

E at the

es. /esť

dollar needle - and we now it does! Consum

lling - and



"Being aware of cultural cues

and looking at communications

nd brand architecture through

eryone must be involved fro

ery beginning.



successful companies conomy has been building for years....we now realize that if we can dream it, we can build it." - Progressive

- PepsiCo Its like monkey bars. o fly. You've got to let Ve harness the collective energy and creativity of the irst (bar) before you ge and on the second c organization and funnel it to the Creativity is ..think abo right places to create insights words - its about crea into breakthroughs – and make about building and do this innovation visible so people

- IBM

something new and th thing could be radicall from where you are nkling

These are turbulent times. Man

# THE C-FACTORS

#### audience.

TITTT I TITT

"We need creativity to solve the world's economic issues."

"We live in the future - not the past."

"We simply cannot use traditional models anymore."

"Traditional markets and sectors are not growing they are flat. Only innovation



treet





Edition One 2011

OU ARF

HERE

"Being aware of cultural cues and looking at communications and brand architecture through an anthropological lens is critically important today. Everyone must be involved from the very beginning. - Allison & Partners "For creativity to have a seat at the table it has to move the dollar needle – and we know now it does! Consumers react to storytelling - and we have to give them the same excitement when they spend two dollars as they get when they buy a car." - PepsiCo "Great creativity comes from people's ability to project and anticipate what the future might look like if an idea came to life – and now we can do that – we can build ideas on real information." - MDC Partners "We now know through creativity and through data and through science and through technology we can actually shape our future. It is probably the first time in human history that we have this power.

- ING Direct USA

"The notion of an imagination economy has been building for years...we now realize that if we can dream it, we can build it." - PepsiCo

"We harness the collective energy and creativity of the organization and funnel it to the right places to create insights into breakthroughs – and make this innovation visible so people can jump in...think outside of your domain." - IBM "The simple parameters for successful companies today? Risk. Learn. Grow." - Progressive Insurance

"Its like monkey bars...You've got to fly. You've got to let go of the first (bar) before you get your hand on the second one. Creativity is... think about the words – its about creating. Its about building and doing something new and that new thing could be radically different from where you are now." -Inkling "The moment for creativity is now – creativity is leading the way." -Zappos

## "What doesn't work dies. Don't hold on or over invest."

## - Black Rock City, LLC aka Burning Man

The first ingredient is Creativity
- it's connection, it's trust and
it's freedom.
- Art.com

"In the future, we aren't going to say, - wow you're so cool because you've got a penthouse and you've got a hundred million. People are going to say - wow you're cool because you moved the dime." - ING Direct USA

"For creativity to have a seat at the table it has to move the dollar needle – and we know now, it does! Consumers react to storytelling – and we have to give them the same excitement when they spend two dollars as they get when they buy a car."

- PepsiCo





These are turbulent times. Many financial pundits are predicting a double dip recession on the near horizon. Unemployment has reached record levels. Consumer confidence is at an all-time low. The European markets are staggering under massive debt, and the global economy seems to be teetering on the brink of collapse.

But if you look to the preceding quotes from top executives at winning companies, you sense a confidence and a tremendous level of excitement. What is the root cause? What enables some companies to thrive, even in the worst of times? In short, what are the factors that make businesses win today?

Allison & Partners, together with MDC Partners, commissioned a study with TeamNoesis to uncover this elusive DNA - to capture and distill the unique genomes that drive companies to innovate and to create new industries and ideas. Through this study, they discovered that business has entered a whole new era. One not fueled by the tightening of pockets and the development of goods and services, but rather - driven by ideas and imagination. Companies that aggressively embraced ideas as currency, and worked to create a culture of high risk/high reward with real aqueducts for the flow of ideas between people, departments and even industries, were thriving. Allison & Partners reached out to both startups, such as Inkling and Birchbox. com as well as big legacy brands, such as Macy's and IBM. Regardless of heritage, regardless of size, those companies that embraced creativity in all its permutations - were winning. And interestingly enough, it reveals itself to be a science, not an art. Not one of freewheeling artistry - rather, it's a tightly defined process, with

creativity, collaboration, and a clearly defined culture emerging as the key catalysts to business success today. Simply put, those companies that begin with a big idea, that choose to play big and that look well outside their production and services deliverables are succeeding on the biggest levels possible. So for those who believe that only draconian cost cutting, or service exportation or automation are the answers, we say look again. The factors for success, the C Factors -Creativity, Collaboration and Cultureare radically different, and speak to a new frontier for success in business. As seen before, during moments of great economic stress, tough times generate huge shifts. Now, we are seeing a true Creative Renaissance in thinking, and in doing.

Says Billee Howard, Creative Development Officer at Allison & Partners, revealing what led to the study: "The world has changed dramatically and both our clients and ourselves have changed with it. Our new positioning is centered on a very simple concept – it's about innovations and communications being reimagined every single day to reconceive what communications can make possible. We are witnessing a huge paradigm shift with creativity's renaissance, one which is having massive impact on the global business environment."

