

IRG Growth Study

Monday October 11th 2021

Traditional business growth formulas are lacking



Cannes 2018: the Marketing challenge



© marketoonist.com

 **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

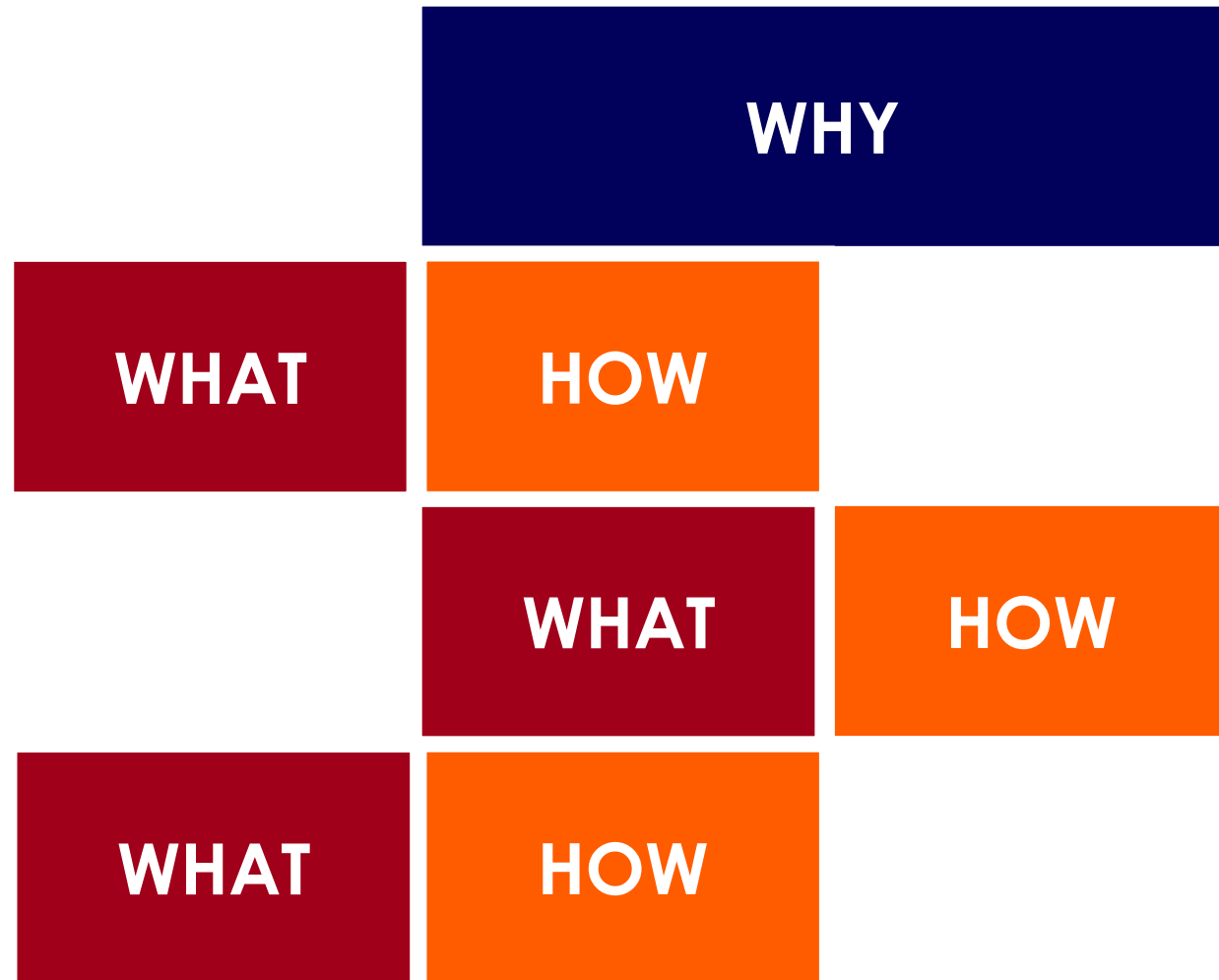
A large crowd of people is gathered outdoors, many wearing face masks and holding umbrellas. The scene suggests a protest or demonstration, with individuals standing close together. The umbrellas are in various colors, including black, red, and white. The overall atmosphere is one of a significant public gathering.

