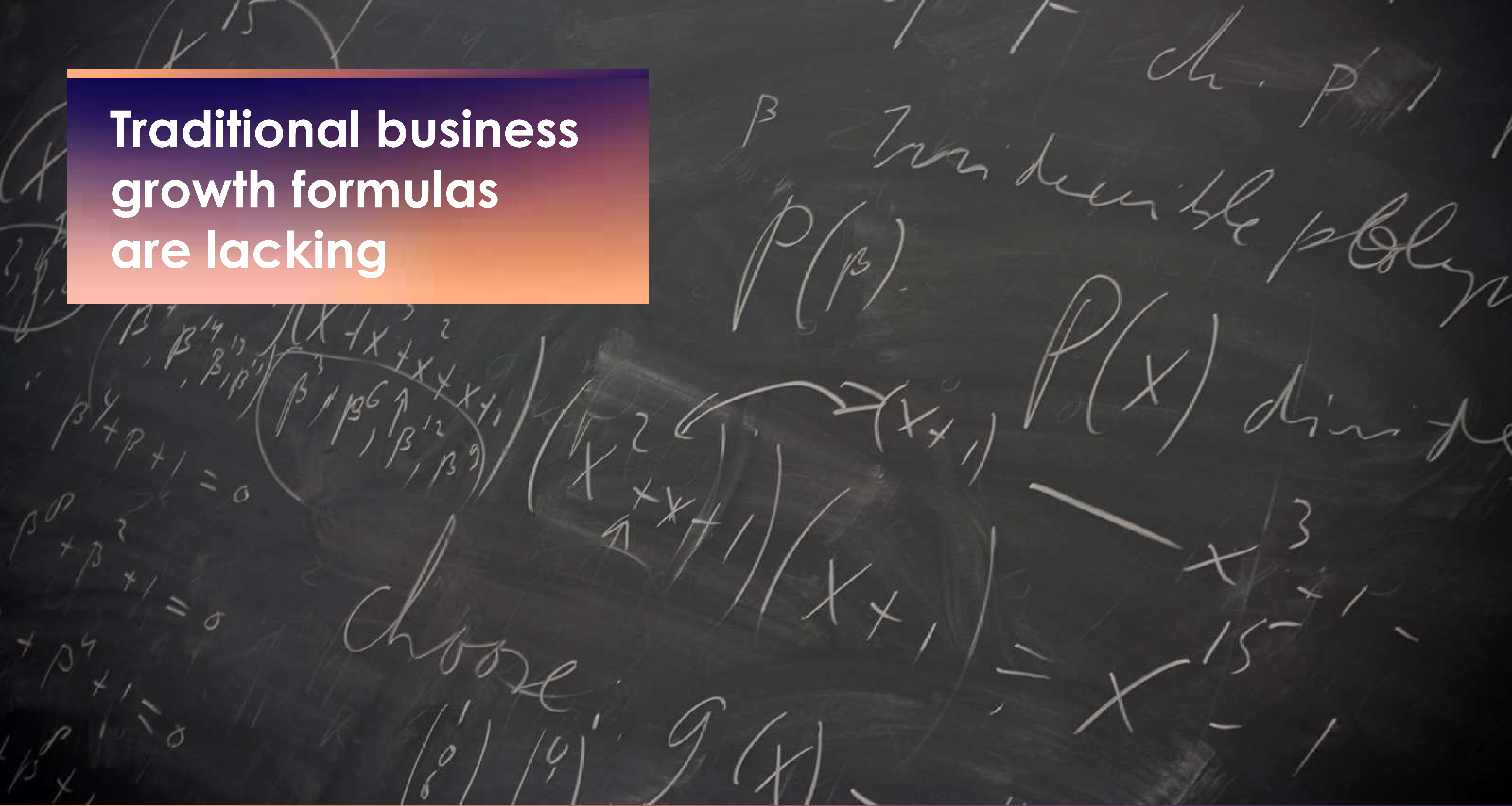
Institute for Real Growth

IRG Growth Study

Monday October 11th 2021

arçelik

Traditional business growth formulas are lacking



Cannes 2018: the Marketing challenge

Kimberly-Clark

Johnson & Johnson

Mondelēz International

Kellogg's

MARS

The Growth Study 2020

750+ QUAL

3,500+ AI analysis
(growth publications)

5,000+ QUANT
(across markets and functions)