Scott Allison, CEO and founder of Allison & Partners adds: "There is no longer a 'creative department' – not even a 'creative culture' – it simply has to be THE entire culture – everyone has to believe."

We set out to see if this shift from a focus on tweaking product development to taking big leaps outside standard sectors was really happening. We asked questions about the importance of communication, about what new models of collaboration were inspiring people and where the next big global opportunities were hiding. We are excited and invigorated by what we learned.

We hope you will be too.

\_\_\_\_\_\_

<u>C</u>

## Methodology

THERE ARE THREE PIECES THAT INFORMED THE C FACTORS REPORT: **1** An online quantitative survey was fielded to 200 senior and executive level members of large international corporations. These executives needed to be overseeing companies with a base size of 200+ employees, who placed a value on communications strategies and building an internal creative culture.

#### 2

Individual interviews were conducted with top executives from the following companies:

#### Art.com Birchbox Black Rock City, LLC. aka Burning Man Burt's Bees Dermalogica **DreamWorks Animation** IBM Ideeli **ING Direct USA** Inkling Macy's **MDC Partners** PepsiCo **Progressive Insurance** Tivo YouTube Zappos

#### 3

Analysis and Observation: The themes of the C Factors Report revealed themselves with great consistency. The key messages of creativity as a driving force; the complete necessity of cross company and indeed, industry collaboration and the need to create a consistent culture in both message and delivery were seen again and again. The lessons are clear. To best forcast those companies that will win in this new and future economy, the C Factors must be alive and thriving within them. These are real indicators of success today. 

# Key Learnings

## KEY LEARNINGS OF THE C FACTORS STUDY

#### 1

Creativity is critical to the success of all businesses today, regardless of industry type. It is simply job one for every company – and importantly – for literally every member of the management team. Creativity is part of everyone's job description.

#### 2

How that is expressed internally and externally to employees, consumers and partners is increasingly important to C level executives – time spent here has long lasting repercussions.

#### 3

Creativity does NOT equal chaos. A clear and grounded foundation of who a company is, and what its mission statement says is the fundamental piece of any real creative organization. In short – every company needs to develop an authentic and messageable vision. And everyone needs to know it, share it and believe it.

#### 4

Collaboration is a swiftly rising force behind the huge leaps of creativity and innovation being seen today. Companies that forge the aqueducts to channel collaboration across departments, geographies and even corporate borders reap the biggest rewards.

#### 5

Big creative leaps do not necessarily mean big creative risks. Through constant data analysis, global collaboration and day one involvement of all creative partners, risks are actually mitigated. Creativity has a true through line for those willing to study and see it.

#### 6

A culture of both trust and freedom is critical. Employees can only dream big and play outside the lines if they know that failure is part of the plan. Conservative thinking generates conservative results.

#### 7

Consumer conversation is critical but it's not the source of creativity. It's the company's job to dream and imagine for the consumer. Let them then fine tune it and evangelize.

#### 8

Technology is the horse creativity rides. Every organization must harness this incredible tool to truly reach its greatest potential.



## I. CREATIVITY IS THE **DRIVING FORCE** BEHIND BUSINESSSUCCE AND IT IS GROWING IN IMPORTANCE EACH DAY.

"HOW MUCH DO YOU STRIVE TO DE-**VELOP A STRONG CREATIVE CULTURE** WITHIN YOUR ORGANIZATION?" 57% Very much, it's critical 43% Somewhat, you try when possible

This finding resonated throughout the study: Over half of our respondents said that building a strong creative culture in their organization is critical.

> IN FACT, CLOSE TO 80% SAID THEIR ORGANIZATION WAS MORE CREATIVE TODAY THAN IT WAS FIVE YEARS AGO.

"HOW HAS THE APPLICATION OF CREATIVITY WITHIN YOUR COMPANY **EVOLVED OVER THE LAST 5** YFARS?"



32% company is much

Your

more

today

creative

47%

company is

somewhat

Your

more

today

creative

14%

Your

company's

level of

creativity

remained

unchanged

company creative today

7% Your is less



С

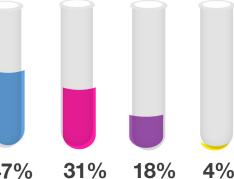
\_\_\_\_\_\_

#### **FINDINGS**

## II. AND THIS TREND WILL ONLY CONTINUE ...

Roughly 80% of those questioned stated that they would be placing even more emphasis on creativity in the next five years.

#### "WHERE DO YOU SEE CREATIVITY HEADED IN THE NEXT FIVE YEARS?"



about the

47% 31% We will look We will be Probably run Probably to increase placing the emphasis much more same on creativity emphasis on creative thought and action

4% will see a decrease in our creative thought and output

"The enthusiasm that we have about going to the moon is now back in our economy and I think it's being driven by imagination and creativity." - Bonin Bough, PepsiCo

#### "We want to learn by doing, not by watching. We want to be first and innovation is how we will get there." - Peter Sasche, CMO, Macy's

"When we think about creativity, we think about how creativity drives us forward every - Paul Hurley, CEO, Ideeli

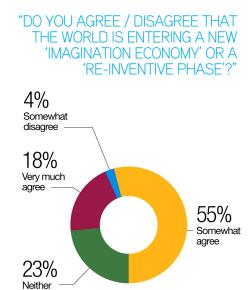
\_\_\_\_\_\_

agree nor

disagree

#### FINDINGS

III. OUR RESPONDENTS AGREE (CLOSE TO THREE-QUARTERS) THAT A NEW PARADIGM HAS FORMED – WE ARE ENTERING A NEW AGE – AN AGE OF IMAGINATION AND CREATIVITY.



