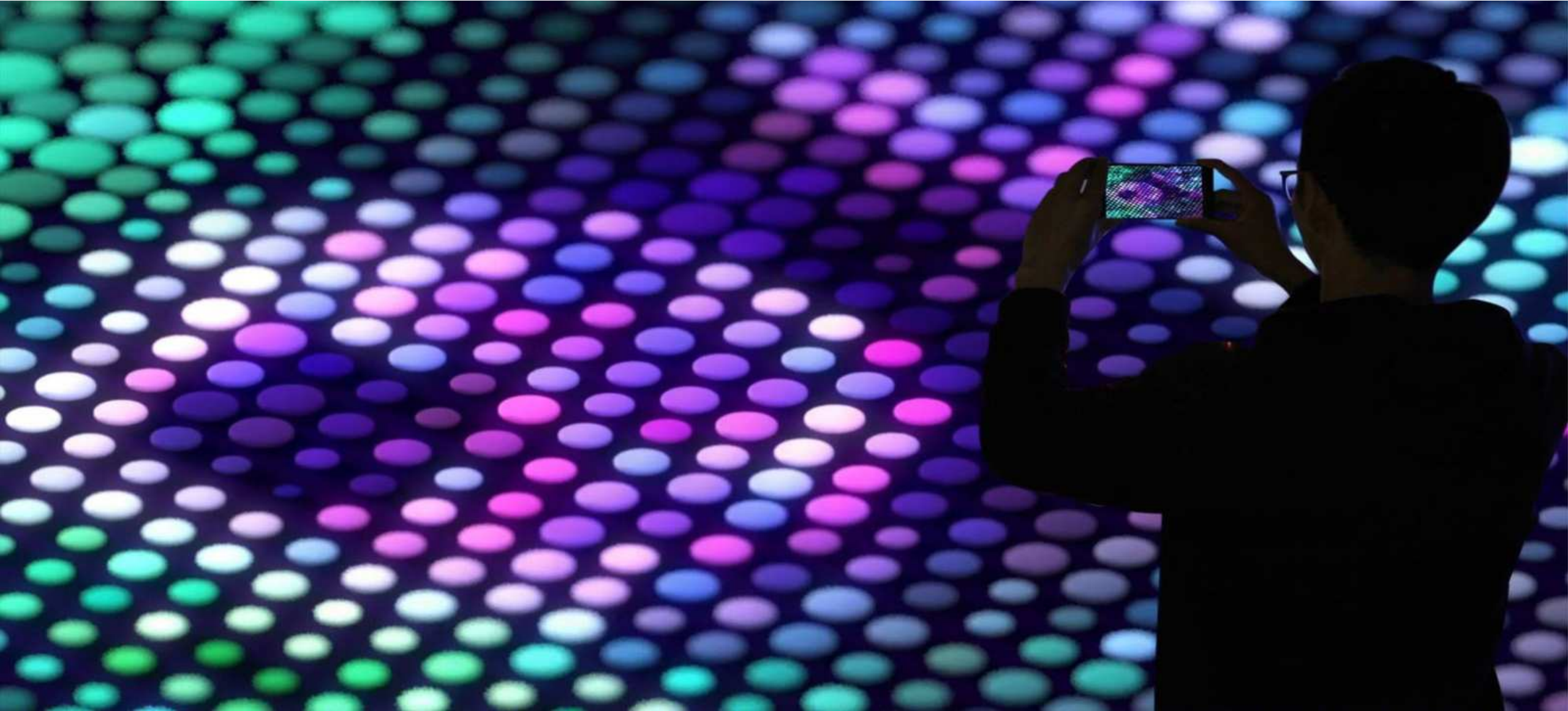
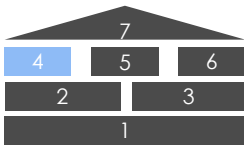
Apply whole-brain intelligence

Myth 4

“If only we had stronger data and analytics”



Overperformers unlock the value of data with deep human insights and creativity



Communication > marketing > business planning

7		
4	5	6
2		3
1		



AB testing > human insights > creativity

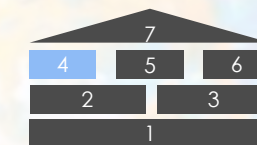
7		
4	5	6
2		3
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69%

Ability to attract
whole-brain

27%



Whole-brain talent

67%

Data and Analytics at the core of strategic decision making

37%

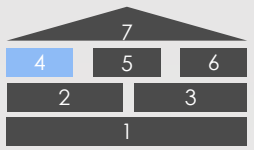
PERFORMANCE OF ASIA PACIFIC

Putting data at the heart of decision making...