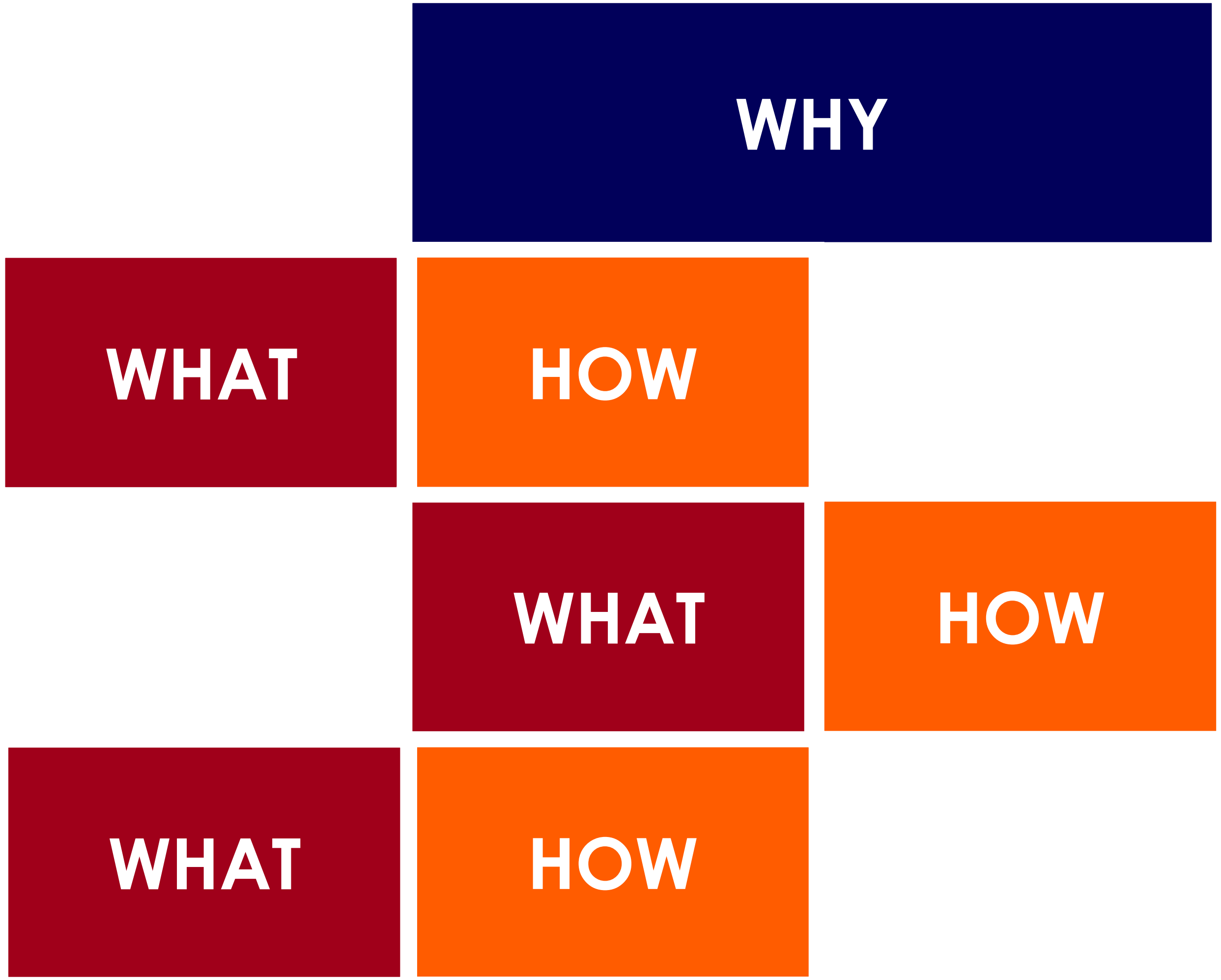
3M+ LinkedIn
members behavioral analysis

Contrasting the revenue growth of over- and under-performers

Updated since COVID struck

What does it
take to win

The 7 Building Blocks of Growth



1. **Abundant** Markets

Overperformers think about Nielsen, Amazon and Kickstarter

30%

11%

3%

Spotting and choosing the right wave

36%

86%

Assess and understand market developments

Mars: from Pet Food to Pet Care

2.
Multiple Models

Overperformers play chess and checkers simultaneously

39%

71%

Willingness to accept new business models

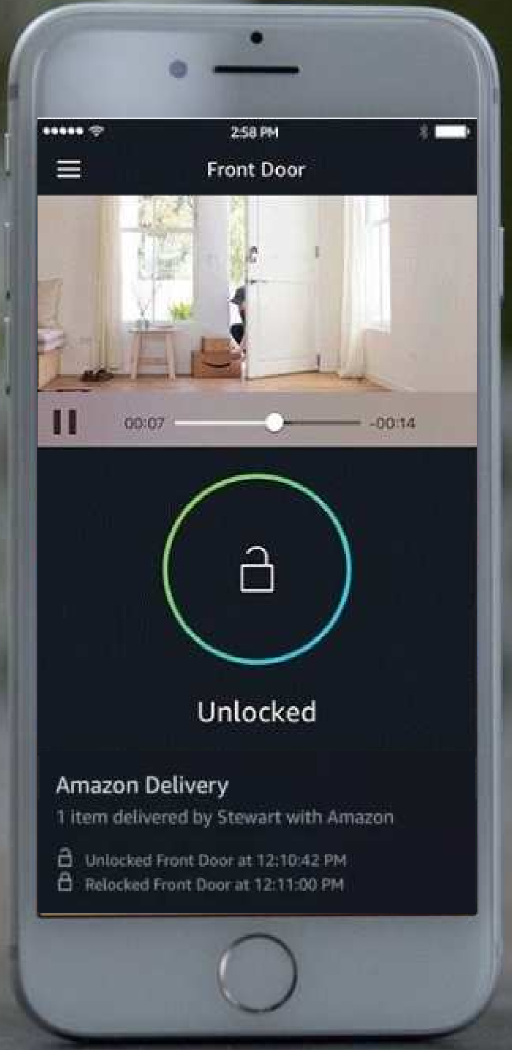
From supermarket shelves to cafes & subscription models

Costa Coffee

3.
Evolving
Experiences

Overperformers embrace the 'Always Beautifully Dissatisfied'

