SESSION 1:
Personal Intro & IRG Growth Study

Session Objectives

1. **Get a good understanding of the program objectives, sessions, and learning journey**

2. **Get to know the program participants in an atmosphere of vulnerability and openness**

3. **Understand the IRG Growth Study findings including the 7 Building Blocks of Growth**

Prereads

To help prepare and inspire you, please enjoy these optional prereads.

The Power of Vulnerability

(20 min watch)

Brené Brown studies human connection -- our ability to empathize, belong, love. In a poignant, funny talk, she shares a deep insight from her research, one that sent her on a personal quest to know herself as well as to understand humanity. A talk to share. *Click here to watch.*

Creating Shared Value

(25 min read)

In this seminal 2011 HBR article “Creating Shared Value,” Michael Porter and Mark Kramer argued that companies can gain competitive advantage by including social and environmental considerations in their strategies. It laid the foundation for what we now call Humanized Growth. *Click [here](#) to read.*

The Net Positive Manifesto
(15 min read)
In this HBR article, Paul Polman and Andrew Winston argue that corporate leaders can no longer sit on the sidelines of major societal shifts or treat human and planetary issues as “someone else’s problem.” They must play an active role in addressing our biggest shared challenges. *Click here to read.*

Session Introduction

Press the play button to start the video.

In this kickoff of the program, we will first share a little bit about the background and structure of the program and talk about what you can expect. Then we will get to know each other, using storytelling circles as a profound and insightful way to discover the human behind the name, the title, and the face.
Finally, we will delve into the findings of the IRG Growth study, which form the backbone of the thinking of the Institute and our leadership programs. All the insights and learning we gathered are distilled into what we call the 7 Building Blocks of Growth.

I hope you enjoy your first session!

Live Session Recording

If you missed the session or if you would like to recap what we covered, you can access the recording and the presentation slides below

Session Recording & Presentation Slides

Self-learning Option

If you are not able to join the live session, please review and complete the content below to cover the same session objectives and catch up.

topics that are of particular interest to you.

The Art and Science of Storytelling

Storytelling is a powerful tool that is practiced in the live session. Learn more about this methodology, and the valuable insights it can bring in the video below.

Press the play button to start the video.

Close Transcript

I want to introduce a methodology that I feel very passionate about.

We call it 'storytelling circles,' although it should be called 'story ***listening*** circles' because that is what this is about: creating the space for others to be heard. This reminds me of a book that I love, with the telling title: 'Listening Is an Act of Love.'

And I think that is so true. Real attention is an act of love. And when people feel listened to, they tend to open up and share more about themselves.

This is a technique that I have used many times in the past, as a market research tool, instead of working with focus groups. Because focus groups and one-on-one interview conversations all too often tend to become like an interrogation. People are firing questions at you. And as you probably know, if you were to write a book about

Let me give you an example. Back in my consulting days, I led a positioning project for Whiskas, the Mars cat food brand. They wanted to make their positioning more purposeful.

And the global brand director told me, "*We would really like you to do the project, but the one thing is, please don't do any more research because we already know everything.*" And there was literally a pile of more than a meter high of reports, qualitative and quantitative. The team at Whiskas indeed knew everything about wet food, dry food, nutritional profiles, and all things pet food.

I challenged the briefing and asked, "*Just give me one chance. We'll put a group of about six cat owners together. But I'm not going to interrogate them, I'm just going to invite them to share stories about their pets. Really, zero questions. I'll just let it happen.*"

And we did it. And you know what the funny thing was? The consumers we invited to come to participate never talked about cat food.
They only talked about how they were intrigued by what I like to call the wild side of cats, the little hunter... The way cats move, the way they have this Zen-like focus for hours on end.

Out of all these stories came a theme, an insight if you will, that there's a big cat in every little cat. And that is what people really like about cats. Ultimately this translated into the purposeful positioning: nurture nature, Nurture the true nature of cats. And this positioning was then translated into a societal platform where Mars partnered with the World Wildlife Fund to protect tigers in the wild.

I'm telling you this because the storytelling circles gave Mars a completely new way to listen and gather insights – generating insights that these marketers would have never gotten through traditional research. Because they were so narrowly focused on the cat *food*. And think about it; people don't lie awake at night thinking whether they should feed their wet cat food or dry cat food. But they do lie awake if the health and wellbeing of those cats are at play.