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%

nielsen

11%

amazon

3%

KICK
STARTER
.COM

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



Introducing
pepsi® HomeMade
Created by us.
Made by you.

soda stream
caps®

The advertisement features a collection of SodaStream caps in various flavors: wild cherry, vanilla, cranberry splash, peach, and two Sierra Mist flavors. A glass of iced cola with a lemon wedge and a SodaStream water bottle are also shown.

3. Evolving Experiences



Overperformers
embrace the 'Always
Beautifully Dissatisfied'



$$x_i = \frac{34_p f}{-26_p}; \quad x_i = \frac{(34_p - T)f}{-26_p}; \quad Y_i = Y_r = \frac{86_p}{-26_p}$$
$$-26_p \cdot f \frac{T}{x_i - x_r} = f \frac{T}{d}; \quad 34_p = x_i \frac{T}{d}; \quad 86_p =$$

Focusing on eliminating friction



32%

81%

Deliver
ever-evolving experiences

4. Open Culture



Overperformers
rewrite the culture
script



Microsoft

Building an ecosystem with complementary partners

39%

67%

External
connectivity

Uber | Spotify



Culture to deliver
evolving experiences

#1 CULTURE DESCRIPTION
Innovation,
change,
entrepreneurship

133
OP index

A vertical collage of diverse people's faces and a yellow patterned scarf. The collage includes a woman with dark skin and a blue sari, a young woman with light skin, a woman with a headscarf, a young child, a woman with a white shirt and gold jewelry, a man with a dark shirt, a man with a white shirt, a young boy, a woman with a blue sari, a man with a grey shirt, and a woman with a white shirt. A yellow patterned scarf is also visible.

More diverse strategic decision-making

45%

70%

Diversity in strategic decision making

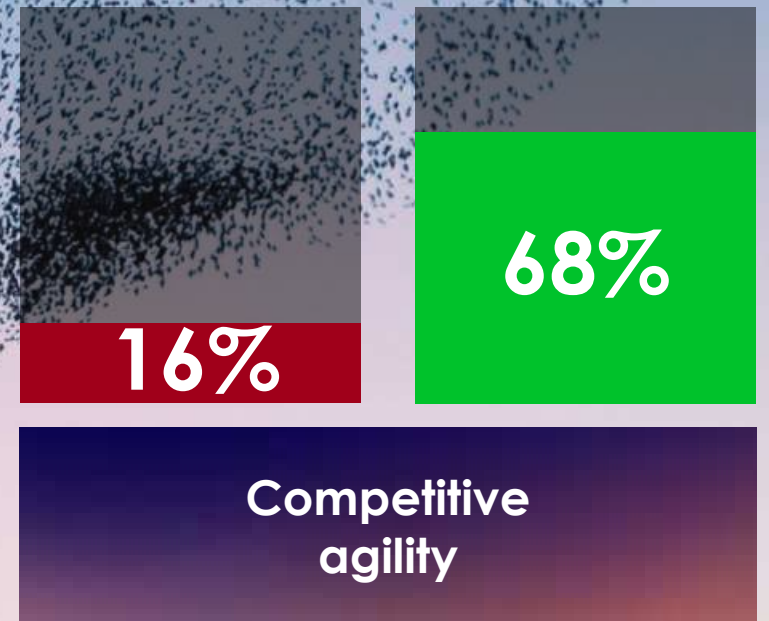
5. **Anticipative** Organization



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.