Focusing on eliminating friction



32%

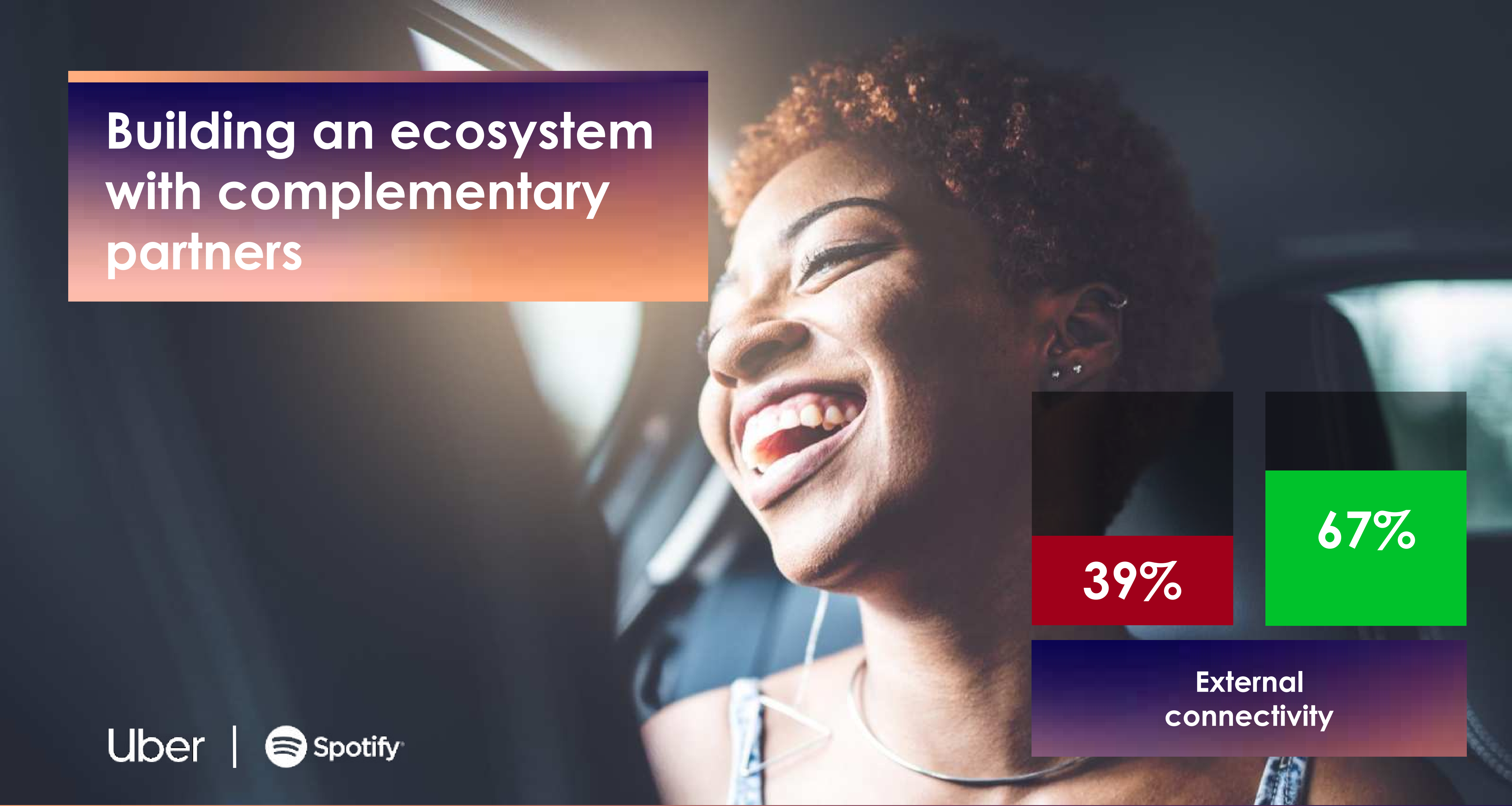
81%

Deliver
ever-evolving experiences

4.
Open Culture

Overperformers rewrite the culture script

Building an ecosystem with complementary partners



Uber | Spotify

Culture to deliver evolving experiences

#1 CULTURE DESCRIPTION
Innovation, change, entrepreneurship

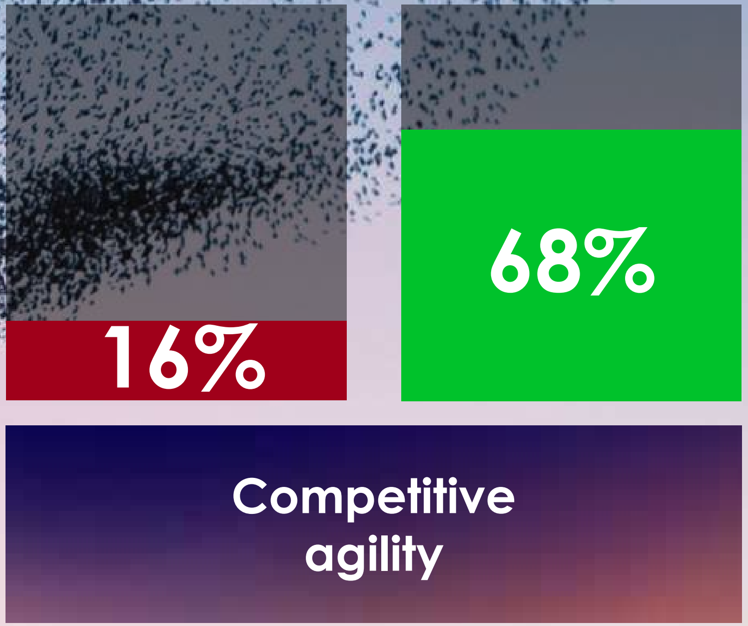
133
OP index

More diverse strategic decision-making

5.
Anticipative
Organization

Switching perspective…

...on organizational change



Prioritizing the breakdown of internal barriers