And you know what? A couple of years later, Mars built on this insight to completely redefine the business they were in, taking it from pet *food* to pet *care*. I won't say it was all because of this one storytelling circle, but there was a seed planted there.

That is the power of storytelling circles. But I should warn you: it may SOUND simple, bringing people together and just having them sit and share stories. But it requires a trained facilitator NOT to ask questions, NOT to probe when people say something that seems interesting.

Let me explain how Storytelling Circles work: Sit in groups of about six or seven people. Then there are three rules.

First: only one person talks at a time. You can use a so-called talking stick for that.

The second rule is you don't ask questions and don't go into a discussion.
The last rule is, when somebody is done sharing their story, they give their story a title.

The only thing the "facilitator" provides is the conversation theme. For example, "growth." And then you wait for one of the group members to start talking about whatever they want to share on the topic of "growth." This can be an anecdote, an idea, a memory, an experience - whatever it is, whatever comes to mind when you think

It could well be that during the storytelling circle exercise, which typically lasts for about 30 minutes, there will be a moment of silence. And as a participant or facilitator, your kneejerk reaction will be to talk, to fill that void, to ask questions, or invite someone else to speak up.

Well, **don't**. Trust me; somebody will always start to talk after a while. And they will talk about what **they** want to talk about—not guided by what **you** think is interesting or important.

So people will be sharing *their* stories around growth. These stories can be personal or business-related, anything they want, whatever idea is triggered by the theme, and very often, at least equally important, by the stories of other participants.

This is how the human mind works. Let me give you an example: I once fell off my mountain bike, dislocated my shoulder, and got misdiagnosed in the hospital. As a result, I walked around with a brace that fixed my arm in an awkward position. Seeing the brace triggered many people to ask what had happened, and I told them my story.

Invariably they would respond to my story with stories of their own. Such as "Ah,… I once broke my arm when I was mountain biking" or "my sister also got misdiagnosed in the hospital" or "my boss had to wear his brace for no less than six months!".

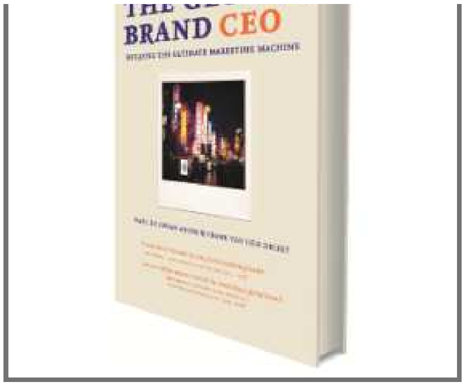
In real life, people share stories triggered by other people's stories.
And this is even more true in the digital and social space. As brand leaders, we should be aware that we no longer own the conversation; we can merely provide stimuli, pokes. And this storytelling methodology helps you understand which stories, which stimuli trigger the most potent response.
Storytelling circles help you understand what your target audience wants to talk about rather than what YOU might want to talk about. I believe that in the digital age, the importance of that cannot be underestimated.

That is also why we ask people to give their story a title. The title of the story can be quite revealing. Because it often clarifies what the essence of the story is in the mind of the person who told the story. It helps you interpret that story. It helps you look through the eyes of your target audience and find deeply human insight.
Enjoy!

Foundational Research

Now we have gotten to know each other in a different light, we will move to understand the findings of the IRG Growth study. But before we dive into the findings of this study, we will share the studies that preceded this and its resulting programs. All research and publications can be found in full under the thought leadership tab of the IRG website and in your course library.

Select the images to find out more.