73%

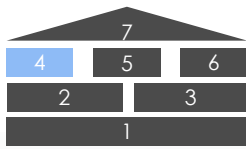
32%

Building data-led
creative
experiences



And building more innovative creative solutions

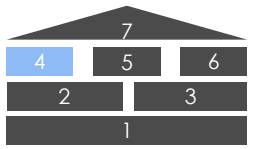
Need to boost financial literacy & analytical skills



Aswego

Attraction	Date	Weather	Gross		Share	
Moving Pictures	Aug 1	Hot	63	25	55	85
"	" 2	Hot	80	35	76	70
"	" 3	Warm	83	60	76	50
"	" 4	Rain	67	30	62	45
"	" 5	Hot	60	95	55	25
"	" 7	Hot	1 15	60	1 08	60
"	" 8	Rain	82	05	76	60
"	" 9	Warm	1 15	50	1 05	40
"	" 10	Warm	1 06	45	1 00	05
"	" 11	Cool	1 04	30	94	40
"	" 12	Fair	81	70	74	65
"	" 14	Fair	87	65	77	30

Need to boost human insights & creative capacity




micoach


HACKERHUERGO
 ACTIVITY LEVEL MOVING

LAST 7 DAYS
 4 WORKOUTS

28.98

⚠️ DISTANCE KM

03:27:31
⌚ TIME

2195
🔥 CALS

7:10
🔄 PACE

637
RUN SCORE

GO

MORE WORKOUTS


WORKOUT HISTORY

NOVEMBER 2014

11/11/2014
Strength and Flex
 ●●●●●
 ⌚ 00:24:22 🏋️ 414KG
 📍 223

11/11/2014
Finish Faster – 10 K

 ⌚ 00:28:38 ⚠️ 5.56KM
 🔄 5:09MIN/KM 📍 395

11/08/2014
Free Running
 ⌚ 01:10:31 ⚠️ 13.15KM
 🔄 5:22MIN/KM 📍 765

11/05/2014

RUN
637
 SCORE


TRAINING PLAN



miCoach can provide the best training plan for you. Simply start by choosing an area you would like to focus on...

RUNNING

FITNESS

SPORTS

		7
4	5	6
2		3
	1	

Adidas 1

MY PLAN

12 Dec 2010 - 1 Jan 2011

Pick Date



TODAY

Display

All Workouts

Boston Marathon2

Level 4

[VIEW WORKOUT LIST](#)