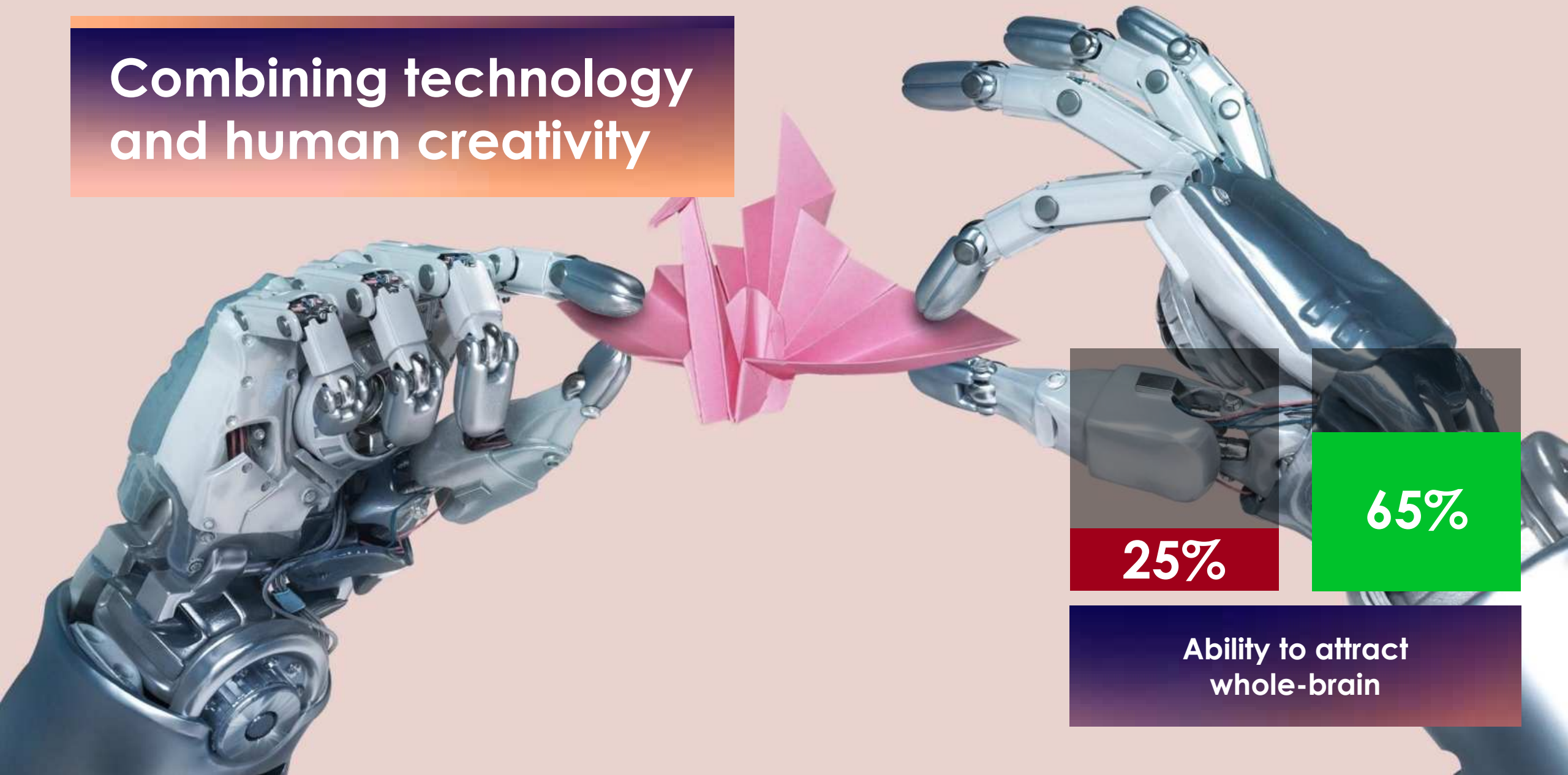
Whole-Brained



Overperformers unlock data with human insights



Combining technology and human creativity



25%

65%

Ability to attract
whole-brain

Starting with the data

36%

66%

Data and analytics at the core
of strategic decision making

7. Humanized Growth



A photograph of a horse race in progress. Several horses and jockeys are competing on a grass track. In the foreground, a dark horse with a blue saddle cloth featuring the number '2' is prominent. A jockey in a yellow and red silks is leaning forward. In the background, there is a green hill and a cloudy sky. A white fence separates the track from the spectators.