Leading Global Brands Study

Marketing2020

Insights2020

IRG Growth Study

This research is the fourth significant piece of thought leadership conducted and published by the founders of the Institute for Real Growth. They set out to understand what it takes to drive sustained business growth. The study covers:

- Over 750 in-depth interviews with CEOs, CMOs, and their peers
- Over 5,000 responses from marketers in our online quant study
- AI analysis on several thousand publications focused on business growth
- Analysis of publicly available behavioral data of over 3MM LinkedIn users

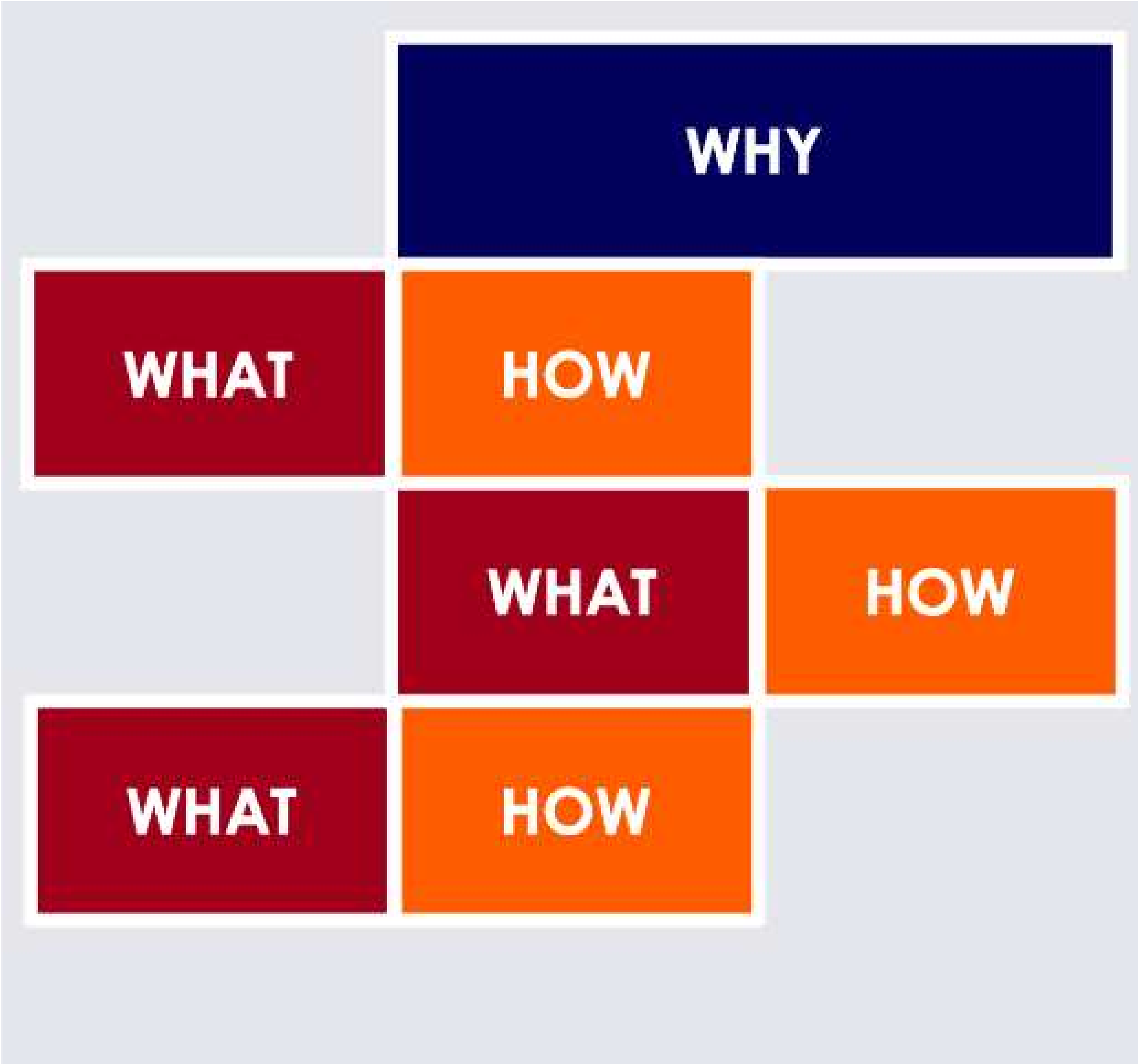
To the best of our knowledge, this is the biggest study of business growth ever conducted.

750+ QUAL

5000+ QUANT
(across markets and functions)

3,500+ AI analysis
(growth publications)

3M+ LinkedIn
members behavioral analysis



Our learning from this extensive research is captured in a framework called the **7 Building Blocks of Growth**.