24%

50%

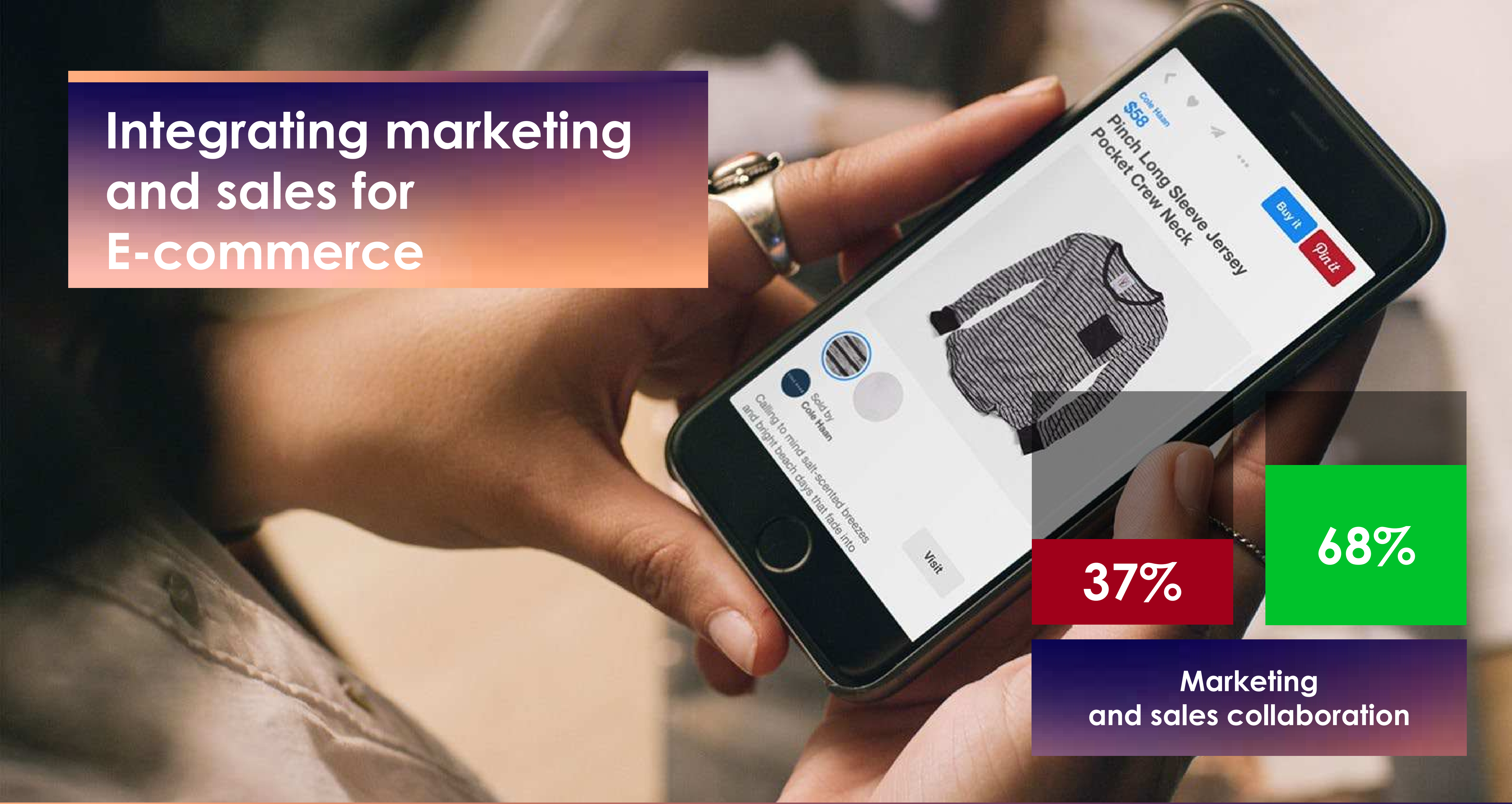
Effectively removing internal barriers

Connecting horizontally And vertically

3.5x
more connections with other functions

5.5x
more connections with senior leaders

Integrating marketing and sales for E-commerce



37%

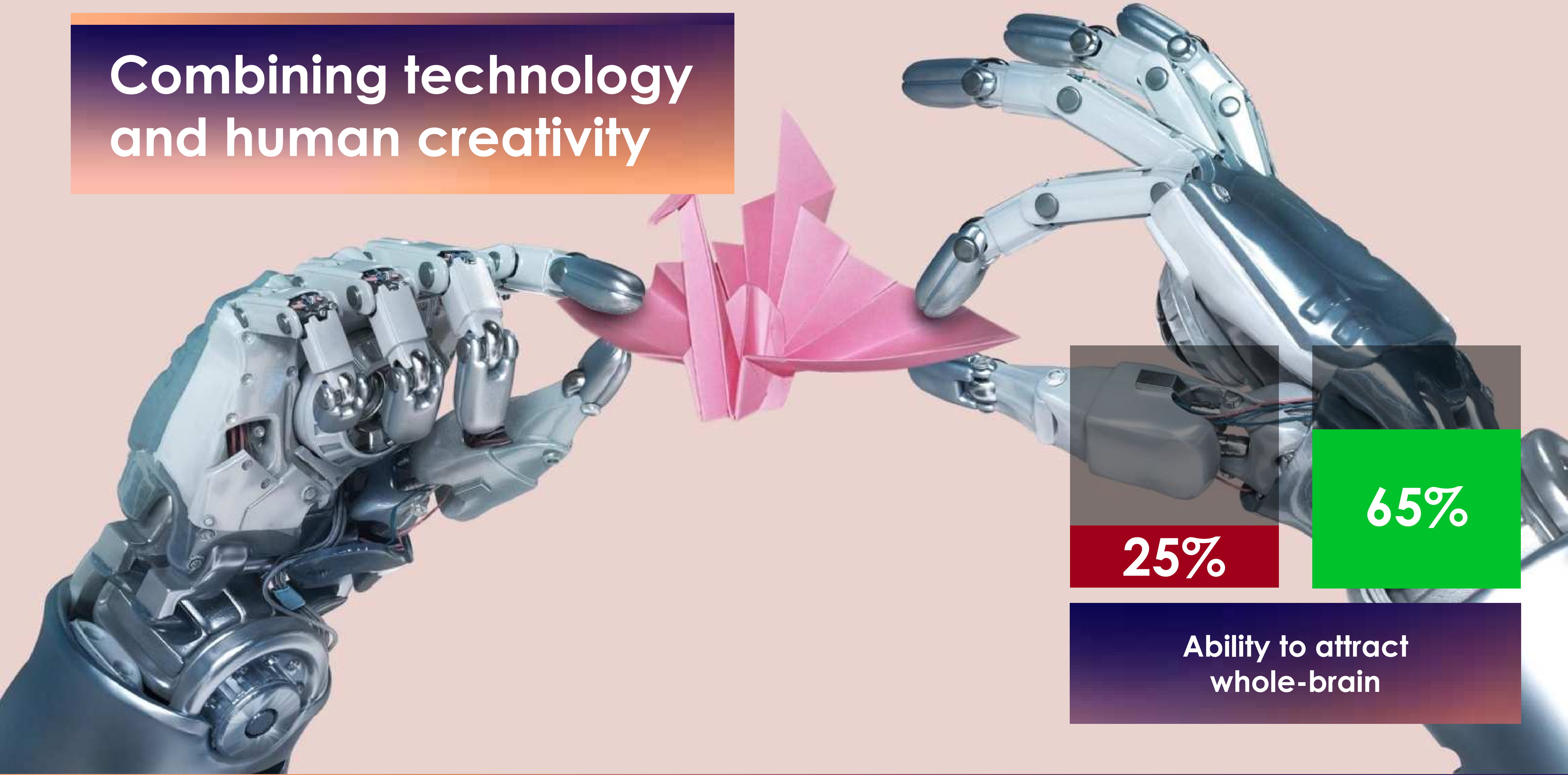
68%

Marketing
and sales collaboration

6.
Whole-Brained

Overperformers unlock data with human insights

Combining technology and human creativity

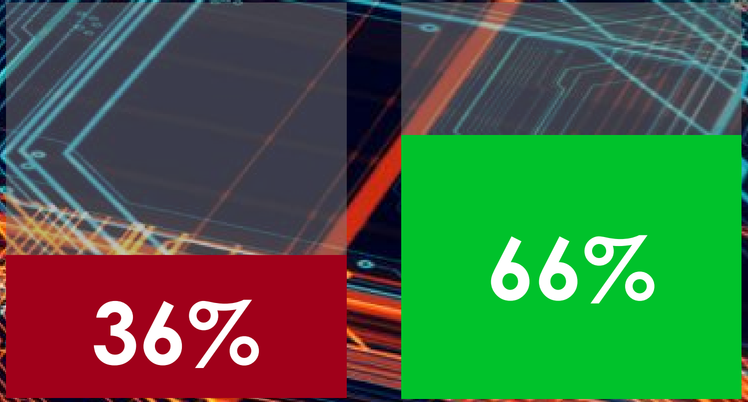


25%

65%

Ability to attract whole-brain

Starting with the data