Everyone focuses on
top-line growth

93

98

#1 GROWTH AMBITION
Top-line revenue

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

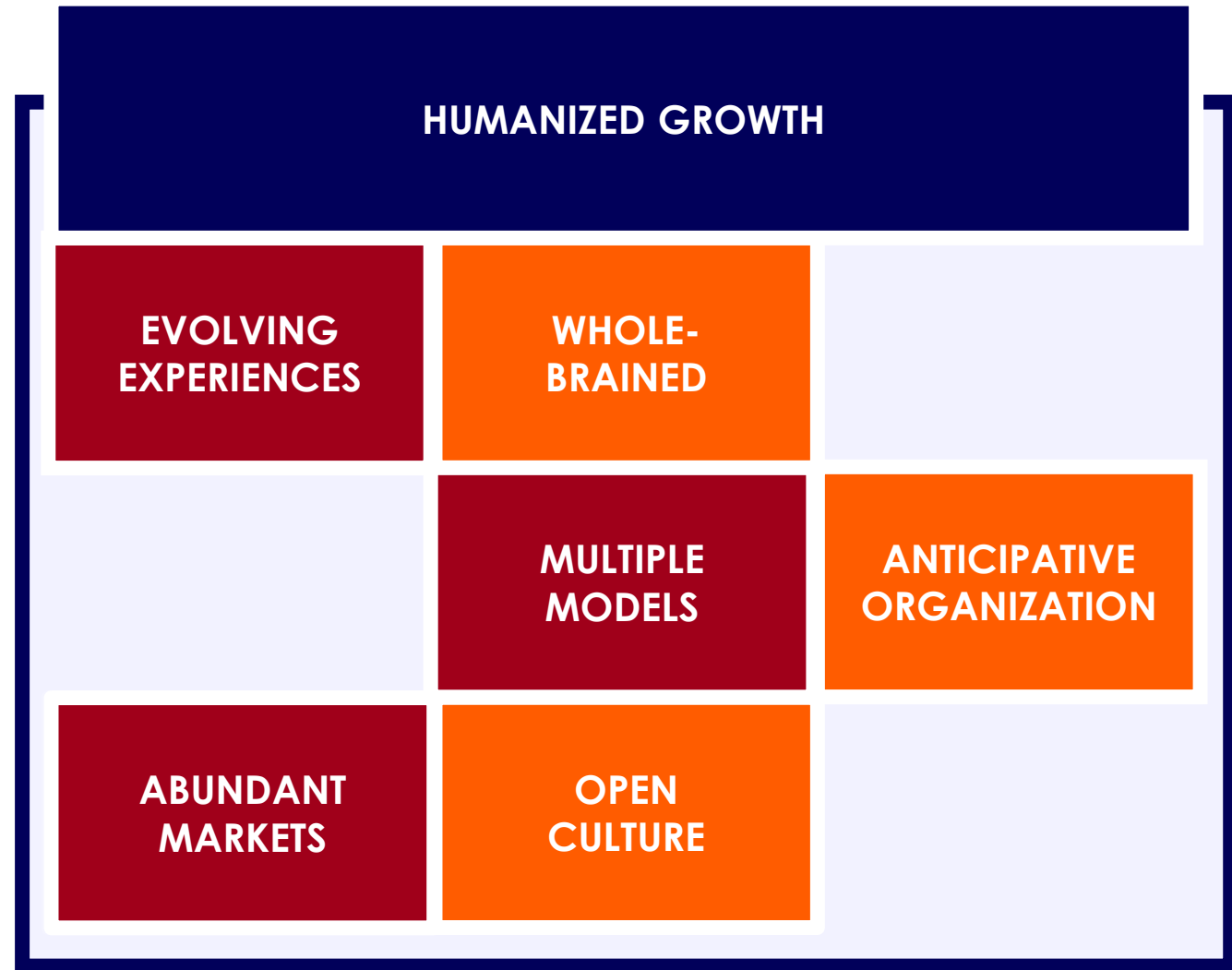
Haidilao Hot Pot



The 7 Building Blocks of Growth



Emerging Future



Facing a New Reality



Pre-COVID

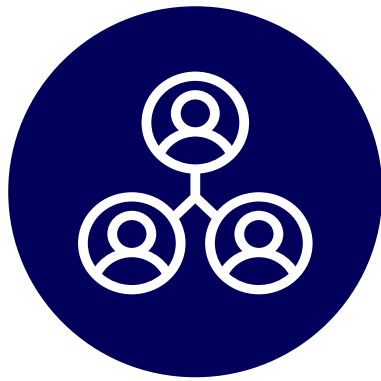


Customers



Capital Markets

At COVID Outbreak



Colleagues



Community

Humanized Growth



Colleagues



Customers

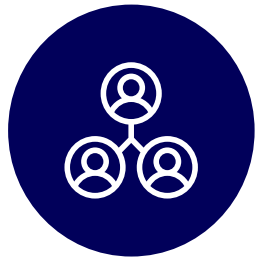


Community



Capital Markets

Humanized Growth equation



**Colleague
Value**

x



**Customer
Value**

x



**Community
Value**

x



**Capital Market
Value**

Short Termism



2008

“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

2019: US 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



New Reality





The future is uncertain

A large crowd of people at a protest, many wearing face masks and holding signs. A semi-transparent orange box with white text is overlaid on the left side.