REMAINING

WORKOUTS

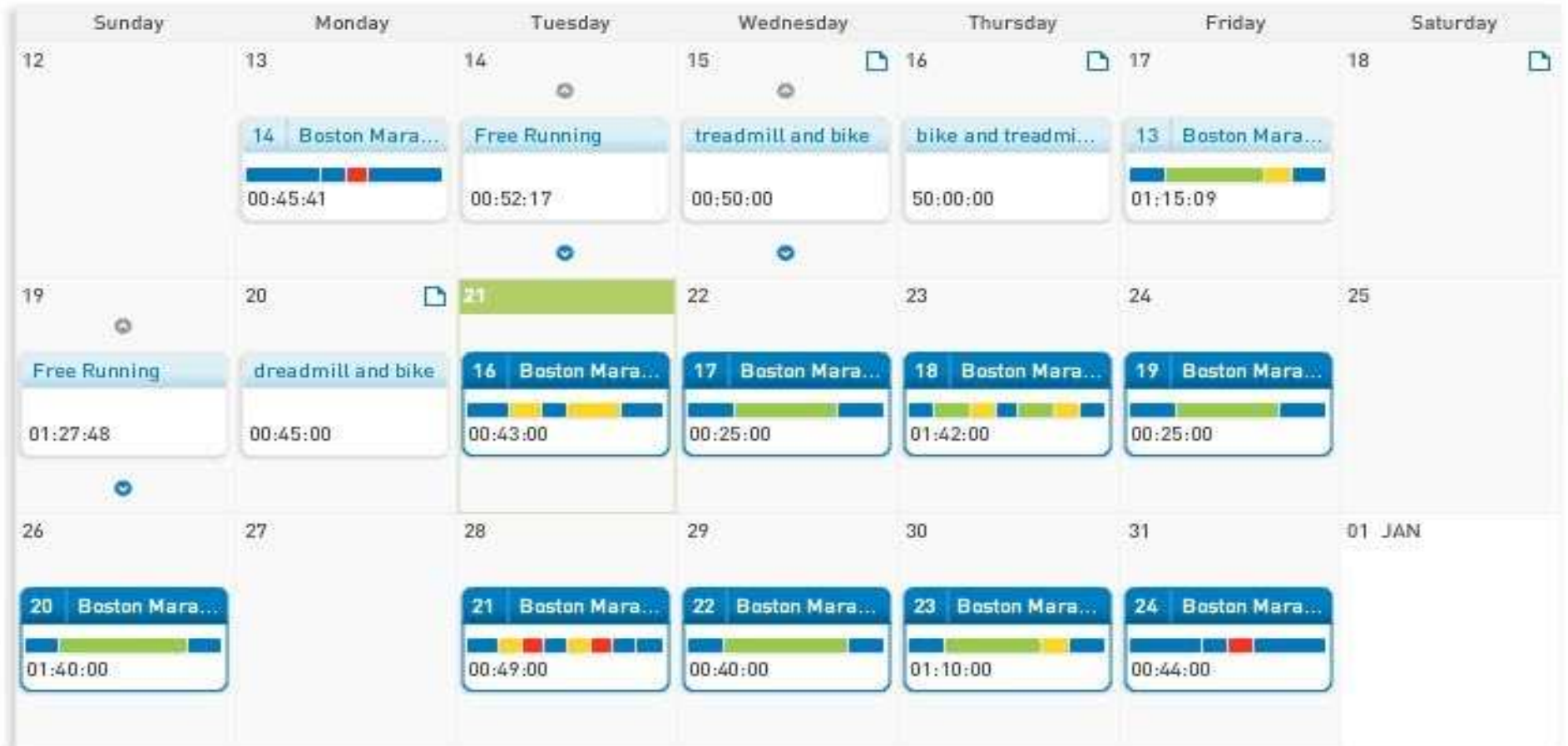
91

WEEKS

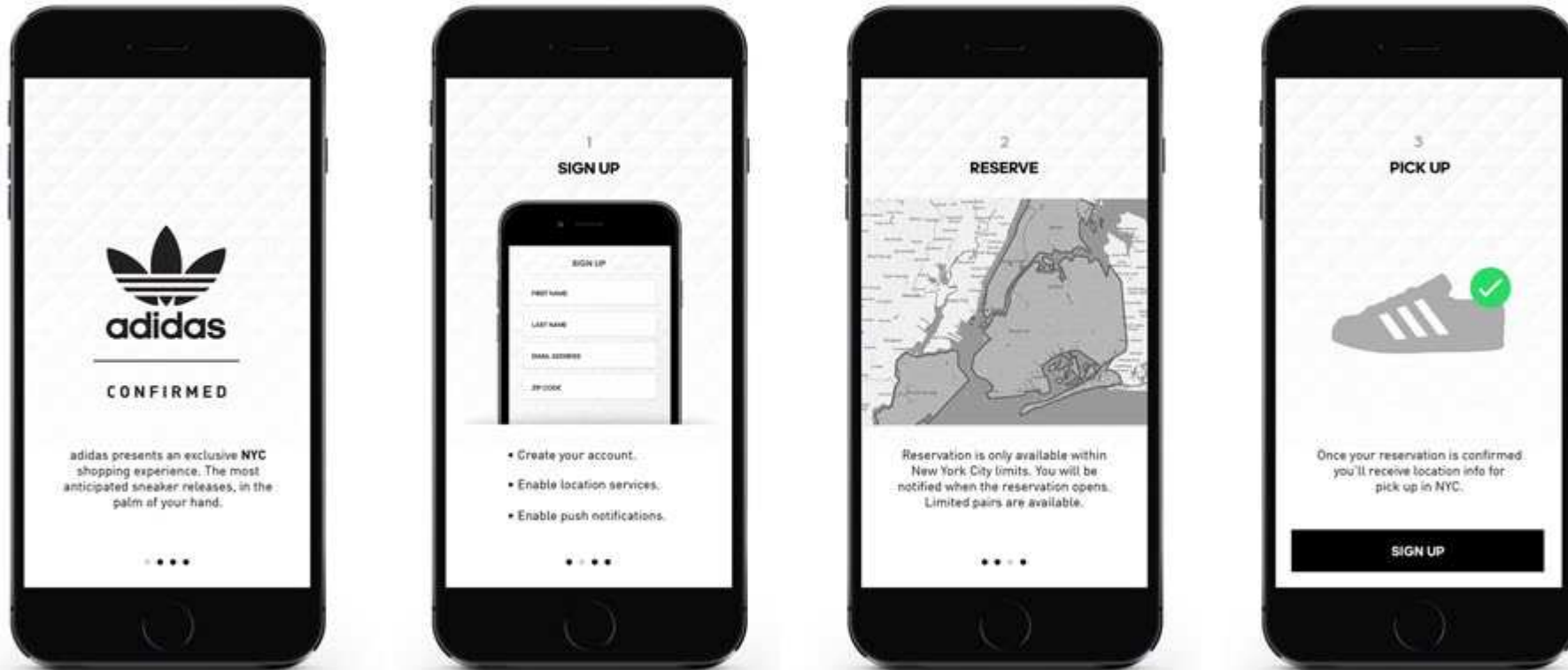
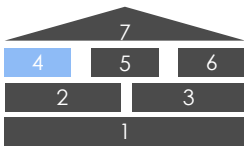
19

[EDIT PLAN SCHEDULE](#)

[CUSTOM WORKOUTS](#)



