

CUSTOMERS + BRANDS + STRATEGY + INNOVATION + MARKETING + PERFORMANCE

MASH+UP

PETER FISK EXPLORES THE BEST NEW IDEAS IN THE BUSINESS WORLD MARCH 2014



\$19 billion for **WhatsApp** might seem expensive, particularly compared to the \$1bn also paid by Facebook for Instagram, and similarly by **Google** for YouTube. But with 450 million active users, 70% daily, a more global audience, and a commercial business model, the instant messenger could help to retain confidence in the \$100bn social network. 37 year old Ukrainian co-founder Jan Koum is doubly happy. He grew \$6.8bn richer in the same week that he watched revolutionary change in his hometown of Kiev.

In this issue, we also learn about **Google X**, and Facebook's big rival **Tencent**.

CROWDED + CONTAGIOUS

100 million viewers across the globe sat down to watch this year's **Super Bowl**. With marketer's eyes focused on the \$4 million 30 second ad slots, you could be forgiven for not realising that the Seattle Seahawks won. This year's most recalled ads, by **Chrysler** and **Coca Cola** looked back and forwards. Whilst the Detroit car maker got Americans nostalgic with the help of Bob Dylan, Coke celebrated today's multi-ethnic nation, where beauty lies in its diversity. It was a telling moment, when Madison Avenue convention was outgunned by crowd-sourced Atlanta vision.

But the real winners thought differently. Marketing is much than advertising, and marketers have realised they can make budgets go further, and engage people more deeply. Online **competitions**, over many months, created the real buzz. **Dorito's** "Crash the Super Bowl Contest" challenged snack-loving fans to create their own ads, with a \$1 million prize. In the business world, software brand **Intuit** offered their spot to others. Leading in the crowd voting was the National Organisation to Reform Marijuana Laws which was subsequently disqualified, creating even more coverage for them and Intuit.

LIQUID + LINKED

Content marketing is where many brands are now focusing their imaginations. Beyond the superficial images and slogans of campaign-based advertising, today's best content is authentic, relevant, topical, collaborative and evolving. Last year **Oreo** demonstrated the power of **real-time marketing**, tweeting "You can still dunk in the dark" moments after an unplanned power shortage. That takes empowered and agile marketing.

The majority of creative **ideas** don't come from ad agencies but from consumers today, fuelling both innovation and communication, whilst experiences are collaborative and **participative**, rather than delivered in standardised and passive ways. Back at **Coke**, Jonathan Mildenhall and his creative team, have sparked a revolution with "liquid and linked" content, which works across audiences and platforms, fuelled by **stories** and topicality, personal and constantly evolving.



IMMERSIVE + INSTANT

The **Consumer Electronics Show** is the moment tech-companies showcase their latest innovations. This year's event in Las Vegas was dominated by wearable tech and 3D printing. **Oculus Rift**, the virtual reality headset, has been a long time coming, but is set to redefine possibilities of immersive gaming, and many other sectors too. In healthcare, for example, **Intuitive Surgical** has transformed the ability of doctors to perform automated heart surgery, faster, cheaper and more precise.

Personal healthcare is likely to transform our lives. From **Jawbone** to Nike+ we can already track our fitness, but **Scanadu**, with a clip-on monitor the size of a small coin, will soon allow us to check our blood pressure, and much more, as often as we check our mobile phones. Small and connected "**internet of things**" technologies will change everything. **Geak** is an intelligent ring, slots on your finger and controls your mobile phone through movement. Every marketer knows the power of "time and place" today, harnessing **big data** to pinpoint consumers when it matters most. When consumers take **2.6 seconds** to choose a brand, every influence, and every second, can matter.

ChefJet stood out amidst the innovations in **3D printing** for its ability to print your favourite food on demand, particularly now that multi-substance printing is possible. It looks like a microwave, but it could transform shopping and eating, diet and lifestyle. Time to buy your own 3D printer? Not quite. Far better to visit your local branch of **3DHubs**, the Dutch company is launching “maker spaces” in every big city, either branded shops or individuals sharing their own printers, creating new communities of entrepreneurs. Amsterdam leads the world with over 500 locations.