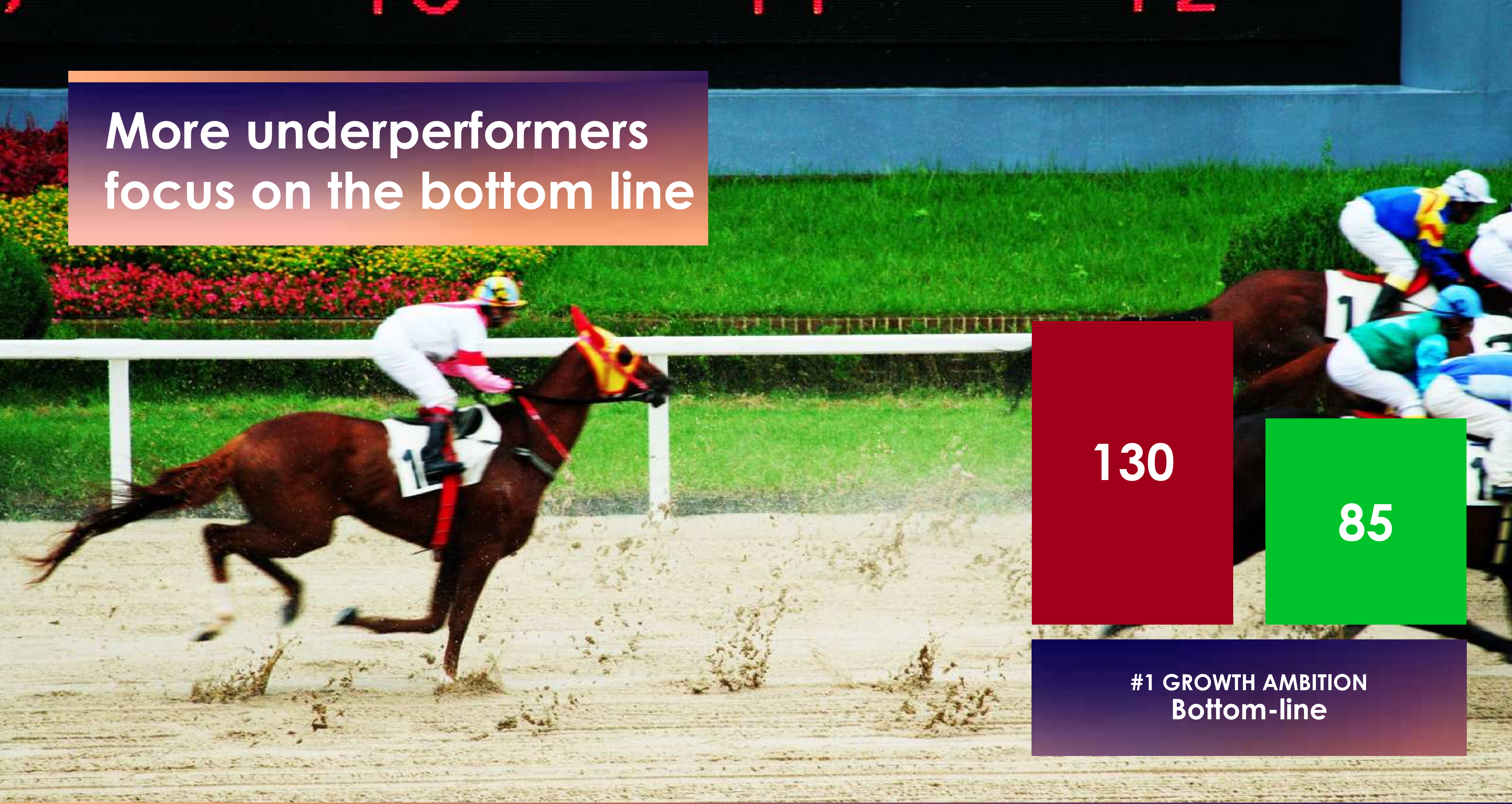


Data and analytics at the core of strategic decision making

7. **Humanized** Growth

Everyone focuses on top-line growth

More underperformers focus on the bottom line



130

85

#1 GROWTH AMBITION
Bottom-line

More overperformers focus on the people they serve

76

120

#1 GROWTH AMBITION
Impact on people

Haidilao: obsessed with colleagues, consumers and communities

The 7 Building Blocks of Growth

HUMANIZED GROWTH

EVOLVING EXPERIENCES

WHOLE-BRAINED

MULTIPLE MODELS

ANTICIPATIVE ORGANIZATION

ABUNDANT MARKETS

OPEN CULTURE