Adidas 2



Adidas 3

7		
4	5	6
2		3
1		



Adidas 4

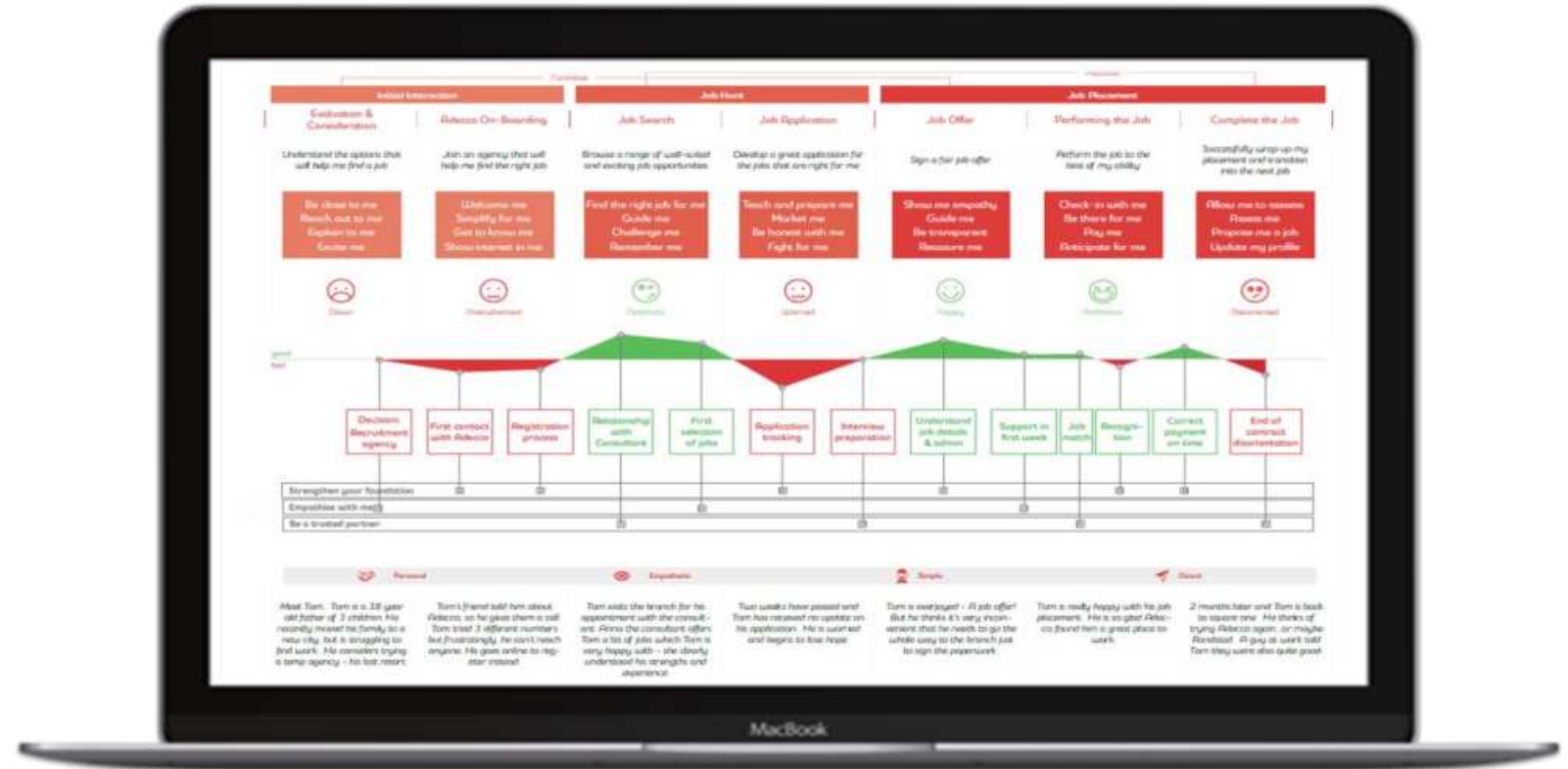


7		
4	5	6
2		3
1		

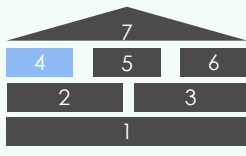
Range In Average Episode Lengths Of Original TV Series By Platform