Systems are being questioned



2020 Update: Significant shift to Humanized Growth

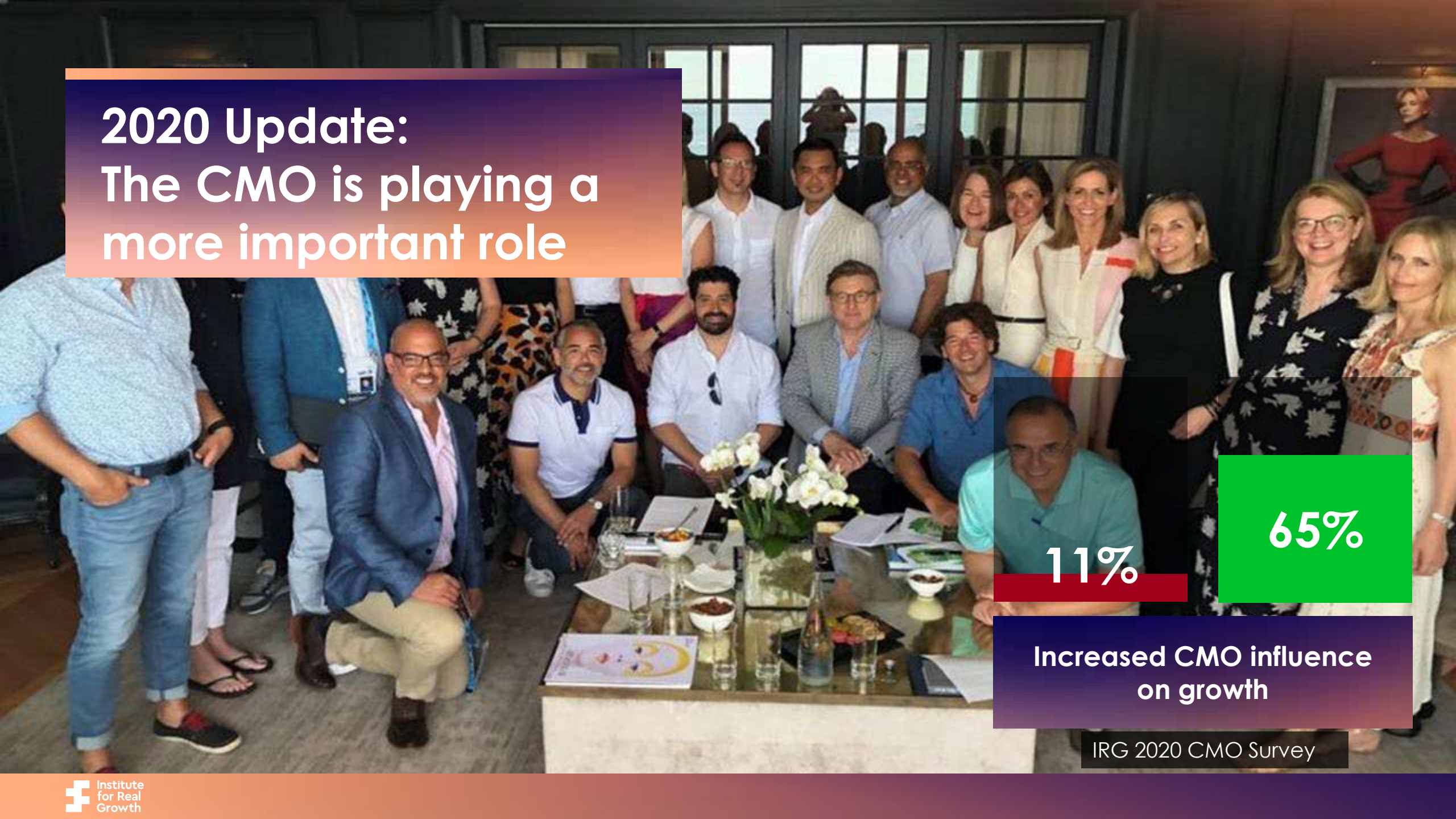
4%

78%

More Humanized
Growth Study

IRG 2020 CMO Survey