IV. AND REGARDLESS OF WHAT IT'S CALLED, A RESOUNDING 98% CONSIDER CREATIVITY IMPORTANT TO TODAY'S ECONOMIC PHASE.

> "HOW IMPORTANT IS CREATIVITY TO TODAY'S WORLD ECONOMIC PHASE?"

> 54% Very Important 46% Somewhat Important 02% Not Very Important 01% Not at all Important

"With the rapid changes happening in today's world, only creative companies will thrive."

"Without creativity and innovation, the economies of the world will stagnate and decline."

"We need to think differently to change what is happening."

"Without creative thinking, you will never reach a global audience."

"We need creativity to solve the world's economic issues."

"We live in the future – not the past."

"We simply cannot use traditional models anymore."

"Traditional markets and sectors are not growing – they are flat. Only innovation will inspire growth."



## V. LEADERSHIP'S ROLE IN CREATIVITY

It's aggressively clear that creativity must first and foremost be generated and fostered by industry leaders.

A resounding 80% of our respondents agreed with this hypothesis.

"DO YOU BELIEVE THAT CREATIVITY MUST BE GENERATED AND FOSTERED BY INDUSTRY LEADERS IN ORDER FOR NEW AND INNOVATIVE THINKING TO THRIVE?"



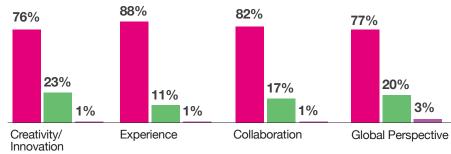
## VI. WHAT ARE THE KEY DRIVERS FOR BUSINESS SUCCESS?

We asked our respondents to rank four classic drivers of business success. These included creativity/innovation experience, collaboration and global perspective.

Surprisingly, all four received near equal rankings. Creativity received equal rankings to global experience. So all four can be considered true pillars to building a dynamic organization.







"Creativity drives innovation. Our business and our lifeblood now is innovation, so we need to find the next product, the next flavor, the next big thing...and creativity infuses all of that." - Jamal Henderson, PepsiCo

es we e next ext big ativity at." rson,

Allison&Partners

#### THE CFACTORS 2011

## VII. WE NEXT ASKED **OUR RESPONDENTS** TO DO THE VERY DIFFICULT - DEFINE CREATIVITY.

Overall - the main thrust of our responses spoke to the ability to look beyond the present, anticipate consumer trends and direction and invent solutions to what they could, should or would want. It is a distinct alchemy of research, data mining, collaboration and pure imagination – moving at warp speed.

"Creativity is ideas in action"

"Creativity is the vapors of experience"

"Ability to work beyond what is set in front of you"

"The ability to see and do things in a way that is not seen or known now"

"Ability to foresee customer needs and develop a solution before they materialize"

"Deliver processes or products where no current solution exists"

"Solutions are a moving target. There is no 'playbook'"

"Critical"

"The ability to make/start something new"

"Creativity is generating beacons of ideas that light up your culture." - Bonin Bough, PepsiCo

> what you create, but how you inspire. People need to take in the world to create new ways for people to think and to model." - Ivy Ross, Art.com

"Part of the essence of great creativity and innovation is the desire to disrupt the status quo." -Bob Kantor, Chief Marketing & Business Development Officer, MDC Partners

"Creativity is not just

PHOTO C EVAN WOHRMAN

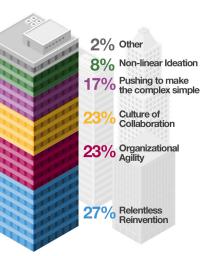


VIII. TO MAKE IT A BIT CLEARER, WE NEXT ASKED OUR PARTICIPANTS SHARF WHAT  $|| + \vee | + |$ ΒH STDEEINED REALIV IN ACTION IN JSINESS TODAY. THE MAJORITY OF **IR RESPONDENTS** OTHE ()KH | G PICTURE, AS PP()SED T ()OSER IN TACTICS. **Relentless Reinvention ranked first** 

Relentless Reinvention ranked firs with Organizational Agility and a Culture of Collaboration tied for second "Some of the newer and younger organizations are proving that you can build just as big of an organization in 5 years as it took for people to build in 100 years, and that's something we have never seen before." Bonin Bough, PepsiCo

"We are pushing collaboration into a whole new set of areas – individuals forming virtual corporations as well as the ability to work across physical boundaries to collaborate is fundamentally changing how corporations are structured. It also requires a higher level of trust." Guy Blissett, IBM

#### "WHICH ONE OF THE FOLLOWING BEST DESCRIBES CREATIVITY TODAY?"



"You must harness the collective energy and creativity of the organization and funnel it to the right places to create insights into breakthroughs... successful companies must facilitate and enable that." - Guy Blissett, IBM

"We must create the trust that allows creativity to happen – currently most corporate cultures are not set up for that." – *Ivy Ross, Art.com* 

### IX. SO WHAT ARE THE CORNER-STONES OF CREATIVITY? WHAT ARE THE TENT POLES THAT ENGENDER BIG THINKING AND EXPLOSIVE CREATION?