- Three of the building blocks focus on **WHAT** overperforming companies do differently.
- Three building blocks capture **HOW** overperformers work differently.
- One overriding building block addresses the **WHY** of overperformers, why these organizations exist.

Let's get started

In the next section, each of the Building Blocks will be explained with a short video. Following each video, you will be asked to rate your own organization.

Please keep notes of your scoring on page 4 in your workbook.

These are the same questions that are asked in the IRG Growth Study online survey.

Upon completion of each question, we will share with you how your answer compares to the average of all benchmark participants, and to the overperformers.

This section will take about **25 minutes to complete.**

1. Abundant Markets

Select the play button to start the video.

Close transcript

over performers define their markets in broader, more abundant terms.
One of the growth study interviewees described a very insightful abundant market discussion that he had during his E-category management negotiations with Amazon. The interviewee who works for one of the world's leading haircare companies, described a meeting in which he was making the case that Amazon should partner with him as the E-category management leader because his company had a 30% market share. The Amazon representative didn't react as expected. After looking at their sales numbers she replied, "Well, actually, according to us, you only have 11% market share in haircare." Quite a difference, right? 30 versus 11. But after some discussions, it became clear that both parties were using very different market definitions.
The CPG leader was quoting the Nielsen market share, shampoos and conditioners sold in plastic bottles in supermarkets. In contrast, the Amazon employee was quoting their share in a much broader hacker market, shampoo and conditioners, but also hair dryers, hair curlers, and everything else that you can buy on Amazon to take care of your hair. Now, to the credit of the growth study interviewee, he and his team went back to the office and said, "Let's apply the same logic and go even broader, including all solutions available to consumers that want to take care of their hair." In this even more abundant market definition, they now also included innovations being offered only on Kickstarter, the crowdsourcing platform and YouTube haircare channels, like All Things Hair. This new market definition, let them to understand that they really only had a 3% share. The new 3% abundant market share calculation had a paradoxically positive effect.
Think about it, no one really believes that they can significantly grow beyond the 30% share, but everyone knows that with good marketing they can probably double a 3% share. So many opportunities to learn from new competitors, introduce new innovations, and partner with new players. The world is your oyster. This is a very important change in thinking about your market. A great example of a company applying abundant market thinking is the Pet Division of Mars. They used to think of themselves as a pet food company, but today they talk about themselves as a pet care company.
This new market definition comes from the realization that there are very few pet owners in the world lying awake at night thinking, "Am I feeding my dog or cat the food that has the right nutritional value?" In contrast, there isn't a pet owner in the world that doesn't worry about the health of their cat or dog. So Mars went on an innovation and acquisition path and now offers its customer a broad portfolio of new solutions, including veterinary services. Mars has invested over $6 billion in buying veterinary providers throughout the US and around the world. And the Mars Pet Division is again growing.

Rate your organization:

1. How do you rate your company's ability to <u>assess and understand market developments?</u>

(i.e. ability to spot emerging consumer, category and product trends; have a finger on the pulse of change; be aware of competitor activities)

Drag the slider to make your choice and select Submit.

Very poor Very good

1 2 3 4 6 7

2. Multiple Models

Select the play button to start the video.

Close transcript

Is your company comfortable working with different business models? The answer is all too often, sadly, no. The second of the 'WHAT' Building Blocks of Humanized Growth relates to this. We look at how over performing companies think differently about working with multiple business models.

Over performers are willing to what we call play chess and checkers at the same time, they're comfortable working with multiple business models at the same time. As you can see from the stats, 71% of people working in over performing growth organizations say that their company is comfortable making money in different ways. Whereas only 39%, about half, say the same in underperforming organizations. Why are these scores so different? What is holding under performers back?

Perhaps the best way to bring this point alive is to look at the recent experiences of the two Cola soft drink giants, Coke and Pepsi. Although probably every marketer understands that it makes total business sense for a company selling stimulating drinks in a declining, soft drink category to also invest in the fast growing coffee market, it still took Coke over 10 years to take the decision to buy the retail chain Costa coffee.