Data-led creative solution development

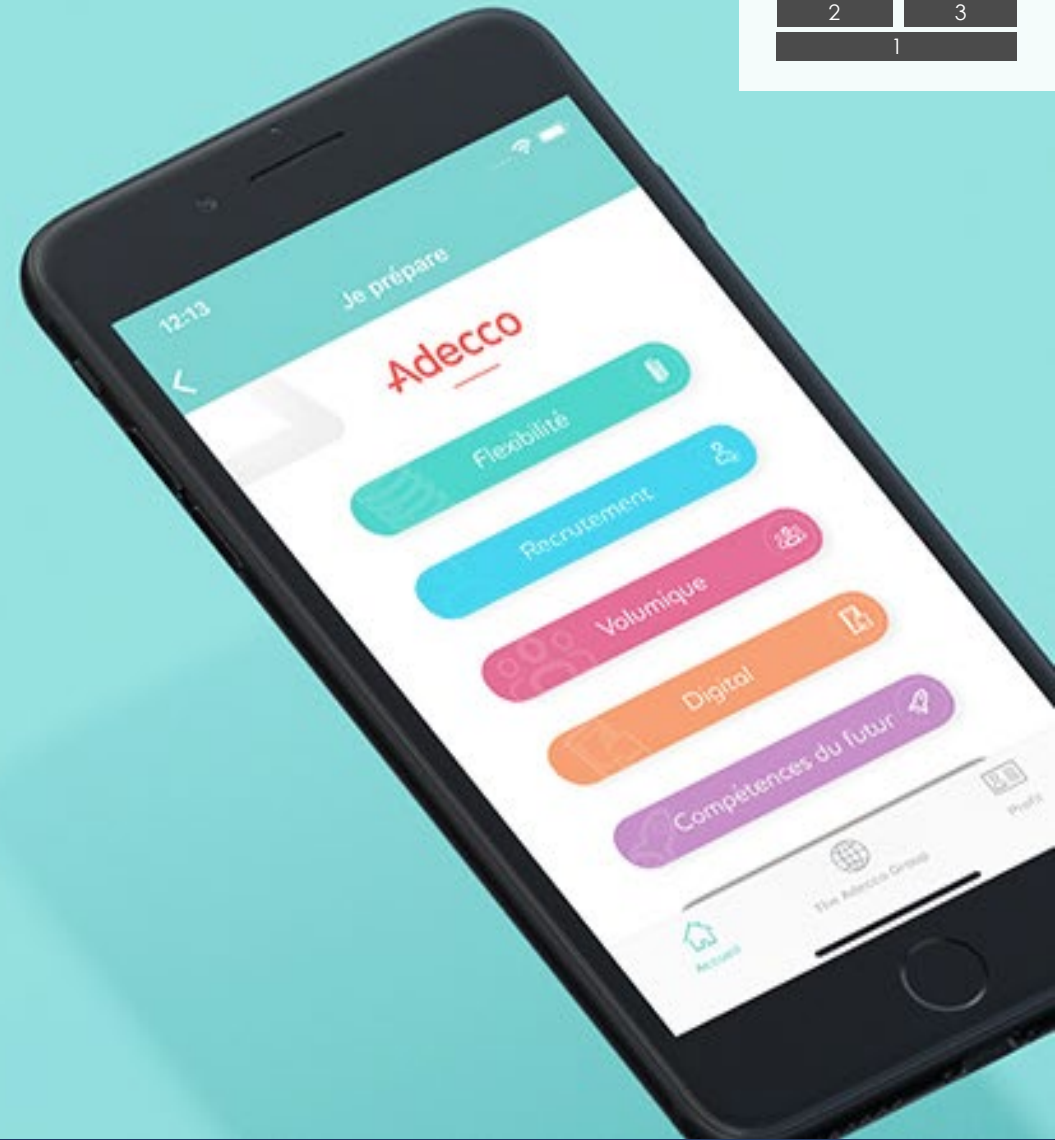


Interpreting journey data points for deep human insights ...



APP OF THE MONTH

How The Adecco Group keeps on investing and optimising their own sales enablement app



... that drive creative solution development

Scan yourself with your phone
to determine your exact skin tone.

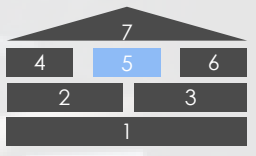


SHISEIDO

7		
4	5	6
2		3
1		



Customer-centric data infrastructure



5.

Build a fluid organization

Myth 5

“‘Agile’ is forcing us to redefine our RACIS”

Global Innovation Planning (MR&D budget)

Regional Brand Director

Global Brand Team

Global Brand Director

Category Finance VP

R&D Director

Agree Category Project Portfolio for the Global Innovation Plan (GIP)

Agree Events Plan (Major Projects)

Agree R&D Resources/Budgets for GIP

Agree Brand Development Resources/Budgets for GIP

Agree HPC MR&D Budget

W C

W

LW

W

C

W

W

LW

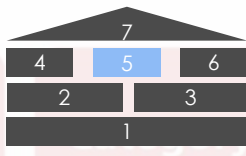
W

C

LW

W

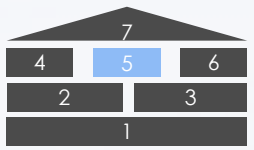
Key: A = Authority to decide C = To be consulted LW = Leads the work W = Do
For further details on the key see page 27. For full matrix see page 28.



Overperformers organize to win the war in micro-battles

4	5	6
2		3
1		



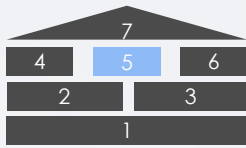


Changing the perspective ...