The results were very clear:

#### Freedom

Adaptability/ Flexibility

Teamwork/ Collaboration

#### Trust

#### Freedom was a very interesting concept that played out here –

- Freedom to explore was critical, as was the freedom to fail
- Freedom to dream and freedom to express ideas at the lowest level
- A culture that encourages big ideas

#### Adaptability/Flexibility

- "There is no such thing as we always did it that way – change is the only constant"
- Incremental steps fast and quick pilots
- Feed and educate people on trends and movements within all industries

#### Teamwork/Collaboration

- Diversity in experience and talent as well as culture – everyone needs to mix it up to create
- Tap into global talent
- Mentoring
- Work outside defined spaces and lines

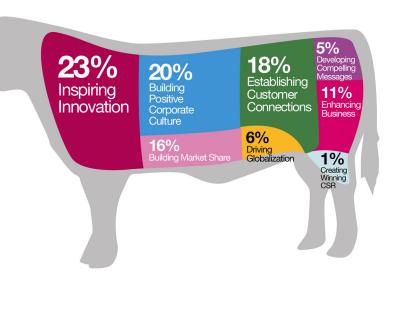
#### **Trust**

- Surprising and interesting there was a great deal of discussion around trust, fairness and ethics. This is closely tied to a creative atmosphere where honesty and support must replace fear and restrictions. And mission – people want to be a part of something that contributes to the world on some level.
  - Truth
  - Fairness
  - Reward for honesty
  - No finger pointing
  - True teams
  - Management transparency
  - Purity of mission
  - Belief in the work

"Don't be hindered by how to make something happen, just make it really clear where you want to be ... every step of the way be really focused, but really flexible." - Michelle Visser, CEO and Executive Creative Director of Ayablu Inc. (Burt's Bees Baby)

X. WE NEXT ASKED **OUR RESPONDENTS** TO RANK THE LEADING ASPECTS OF CREATIVITY, AS SEEN IN THEIR OWN BUSINESSES. WE GAVE THEM 8 ASPECTS TO PRIORIT THREE DISTINCT EMENTS ROSE TO THE TOP – ALL **BIG PICTURE** ELEMENTS, AS **OPPOSED TO** TACTICS.

Inspiring Innovation Building a positive corporate culture Establishing customer connections "RANK THE FOLLOWING ASPECTS OF CREATIVITY IN ORDER OF PRIORITY TO YOUR BUSINESS:"



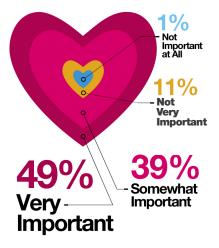
"There's no simple solution anymore, It's much more complex. What is key is how you communicate your message." - *Ivy Ross, Art.com*  "The relationship that one creates with the consumer needs to have a very extensive life cycle. The challenge for brands today is to become more and more authentic, become directly inculcated in consumer lives." *-Billee Howard, Allison & Partners* 

"We are really vessel creators - we create places where things can flourish - but we never know what its going to be! What we do know is that when you are doing great work - good things come back." -Harley K. Dubois, founding member. Black Rock City, aka Burning Man \_\_\_\_\_\_

#### **FINDINGS**

## XI. ROUGHLY 50% OF RESPONDENTS SAW CREATIVITY AS VERY IMPORTANT WHEN IT COMES TO ESTABLISHING AN EMOTIONAL CONNECTION WITH THEIR AUDIENCES.

Now that Creativity has been firmly established as the go-to driver for successful and forward thinking companies, where does the critical role of communication live? We learned that the communication of a company's internal and external goals and belief in the power of creativity is almost as important as creativity itself.



"HOW IMPORTANT DO YOU

CONSIDER CREATIVITY TO BE WHEN

IT COMES TO ESTABLISHING AN EMOTIONAL CONNECTION WITH

YOUR BUSINESS' AUDIENCES?"

#### "AND, WHY DO YOU SAY THAT?"

"A campaign message may be good but the question is whether it's right. Does it fit your brand voice? Is it tangible? Is it consumable?"

- Anne Colaiacovo Partner and NY General Manager Allison & Partners "People act and react with emotions, whether it's business or personal."

"Keeps them engaged longer."

"You must tell a story in order to connect."

"Passion is proportional to activity and results."

*"Meaning* to a consumer comes before 'new' or technical results."

"The customer has to feel connected and empowered in order to act."