Emerging Future

HUMANIZED GROWTH

EVOLVING EXPERIENCES	WHOLE-BRAINED	
	MULTIPLE MODELS	ANTICIPATIVE ORGANIZATION
ABUNDANT MARKETS	OPEN CULTURE	

Facing a New Reality

Pre-COVID

Customers

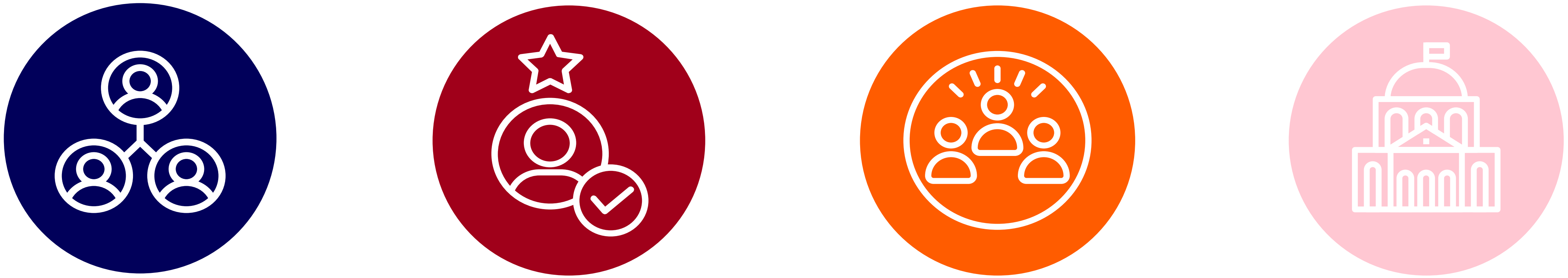
Capital Markets

At COVID Outbreak

Colleagues

Community

Humanized Growth



Colleagues

Customers

Community

Capital Markets

Humanized Growth equation

Colleague Value x Customer Value x Community Value x Capital Market Value

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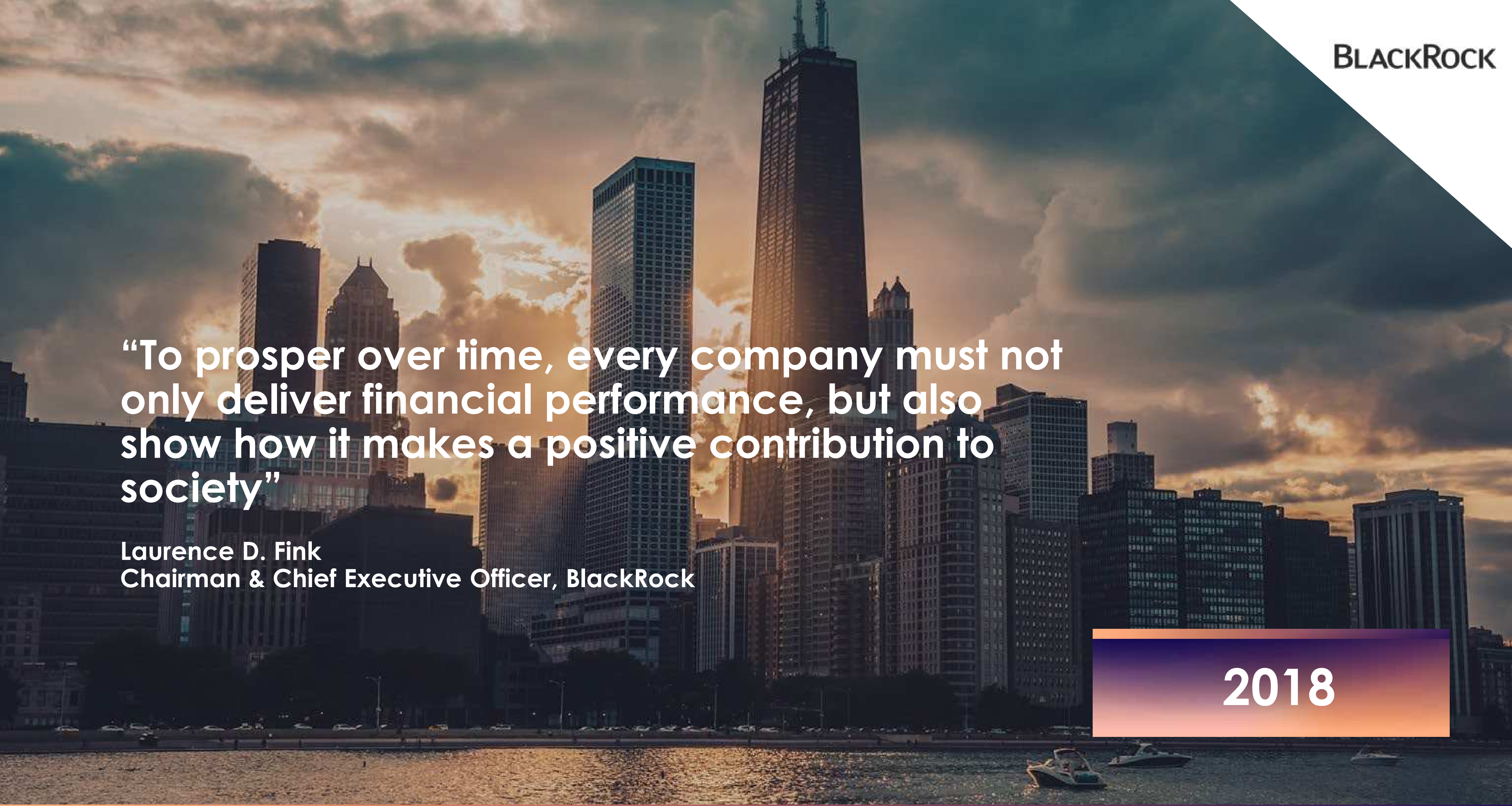
Short Termism