64%

27%

Competitive
agility

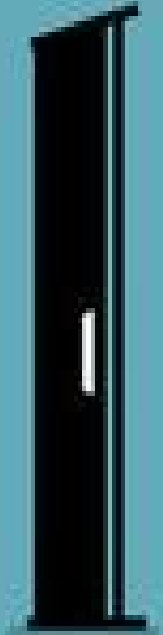
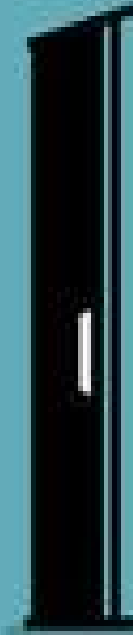


... on organizational change

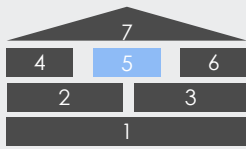
48%

Effectively
removing
internal barriers

17%



Prioritizing the breaking down of internal barriers

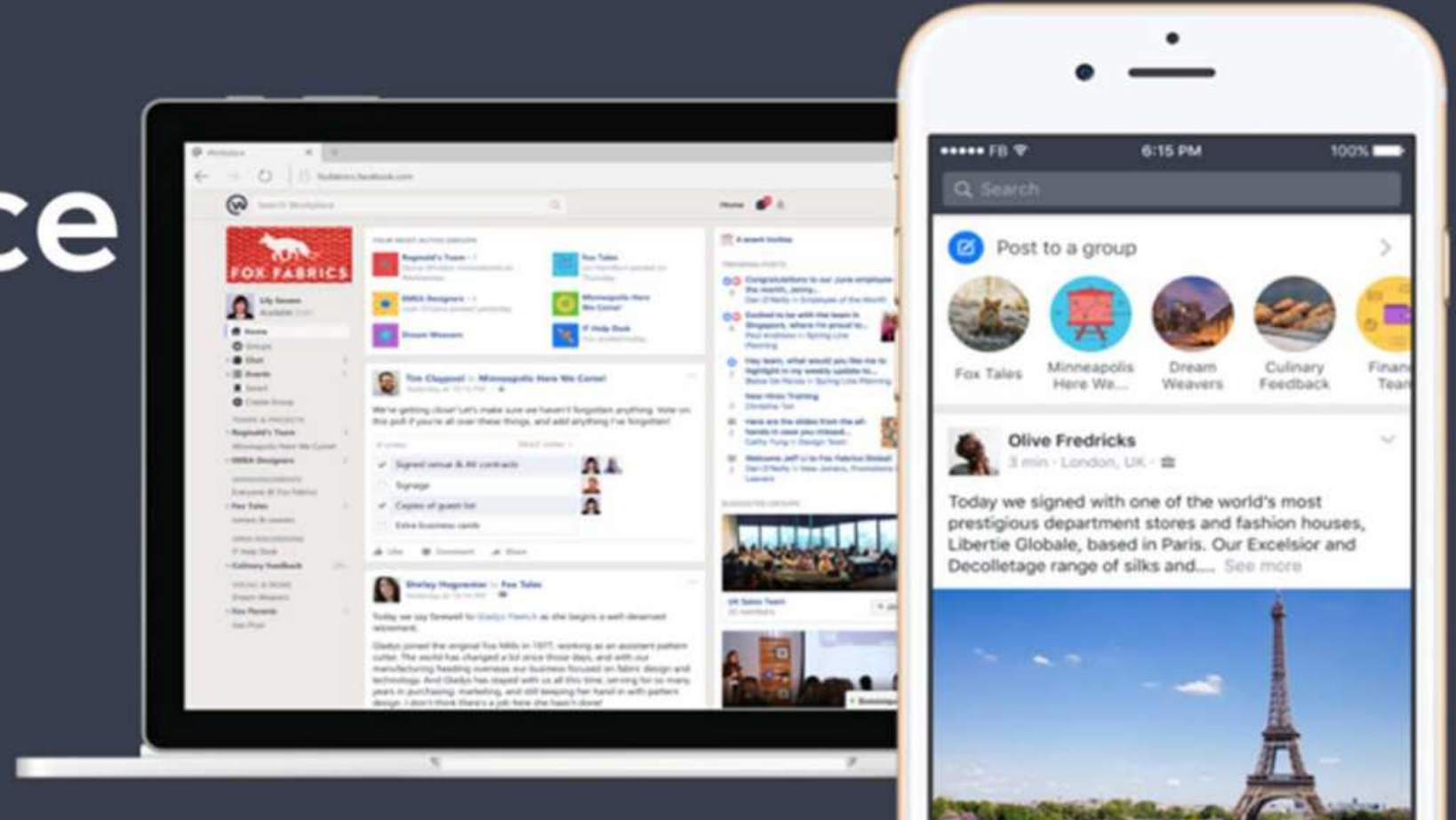


67%

35%

Effectively
removing
internal barriers

@workplace
by facebook



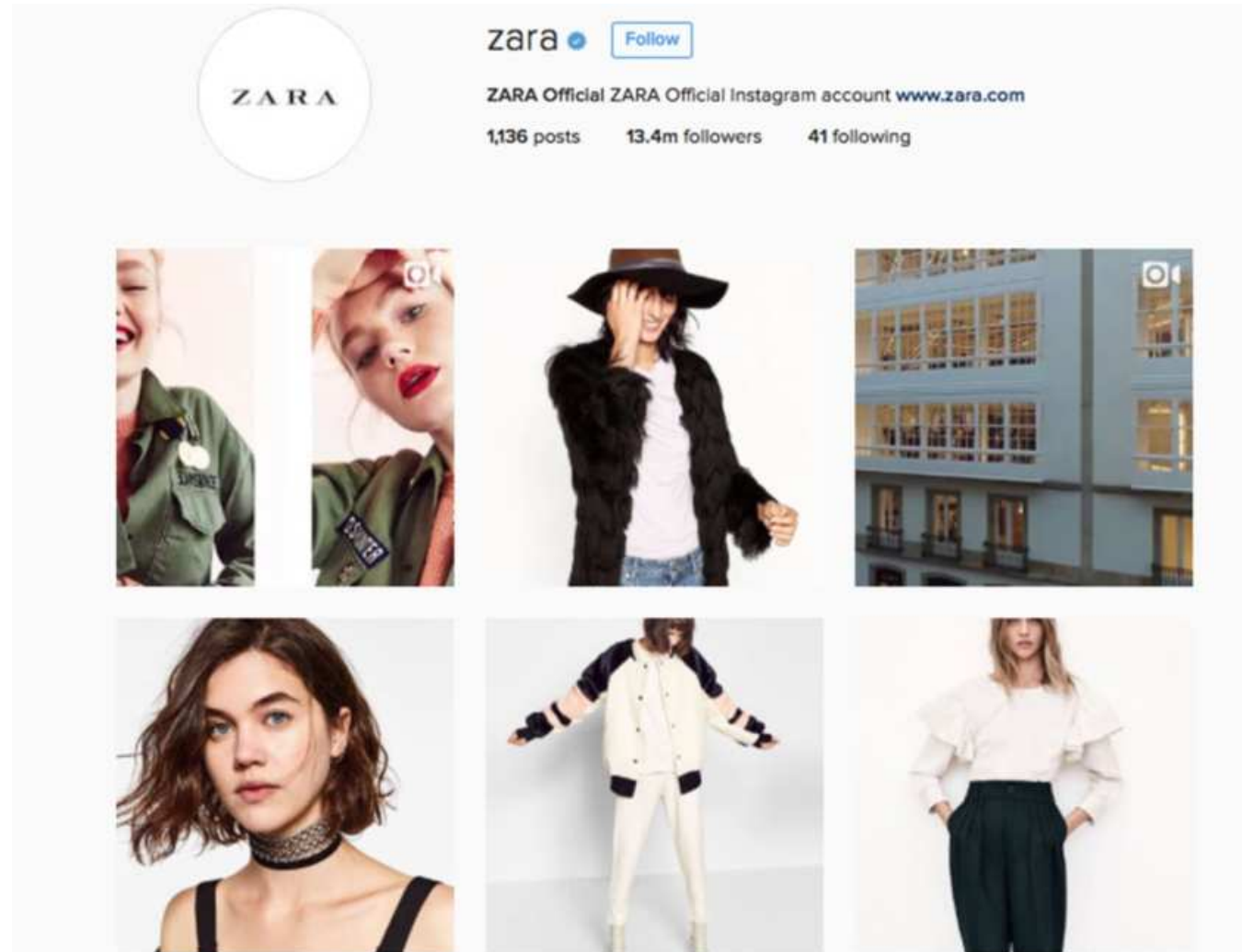
Prioritizing internal connections

71%

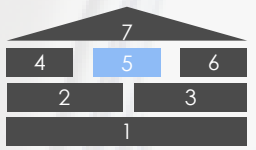
48%

Marketing
and Sales
collaboration

7		
4	5	6
2		3
1		



Effectively integrating marketing and sales for e-commerce



71%

46%

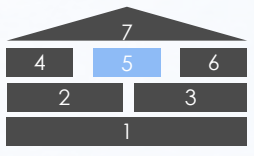
External
connectivity

U B E R



Spotify

Connecting more externally to build broader experiences

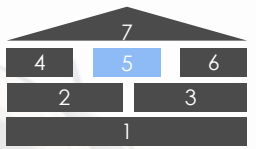


Haier's growth story is impressive: led by a strong founder



Wi-Fi Connected for Ultimate Control

Use the yomey App to control, schedule, and clean your home no matter where you are



APP



Schedule



Remote Control

Focusing on a 'smart home' vision

RE-ENGINEERING HAIER...

...to make it more nimble, innovative and responsive

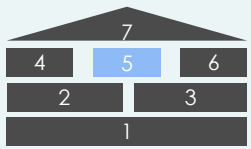
OLD MODEL



NEW MODEL



Graphic by Chao Fansen/CKGSB Knowledge



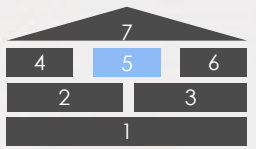
Flatter internal organization with smaller internal competitive teams

SMALL, SELF-MANAGED TEAMS – THE HAIER HOW

Haier's 80,000 or so employees have been reorganised into over 2,000 self-organising units, creating competition, but also fuelling entrepreneurship.