"You need to keep up with the times and use the language and ideas that customers are using."

"People feel understood and appreciated – they feel that you 'get it." "Creativity=connection=loyalty."

"We are here to meet human needs – we must be human."

"The power of connecting with your customer base cannot be underestimated when tied to revenue streams."

"We need to stand out – again and again."

"Our relations with each market segment aren't one time transactions and in order to win repeat business, we need the emotional connection (true partnership)."

XII. SINCE OUR RESPONDENTS VIGOROUSLY AGREE THAT CREATIVITY IS OF THE UTMOST IMPORTANCE IN BUSINESS SUCCESS, WE ASKED FOR EXAMPLES OF HOW THEIR COMPANIES ARE USING CREATIVITY IN BUSINESS TODAY

The answers were vast, wide and exciting, ranging from big picture ideas to small tactical maneuvers that paid off handsomely.

"In a plant with excess space, bringing the manufacturing of a small part from offsite to onsite."

"Hiring top talent and getting out of the way."

"In-house research organization to do forward leaning work."

"Always looking at and assessing new technologies to see if they can help us move forward faster."

"Community involvement."

"Working to have more global presence."

"Geothermal heating units placed in all new stores."

"Delivering complex analysis with less time and cost."

"Creating an internal training university."

"Cross-platform collaboration to offer common customer solutions."

"Creating a center for excellence."

"Applying lessons across industries."

"Using new molecules for the same product."

"Creating food oases in former grocery store blighted areas."

"Partnering with clients."

"Increasing ease of doing business."

#### **FINDINGS**

XIII. FIRST, WE ASKED OUR RESPONDENTS TO RANK THE IMPORTANCE EXIERNA ()⊢ ^ REATIVH STRATEGIES FOR SPEAKING WITH OMERS B()(||S|)AND INVESTORS 82% RANKED THIS FUNCTION AS VERY IMPORTANT.



SOMEWHAT IMPORTANT 18% XIV. NEXT WE ASKED: HOW IMPORTANT TO YOUR ORGANIZATION'S SUCCESS IS THE COMMUNICATIONS FUNCTION WITHIN YOUR BUSINESS?

Roughly <sup>3</sup>⁄<sub>4</sub> of respondents rank this role as very important, with a full 97% ranking it as very or somewhat important.

73% Very Important

24% Somewhat Important



3% Not Very Important



22



XV. CREATIVITY IS ALL WELL AND GOOD AS A 'META-GOAL' IN AN ORGANIZATION, BUT OUR PARTICIPANTS REVEALED THIS FOCUS TO BE ONE THAT CONTRIBUTED SQUARELY TO THE BOTTOM LINE. WE ASKED THE FOLLOWING QUESTION:

"Creativity has always been there, but its being transformed based on technology - it gives us a much more tailored approach. We now have so many sources of opportunities to meet the needs of so many specific communities. At the end though, its still about magic." -Chris Di Cesare, Director of Creative Programming, YouTube/Google

#### "YOU INSIST UPON CREATIVITY IN YOUR INTERNAL AND EXTERNAL COMMUNICATION PROGRAMS TO ACHIEVE WHICH OF THE FOLLOWING:"

(Select all that apply)

Optimum Business Results Optimum Business Results Improved Market Share Sucess in our Globalization Efforts Other

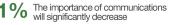
XVI. THIS FOCUS ON COMMUNICATIONS WILL NOT BE WANING ANY IME SOON. WHEN ASKED ABOU THE FUTURE OF COMMUNICATIONS WITHIN ORGANIZATIONS. FAR REASE IN IMP()RIAN( E WITH П SIGNIFICANTLY.

#### DO YOU EXPECT THE IMPORTANCE OF YOUR COMPANY'S COMMUNI-CATIONS FUNCTION TO INCREASE. DECLINE OR STAY THE SAME IN THE FUTURE?









and many 0% The importance of activity decrease The importance of communications

### XVII. SO HOW WILL THIS INCREASE BE ADDRESSED HI 5

The majority see their management taking a larger role, and making a deeper commitment to communications within the organization. Secondly, everyone must focus more time and energy in this quadrant. Thirdly, corporations must look to increasing their communication resources, with up to a guarter revealing that they will need to hire more experts in this area.

Clearly, this is a white hot arena tightly tied to the cultivation and expression of creativity.

(Select all that apply)





24

\_\_\_\_\_

#### **FINDINGS**

XVIII. WITH EMERGING TECHNOLOGIES CROPPING UP AT A LIGHTNING PACE, WE ASKED OUR PARTICIPANTS TO SHARE WITH US WHAT EXCITES THEM THE MOST. Here, we saw a great deal of emphasis being place on integrating the energy and effectiveness of social media, mobile apps and new technologies we cannot even imagine. Because of the speed of development in this area, many of these leading organizations are partnering with and even funding technology start-ups so that they have a front row seat into tomorrow's innovation.

"Technology is an enabler that is incredible. We need to embrace technology, it's here and it's changing the way we live."