2008



BLACKROCK

"To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society"

Laurence D. Fink
Chairman & Chief Executive Officer, BlackRock

2018

Institute for Real Growth

2019: US Business Roundtable

BR
Business
Roundtable

STATEMENT ON THE PURPOSE OF A CORPORATION

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide healthcare; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

WHILE EACH OF OUR INDIVIDUAL COMPANIES SERVES ITS OWN CORPORATE PURPOSE, WE SHARE A FUNDAMENTAL COMMITMENT TO ALL OF OUR STAKEHOLDERS. WE COMMIT TO:

DELIVERING VALUE TO OUR CUSTOMERS. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.

INVESTING IN OUR EMPLOYEES. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.

DEALING FAIRLY AND ETHICALLY WITH OUR SUPPLIERS. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.

SUPPORTING THE COMMUNITIES IN WHICH WE WORK. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.

GENERATING LONG-TERM VALUE FOR SHAREHOLDERS, WHO PROVIDE THE CAPITAL THAT ALLOWS COMPANIES TO INVEST, GROW AND INNOVATE. We are committed to transparency and effective engagement with shareholders.

EACH OF OUR STAKEHOLDERS IS ESSENTIAL. WE COMMIT TO DELIVER VALUE TO ALL OF THEM, FOR THE FUTURE SUCCESS OF OUR COMPANIES, OUR COMMUNITIES AND OUR COUNTRY.