So why did it take so long? It was the internal resistance against going into a new business model, the retail business. There was a lot of resistance to taking on a completely new financial model, a new distribution system, and tens of thousands of new employees that have completely different needs to the typical people currently

And it made total sense for them too to buy SodaStream, a company that checks all the right boxes from customized drinks, less plastic, etc. It's totally on trend. And it's a subscription model making the business a lot more predictable that probably also helped. Now the point is that both of the acquired companies had been around for quite a few years and the option of buying them too.
But neither company made the acquisition move because of internal resistance to a new business model until they first made big internal changes. Coke appointed their first Chief Growth Officer who made this a condition of his appointment, and Pepsi appointed a new CEO that had been championing this idea for years and now saw his chance to make it happen.

Rate your organization:

2. How do you rate your company's willingness to accept new business models to drive growth?

(i.e. subscription, DtC, impact-based etc)

Drag the slider to make your choice and select Submit.

Very poor Very good

2 3 4 5 6 7

Submit Show feedback

3. Evolving Experiences

Select the play button to start the video.

performers are good at delivering evolving experiences against only 32% of under performers.
Another great example of a company offering evolving experiences is Spotify. The core offer is already magical for most. All the music ever created anywhere on your phone, wherever you go. But they don't rest on their laurels. They consistently keep raising the bar. They created playlists and they started offering daily mixes, which I'm a big fan and user of actually, and Spotify builds on what they know you like. They sort your taste into different moods, ranging from quiet listening to rock or party and create playlists for each mood. These contain about 80% of songs that they know you like because you listen a lot to them, but then 20% that fit the same algorithm where you go, "Hey, I haven't heard that before, but I like it." It's a product that keeps improving and keeps evolving.

Rate your organization:

3. How do you rate your company's ability to offer innovative ever-evolving experiences?

Drag the slider to make your choice and select Submit.

Very poor Very good

2 3 4 5 6 7

Submit

Show feedback

4. Open Culture

Select the play button to start the video.

Close transcript

The first ‘HOW’ building block is about the culture of the company. In over performing companies, we refer to this as an open culture. There's a realization that culture is not the DNA of a company. It's a script and much like Satya Nadella demonstrated at Microsoft sometimes the script needs to be rewritten because the company needs to go through huge change. And part of that culture is also your willingness to connect with the outside world.
As you can see from the stats here, 67% of people working for over performing organizations say that they're good at it as opposed to only 39% in the under achievers. We also see that the leadership at over performing companies tends to be much more diverse than their competitors, not just across the whole organization, but also specifically at the strategic decision-making level.

Rate your organization:

4. How do you rate your company’s external connectivity with current and potential business partners?

(e.g., participating in cross-industry networking events, actively involved in industry associations, attending and/or contributing conferences, etc.)

Drag the slider to make your choice and select Submit.

Submit

Show feedback

5. Anticipative Organization

Select the play button to start the video.

Close transcript

The second building block of the 'HOW' is anticipative organization. Growth over performers realize it's no longer about nudging the oil tanker slightly to achieve a change in direction several years down the line, but rather it's about imagining the organization as a flock of birds. A very agile group that's fast and that moves collectively towards the destination harmoniously, avoiding the obstructions along way.

In fact, instead of massive restructurings, which is how we commonly address these issues, we should address the biggest barrier to growth as identified by CEOs in a major study conducted by Bain and that's **us**, our own dysfunctional organization. And more specifically the silos we create in our own organization.

Addressing internal barriers to growth is critically important. And although only 50% of the over performing organizations say they're good at it, which is double the number that we see among under performers, it's still only with LinkedIn has shown that over performers are five and a half times better connected across hierarchies and three and a half times better connected across disciplines.

Rate your organization:

5. Research has found that internal barriers are often the biggest issue in driving positive growth for their companies. How would you rate your company's ability to remove internal barriers to growth?

Drag the slider to make your choice and select Submit.

Very poor Very good

2 3 4 5 6 7

Submit Show feedback

6. How would you rate your company's competitive agility (i.e. ability to move quickly and respond effectively to external change)?

Drag the slider to make your choice and select Submit.

Very poor Very good

2 3 4 5 6 7

Submit Show feedback

6. Whole-brained

Select the play button to start the video.

you need human creativity.

To succeed you need to be able to track the whole brain talent. Highly analytical, super creative, and deeply empathic. And in this digital age, it starts with the data. Growth over performers know that to unlock the power of big data, you need deep human insights; and to unleash the true power of technology, you need human creativity.