- Ivy Ross, Art.com

"We are most focused on leveraging the collective wisdom with any of our stakeholders, partners, anyone who touches the business."

- Guy Blissett, IBM

"I think what is really exciting is that technology has empowered people to truly be able to build – you are not limited by your imagination. The changes in the worlds of publishing and music and all of entertainment are inspiring us right now."

- Jonathan Heit, Allison & Partners

"I believe that digital is affecting and driving this whole imagination economy, and the entire organization from legal to supply chain are going to be transformed. Right now we are following the new social media companies...and instore-based-digital – as it will transform the way we connect with consumers."

- Bonin Bough, PepsiCo

"When we look at real breakthroughs in technology, it's not about Gee Whiz anymore. It's about companies that enhance people's lives. That's how we are looking at technology."

- Dan Ginsberg, Dermalogica

<u>C</u>

"I think in our industry and our categories, the most exciting thing is around location – getting at you at the moment of truth."

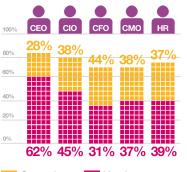
- Jamal Henderson, PepsiCo

#### \_\_\_\_\_

#### **FINDINGS**

XIX CREATIVITY IS A SHARED I FADERSHIP RESPONSIBILITY -NOLONGER GATEN DFPARTMENLI TISA IOB I HOUGH I HAI IS CRITICAL TO MEMBERS OF THE C-SUITE, AND IS CRITICAL AS A TOP DOWNSTRATEGY TO INSPIRE FADERSHIP THROUGHOUT THE ORGANIZATION.

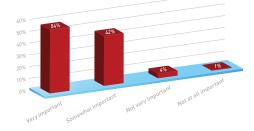
"HOW IMPORTANT HAS CREATIVITY-INSPIRED LEADERSHIP BECOME TO EACH OF THE FOLLOWING ORGANIZATIONAL ROLES?"



Somewhat important

XX. BUT WHAT OF THE OTHER C-FACTOR: COLLABORATION, WHICH HAS CROPPED UP SO FREQUENTLY IN OUR CONVERSATIONS?

"OVERALL, HOW BIG OF A PRIORITY HAS COLLABORATIVE CREATIVITY BECOME TO WINNING LEADERSHIP TODAY?"



Simply put, our respondents told us that collaboration is essential to any winning creative leadership. In fact, collaboration was the second most important element cited in generating business success today.

To quote Billee Howard of Allison & Partners, speaking about the recent collaboration between Toyota and Ford, "This new collaboration is even more exciting and inspiring as it demonstrates the imagination and reinvention required for brands to grow and thrive today. By marrying Toyota, arguably on of the leading companies in sustainable technology today with Ford, the American auto giant who battled their way out of darkness through a relentless commitment to creativity, technology and stellar leadership, issues critical to the future growth and prosperity of the auto sector can and will be addressed, likely to the benefit of all. It is this type of inspired and unconventional thinking that will drive businesses into the future."

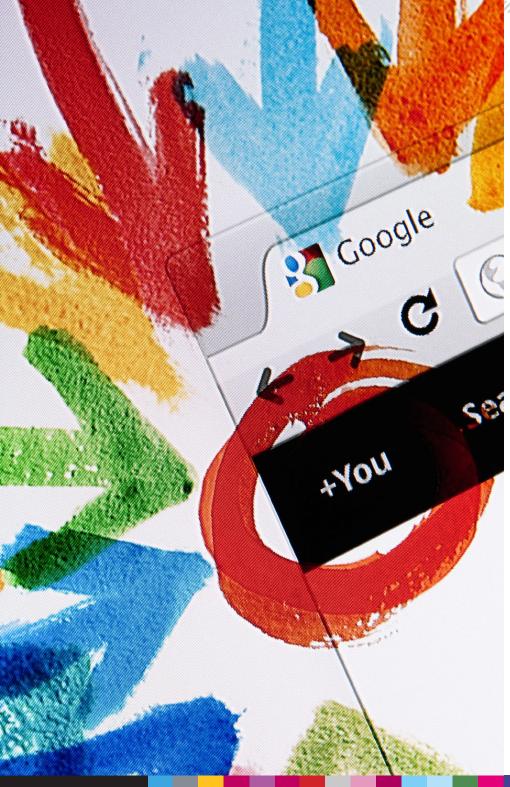
"It is in all aspects of the company, really the driving force, is this notion of collaboration and innovation. It has always been a mandate to ensure our team leaders collaborate - to try the next new thing. You have to have a culture that really embraces risk and understands that 100% success will not be likely."

- Anne Globe Head of Worldwide Marketing, DreamWorks Animation "You've got to get everyone involved - at every stage. It's simply got to be infused into every corner of the organization."

- Scott Allison CEO/Founder, Allison & Partners "We are a flat organization - anyone who has a passion who believes in something and is willing to follow that through is highly valued here. It's a core value of Zappos."

- Jenn Lim CEO and Chief Happiness Officer, Zappos "A company that is born from inventing something that just didn't exist before has it in its DNA to constantly evolve. There is a personal passion here for making sure the brand is always fresh."