2020 Update: The CMO is playing a more important role



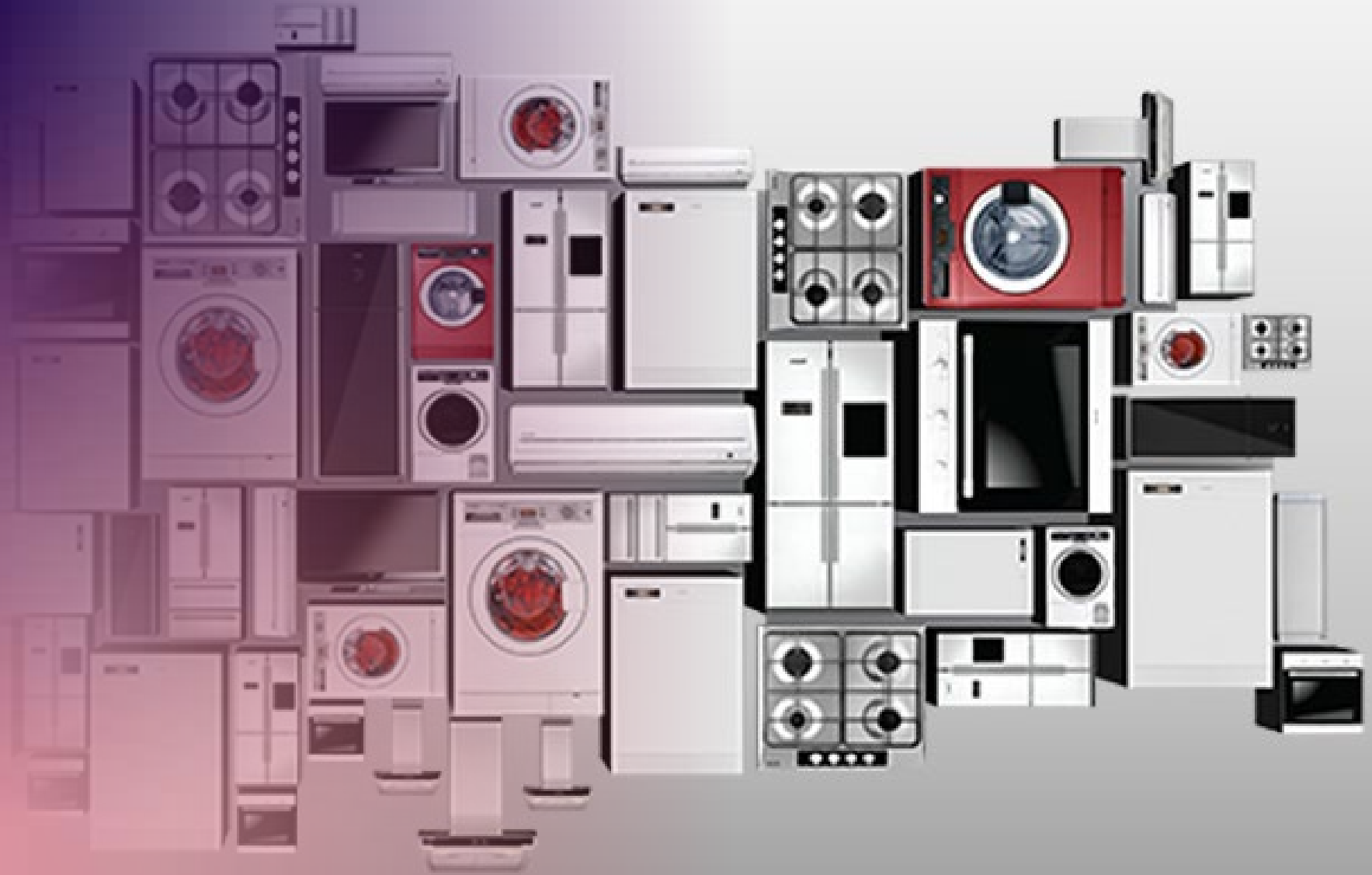
11%

65%

Increased CMO influence
on growth

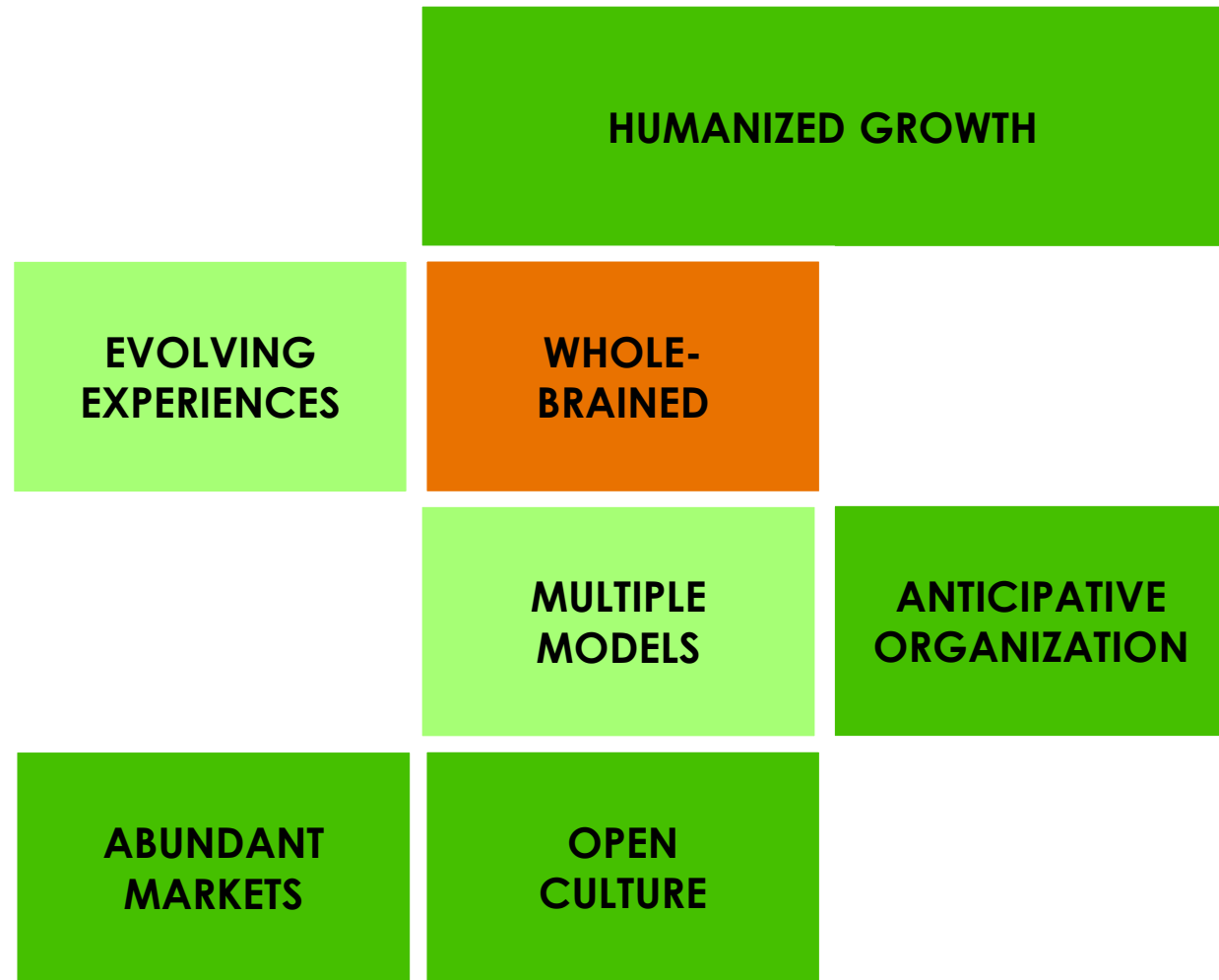
IRG 2020 CMO Survey

Your Results



 **arçelik**

The 7 Building Blocks of Growth



The 7 Building Blocks of Growth



Plenary discussion

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



Thank you