These organizations respect creativity and data science equally, they realize that it takes both to win. Netflix is a great example. Every parent of a millennial or centennial will tell you that it's almost impossible to get them to watch a 45 minute long program. But somehow, that news doesn't seem to have landed with the traditional TV producers. Much of the traditional linear TV programming is still 45 minutes long. Netflix is different. It has used the insights gathered from its data to commission a great variety in the length of their movies and series. And they have done so very successfully.

Rate your organization:

7. How do you rate your company's ability to bring diversity (of backgrounds, experiences, approaches, perspective) to strategic decision making?

Drag the slider to make your choice and select Submit.

Very poor Very good

2 3 4 5 6 7

Submit Show feedback

8. How would you rate your company's ability to put <u>data at the centre of strategic decision making?</u>

Drag the slider to make your choice and select Submit.

Very poor Very good

2 3 4 5 6 7

Submit Show feedback

9. How strongly do you agree or disagree with the following statement?

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

Drag the slider to make your choice and select Submit.

Strongly disagree Strongly agree

2 3 4 5

Submit Show feedback

7. Humanized Growth

Select the play button to start the video.

indexing on this.

Cisco is a great example of putting people first. Once they realized that servers were becoming a commodity when everything went into the cloud, they reoriented their priorities as a business and developed an initiative called the People Deal. The thrust focused on delivering a Cisco employee experience that included the three-part promise around better connecting them to each other, more experimentation, and a focus on their personal development. These three together very well represent what we call humanized growth and led to a turnaround in the company's fortunes.

Explaining the seven building blocks separately doesn't do justice to the growth study results. In the study we led over 650 one-on-one in-depth interviews. And although these qualitative interviews don't deliver quant data, they do clearly give a sense of where things are headed. And what's very clear and even more profoundly so since the onset of COVID, is that humanized growth is actually the overarching theme for all future growth.

The onset of COVID created a very interesting pivot in most organizations. Where ahead of the fires, most company leadership teams were probably most focused on creating value for customers and the capital markets. This very quickly switched to a complete focus on the organization's employees, that's their colleagues, and the company's role in the community. Looking ahead, what all organizations now need to figure out is how to create value for all their stakeholders. How do we better understand the needs and how do we better create value for all our stakeholders? And how do we do that in the long term? Because that's what growth over performers do. They create long-term multi-stakeholder growth.

Rate your organization:

10. Is your company's growth focus short- or long-term oriented?

Drag the slider to make your choice and select Submit.

Short term Long term

2 3 4 5

Submit

Show feedback

11. How does your company weigh the interests of <u>only shareholders vs. all stakeholders</u> (including employees, consumers, communities etc.) when making strategic business decisions?

Drag the slider to make your choice and select Submit.

Only shareholders | All stakeholders

2 3 4 5

Submit

Show feedback

12. How strongly do you agree or disagree with the following statement?

I am <u>proud of my company's purpose.</u>

Drag the slider to make your choice and select Submit.

Strongly disagree | Strongly agree

2 3 4 5

Submit

Show feedback

Workbook

Please answer the following questions in your workbook:

Key learning

1. **The Marketing Leadership Program focuses on building a business and personal humanized growth strategy**

2. **The world is moving from shareholder primacy to stakeholder value creation**

3. **Growth overperformers drive more Humanized Growth**

Session Reflection

Please answer the following question on page 5 of your workbook:

Based on the learnings from this session, what actions can you take now to make an immediate impact?

Please formulate as concretely as possible, including WHO, WHAT, by WHEN.

Leadership Perspectives

In our Humanizing Growth Series webinars, we speak to leaders about their experiences with driving Humanized Growth. Hear what Lorraine Twohill, CMO Google, has to share about storytelling, and Hubert Joly, former chairman and CEO of Best Buy and author of 'The Heart of Business', share his views on stakeholder activism.

Press the play button to start the video.

Want to hear more from Lorraine? Click here.

Want to hear more from Hubert? Click here.

ANA Resources

For access to ANA resources on the topic, please click below.

- *Storytelling for a Six-Second World: Making Flexible Campaigns*
- *The Empathy Experiment: Developing More Inclusive and Creative Processes*
- *Can You Relate?*

End of session: Close window

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