- Tara Maitra Senior Vice President and General Manager of Content and Media Sales, TiVo, Inc.



XXI. WHAT COMPANIES INSPIRE ADMIRATION AND IMITATION IN TODAY'S CREATIVE RACE? WE ASKED BOTH WHO AND WHY. (AND WE ASKED THEM TO STAY AWAY FROM THE OBVIOUS FRONT RUNNERS, APPLE AND VIRGIN)

We received hundreds of answers – but several companies stood out.

Apple – (see – no one ever listens!) relentless drive to innovate

Google – fosters a creative culture to challenge new ideas. They make the complex simple and are actively pursuing the next big thing

Amazon – endless appetite to take on new challenges

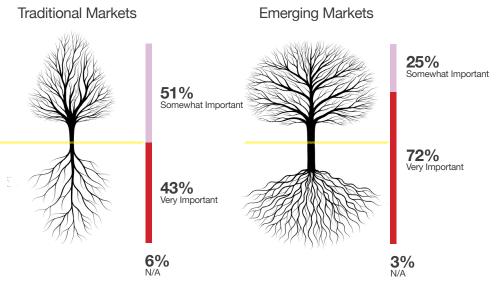
Southwest, Virgin, Target, Trader Joe's and Groupon received numerous votes as well



XXII. WE NOW ASKED OUR RESPONDENTS TO HELP US UNDERSTAND **CREATIVITY IN** COMMUNICATIONS AS IT RELATES TO **GROWTH IN NEW** AND EMERGING MARKETS.

Although all felt it was important in both types of markets, most felt increased creative pressure in emerging markets.

#### **"HOW IMPORTANT WILL CREATIVELY-INSPIRED** COMMUNICATIONS BE TO BUILDING MARKET SHARE IN EACH OF THE FOLLOWING? "



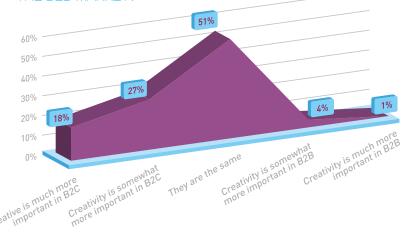
\_\_\_\_\_\_

#### **FINDINGS**

## XXIII. LOOKING AT A DIFFERENT ASPECT OF CREATIVITY – WE THEN ASKED WHERE CREATIVITY MATTERED MOST: B2C VERSUS B2B.

Not surprisingly, our participants selected B2C as the place where creativity has the greatest importance.

#### "IS THERE A DIFFERENCE IN CREATIVITY WITHIN THE B2C MARKETPLACE VS. THE B2B MARKET?"



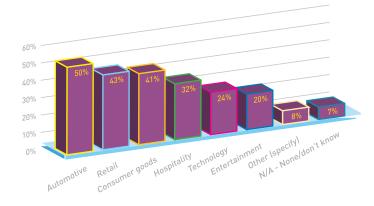


XXIV. WHICH INDUSTRY SECTORS WERE MOST IN NEED OF A CREATIVE JUMPSTART AND REAL INSPIRED INNOVATION?

The answer was resoundingly the automotive sector, followed by the retail and consumer goods sectors.

#### "WHICH INDUSTRY SECTORS ARE MOST IN NEED OF CREATIVELY-INSPIRED REINVENTION TODAY?"



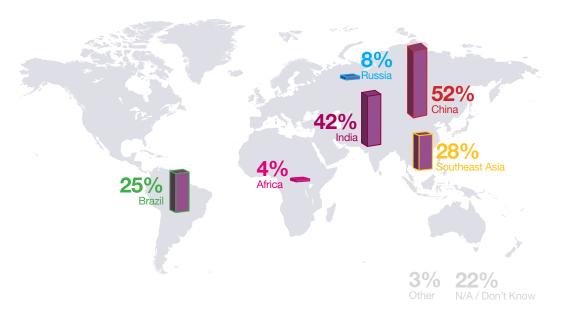


XXIV. EXPANDING OUR VIEWPOINT – WE NOW ASKED OUR PARTICIPANTS TO SELECT THOSE GLOBAL HUBS THAT ARE EMERGING AS CREATIVE LEADERS IN THE WORLD ECONOMY.

Not surprisingly, China was awarded top honors, followed by India and Southeast Asia.

#### "WHICH REGIONS OF THE WORLD HAVE EMERGED (OR ARE CUR-RENTLY EMERGING) AS HUBS OF CREATIVITY IN BUSINESS?"

(select all that apply)



XXVAI THOUGH THE AFOREMENTIONED ANSWERS BORE NO SURPRISES, OUR PANEL VERY AGGRESSIVELY BELIEVES THAT THE STRENGTH OF THE BRIC GROUP OF NATIONS AS CREATIVITY DRIVERS WAS DUE FOR A CHANGE, AND THAT NEW MARKETS WOULD EMERGE WITH THE NEWCREATIVE FCONOMY.