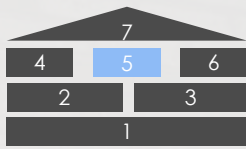
Micro-battle entrepreneurial teams



创新是海尔文化的灵魂

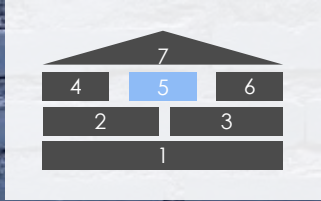
Innovation is the soul of Haier culture

An incubation platform that challenges the status quo



GE APPLIANCES
a Haier company

Partnerships and acquisitions to complete the mix

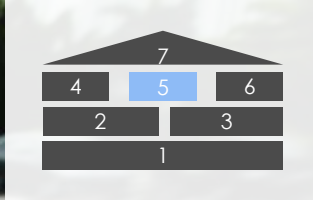


Go-Jek's explosive growth



7		
4	5	6
2		3
1		

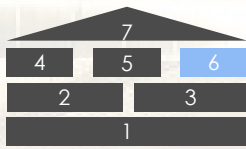
Starting with a clear code of conduct



Promoting micro-entrepreneurship



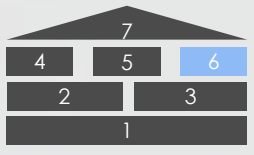
Consumer micro-battle teams



6. Foster an open culture

Myth 6

“Our culture
cannot be
changed –
it’s in our
DNA”



Overperformers rewrite the culture script

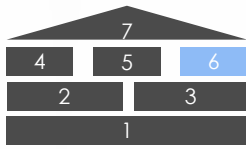
7		
4	5	6
2		3
1		



48%

29%

People, change,
entrepreneurship,
innovation &
teamwork

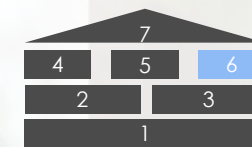


Building a culture of people and results orientation

62%

43%

Ability to bring
diversity to
strategic decision
making



Diversity and inclusivity

7		
4	5	6
2		3
1		



Pernod Ricard



Fostering a spirit of entrepreneurship



FROM

TO

UPWARD ADVANCEMENT	EMPLOYABILITY
PROMOTIONS	CAREER GROWTH
DESIGNED CORPORATE PATHS	EMPLOYEE OWNERSHIP
INTERNAL OPPORTUNITIES	EXTERNAL ASSIGNMENTS
ONE-SIZE-FITS-ALL	UNIQUE TO PERNOD RICARD

POSITIONS EXPERIENCES



Rewarding employee ownership behaviors

7		
4	5	6
2		3
1		



Overperformers boost entrepreneurial spirit



Welcoming outsiders and using them to change the company



Establish meaningful connections internally



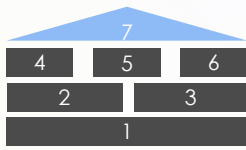
7.

Humanize growth

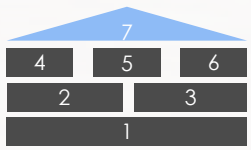


Myth 7

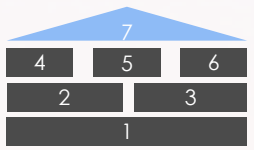
“Our
objective is to
boost
profitable
growth”



Top-line growth is
#1 ambition



Under and overperformers focus on top-line growth equally



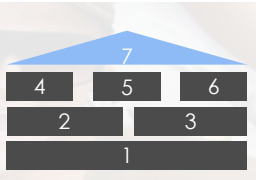
Bottom-line
growth is
#1 growth
ambition



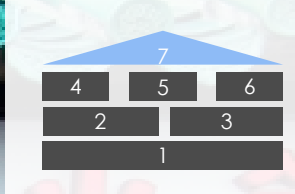
Underperformers focus twice as much on the bottom line



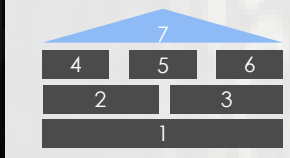
People growth is
#1 ambition



Overperformers focus twice as much on the people they serve: Clients, Colleagues and their Communities



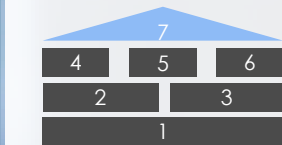
Haidilao puts people first



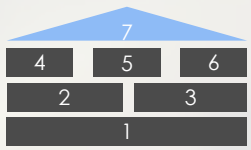
Starting with meaningful employee-care



Resulting in excellent customer care



Cisco made the transformation from profit to people



Simple & shared ambition: the Cisco people deal



Leading Real Growth

BEYOND COMMUNICATION ...



... AND SHINY DIGITAL TOYS THAT DISTRACT ...



... BACK TO MARKETING BASICS



... REFOCUSING ON GROWTH

THE DISCIPLINE OF GROWTH

Francisco Crespo
Chief Growth Officer



THE COCA-COLA COMPANY
beverages for life



... CLAIMING A BUSINESS LEADERSHIP ROLE



HERSHEY'S®

Michele Buck

INCOMING
PRESIDENT & CEO

... AND EVEN A SOCIETAL LEADERSHIP ROLE

“We are at a turning point. Only businesses that help people and planet thrive will succeed. We have to scale our impact through partnership, collaboration and trust.”





**Real
Growth
Foundation**