BRT.org/OurCommitment BR Business Roundtable

New Reality

The future is uncertain

Systems are being questioned

2020 Update: Significant shift to Humanized Growth

2020 Update: The CMO is playing a more important role

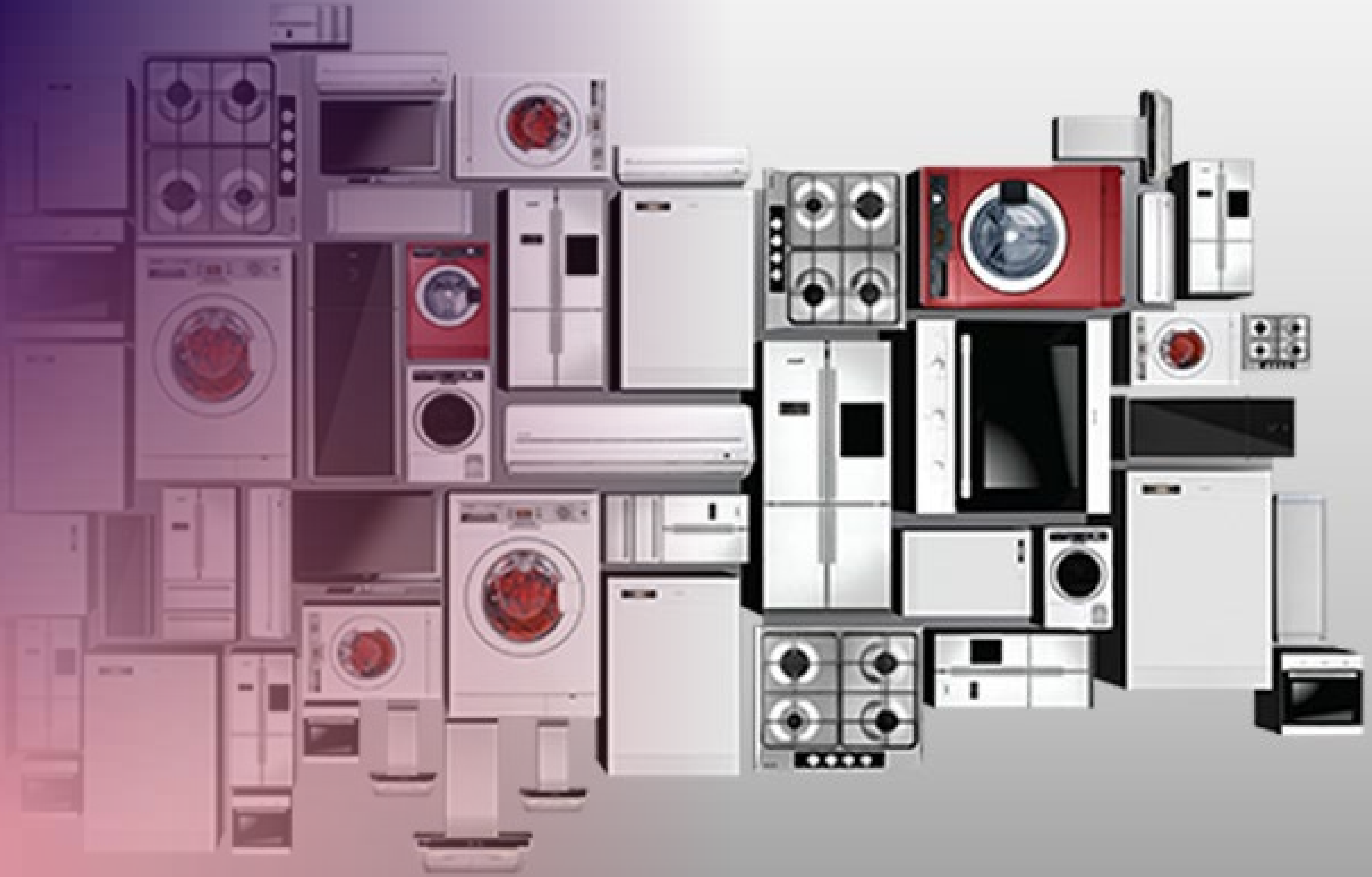
11%

65%

Increased CMO influence on growth

IRG 2020 CMO Survey

Your Results



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The 7 Building Blocks of Growth

HUMANIZED GROWTH

EVOLVING EXPERIENCES

WHOLE-BRAINED

MULTIPLE MODELS

ANTICIPATIVE ORGANIZATION

ABUNDANT MARKETS

OPEN CULTURE

The 7 Building Blocks of Growth

HUMANIZED GROWTH

EVOLVING EXPERIENCES

WHOLE-BRAINED

"Our team(s) have a healthy balance between analytical thinkers and creative thinkers"

MULTIPLE MODELS

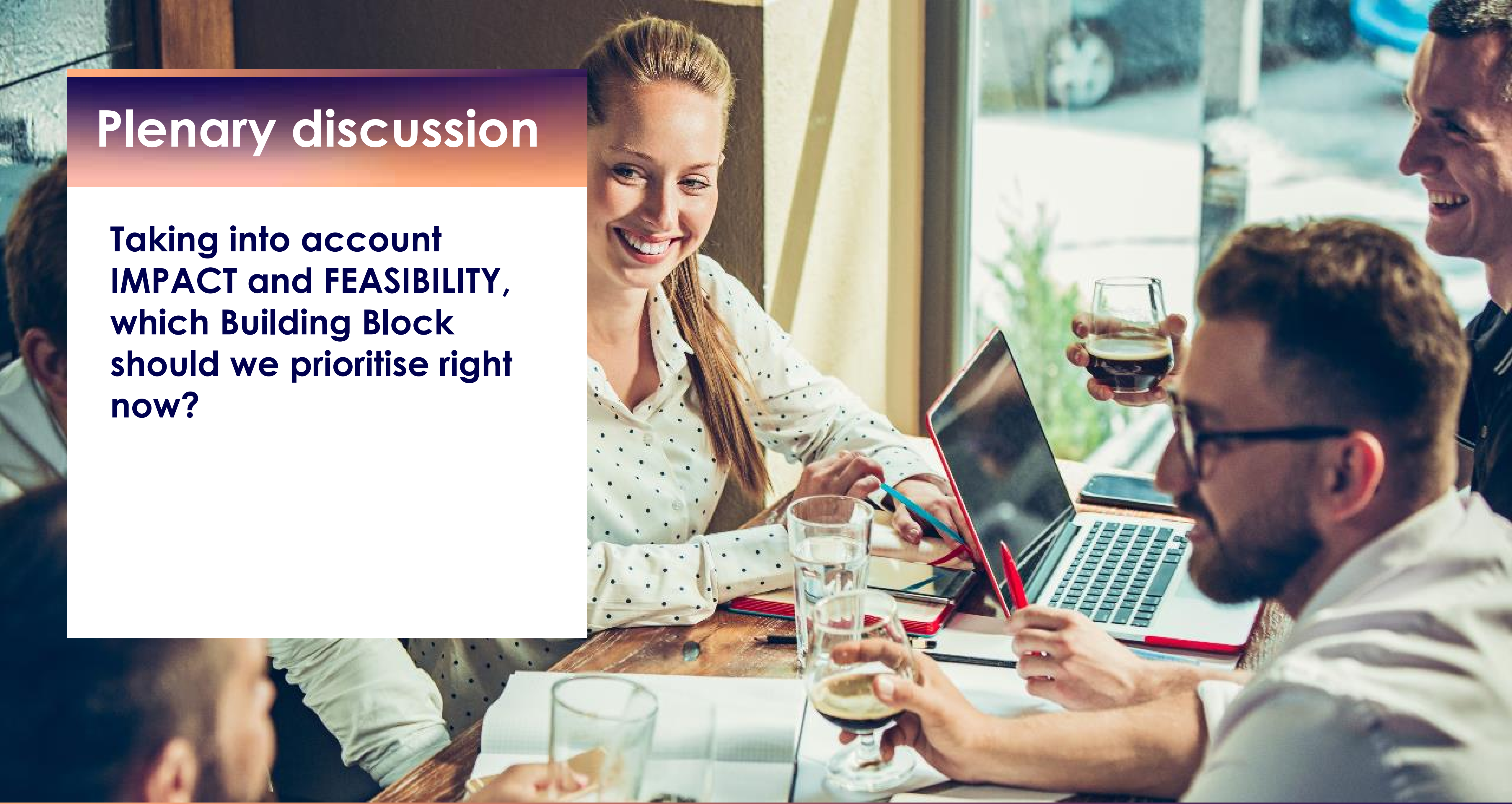
ANTICIPATIVE ORGANIZATION

ABUNDANT MARKETS

OPEN CULTURE

Plenary discussion

Taking into account IMPACT and FEASIBILITY, which Building Block should we prioritise right now?

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Thank you