"GLOBALIZATION OF THE PAST DECADE HAS FOCUSED ON THE PROMISE OF THE BRIC NATIONS (BRAZIL, RUSSIA, INDIA, CHINA). DO YOU FEEL THAT A NEW CREATIVE ECONOMY WILL INSPIRE A NEW BRIC?"



" Mobile is going to revolutionize <u>Africa</u> and so they're probably going to become the leaders in how mobile changes societies and so it's interesting to watch...they don't have past infrastructures to hold them back or to be a crutch."

- Bonin Bough, PepsiCo

"We are looking at Brazil and Finland and Korea and Kenya – there are banking models there that are evolving into hotbeds of technology. They are leapfrogging copper wires and going straight to mobile. They are doing payments totally differently."

- Arkadi Kuhlmann, INGDirect USA

"Africa has the most opportunities – without a set infrastructure they are already leapfrogging ahead – they are not encumbered by old hardware and thinking." - Guy Blissett, IBM



## XXVI. SO, AS WE SHINE OUR LIGHT ON THE FUTURE OF BUSINESS AND THE INCREASED NEED FOR CREATIVITY – WHERE WILL THIS COME FROM? WHAT INNOVATIONS WILL DRIVE US FORWARD?

#### "WHAT ARE THE MOST SIGNIFICANT TRENDS IN CREATIVITY THAT WE CAN EXPECT TO SEE IN BUSINESS IN THE WEEKS/MONTHS/YEARS AHEAD?"

° WEEKS

social media

digital media

new technology

humor

training unskilled labor in new technologies

new apps

more localized marketing, a la groupon

More viral marketing

## ∽ MONTHS

cell phones

better data reliability

intuitive social media

music

company wide adaptability economies

green planet initiatives

new job sectors technology leaps

better leveraged social

## ∑ YEARS

corporate boundaries

new products and services to make workers more productive and happy

interconnected societies

technology

streamlined global

global environmental opportunities

customized products

breakthrough products

XXVII. DESPITE THE CURRENT ECONOMIC WORRIES, THE EUROPEAN DEBT CRISES, AND THE CURRENT MIASMA OF AMERICAN GOVERNMENT, OUR PANEL IS VERY HOPEFUL THAT CREATIVITY, IMBUED IN CORPORATE CULTURE AND HARNESSED FOR COMMUNICATION WILL PROVIDE THE CATALYST TO DRIVE US FORWARD. WE ASKED THEM ONE FINAL QUESTION: - WHAT WOULD THEY LIKE THEIR COMPANY'S CREATIVE LEGACY TO BE AT THE END OF THEIR TENURE?

"Business Leaders realize that the future is right in front of us and it's going to keep moving faster – so here is our opportunity – instead of being afraid of it, help unleash it as an opportunity to build a competitive edge. So I think that the imagination economy will help us build a competitive advantage out of that energy source, the same way that the assembly line or the technology economy did at one time."

- Bonin Bough, PepsiCo

#### Ideas that matter

Research is the basis for our company's future

#### Lead or get out of the way

We supply the tools, incentives and workplace environment. You supply the innovation!

We kept our nose to the grindstone and our eyes on the future

Solutions delivered

Innovation and execution of the dream

Creativity drives growth

Think of ways to help your customers achieve their goals

We are the world's creativity leader

There are always more ideas; we just need to uncover them

Anticipating customer needs with creative and unique solutions

The legacy leads the future

To satisfy the wants of some, and instill the desires of many

Innovation driven by customer need, not corporate desire

Imagination worked!!

"When we thought about growing a company that customers really cared for, that brands wanted to work with, it had to be more than about the product - it had to be about the feelings, it had to be about the surprise and delight that it creates and the conversation it engenders between customers. And we have to create that every single day." - Haley Barna, co-founder of Birchbox RIDE THE PONY.THROW THE BOMB. MAKE IT HAPPEN. TAKE RISKS. SET THE BAR. KNOW WHO YOU ARE.

- PROGRESSIVE INSURANCE

### SUMMARY

In conclusion, we see an imperative for businesses to adopt, enhance or continue to embrace the C-Factors as the way up. Clearly, companies that endorse this way of thinking are winning in every way.

From market share, to share of mind, it is through creativity, collaboration and an emphasis on on a new culture that the velocity the new economy so desperately needs is being generated. This is as true for the garage based startup as it is for the established brand.

Historically, legacy companies rely on size, market position and customer awareness to compete. The ones that are showing regeneration are asking themselves how they can act like a challenger – how they can foster re-invention and embrace risk. The answers for them are the 3 C's - creating the environment that encourages innovation and nimbleness. If they don't, they leave the door open for newcomers who do. For those new to the game – it is mission critical to build the aqueducts that will ferry fresh thinking and outside inspiration to everyone as the company grows.

Creativity is now a must – not a gamble. And those that create the systems, listen to consumers, and immerse themselves in worlds broader than their immediate business will thrive. The C Factors are stakes in the ground for everyone who wishes to flourish in this new economy.

Powered by



**Design by Collier.Simon** CollierSimon.com