CHINESE + CREATIVE

From **Alibaba** to **ZaoZao**, China is where our future is rapidly being shaped. Jack Ma's e-commerce platform already connects most of the world's businesses, making size and distance irrelevant. Vicky Wu's **pre-sumer** fashion site allows huge numbers of “new middle” consumers to choose from a huge selection of designs before they are made, giving many new designers their chance to shine. **Xiaomi**, the Android-based smartphone brand, led by rockstar CEO Lei Jen, sold out the first batch of 100,000 MiPhones (not iPhones) in 83 seconds last October. In his first year of business he sold 7.2 million devices, and Xiaomi is already regarded as a \$10 billion company. China's real skill is in creating **new business models** for new markets. Once the Chinese learn to build emotional brands, Apple and Google, even Coke, should be worried.

Fast Company's “**Most Innovative Companies 2014**” rankings are inspiring as always. Google leads the way, largely thanks to the moonshot-thinking round the corner from the Googleplex, where its <X> projects are taking shape. **Nest** was snapped up to shape the intelligent home, **Google Glass** launches soon, whilst driverless cars and intelligent cancer therapies will follow. Which is just as well for the search engine, because back in China, **Tencent** is rising fast. Its **QQ** social network will soon replace the diminishing Facebook, in a way that brings search, networking, retailing and banking together. **WeChat**, its fast-growing instant messaging brand, will make it fast and viral. So if you're looking for new markets, the combination of Alibaba and Tencent could be transformational in how you make, distribute, engage and sell.



HOT COOL + YOURS

Sochi's **Winter Olympics** took place under warm blue skies, and cost more than any other sporting event. The tagline just seemed to capture the over-hyped excess. Not surprisingly, bank and vodka brands lead the way in Russia. At a time when football clubs are the playthings of billionaires, and iconic events are the vanity projects of oil-rich nations, sports should remember that they are built on the passions and goodwill of everyday fans.

Skates, skis and snowboards will soon be replaced by screaming engines and burning rubber as Sochi becomes the venue for Russia's first ever **F1 Grand Prix**. Indeed the park was built ready to accommodate the night-time spectacular. F1 sponsors say a lot about the sport. Gone are the tobacco brands, replaced by **Red Bull's** adrenalin, and a host of telecoms brands, most recently **Tata Communications** as "connectivity provider".

CARING + COLLABORATIVE

Back on Fast Company's list, most interesting was the **non-profit** organisation which took second place. **Bloomberg Philanthropies** is making a bigger difference to the world than even Bloomberg, through a new business model for charities that engages companies in solving big problems. Like Google, it seems that big brands are realising that a purpose beyond profit, about how they can make life better, really does drive new thinking. But it doesn't require a charity, the best brands, like **Toms**, can do both.

Also in the top 10 innovators is **Airbnb**, the start-up rent-your-room website that has recognised that facilitating the connections between people is far more powerful than with the business itself. As the flagship of "**collaborative consumption**" it offers every business a new idea for making money – utilising spare capacity, encouraging people to share, sustaining revenues through renting. On **Zilok**, the peer to peer rental site, you can rent out the drill you bought and never use, the car that only moves at weekends, or even your drive when you're not at home. Collaboration is human, good for the world, and more social and fun. Having stayed in too many sterile and same hotels around the world, I definitely think Airbnb offers travellers a more interesting place to stay.

IDEAS + ACTION

My new book "**Gamechangers: Are you ready to change the world?**" has been quite a personal journey and is coming soon. Most interesting was interviewing the 100 companies nominated by business leaders as those who are "shaking up" their markets. Most recently I learnt about **Beauty-In**, the Brazilian cosmetics-embedded drinks and candy maker, and **Supercell**, the tablet-centric games developer from Helsinki. The real challenge is to learn from their smarter strategies and brand experiences. In the book!

Last month I found myself working in the desert mountains between Dubai and Oman, and at Disneyland Paris. In Hatta, UAE, I was running a week long leadership retreat for **Almansoori**. The challenge for leaders was how to be better – not just as a team, which is where we usually focus, but individually too. Having done your Belbin profile and practised your Covey habits, how can you really be a better leader? The real skill is to **amplify the potential** of others. In Paris, working with **SAS Institute**, Disney are making everyone's experience better, with a \$1bn investment in big data to create **MyMagic**.

Next month I'm in Istanbul launching the first Gamechangers online **competition** of the year. Maybe someone will rival last year's winner **Aeromobil**, the flying car from Slovakia. I'll also be exploring the future world of printing with **Canon** in Munich, getting customer-centric in banking with **Santander** in Madrid, plus trips to Amsterdam and Vienna too. Here are some more examples of my **workshops** helping you to develop better ideas, and to make them happen:

<p>Strategies for a fast changing world</p> <p>GAMECHANGERS</p>  <p>23andMe, Bharti, Ailibaba, Tencent, Xiaomi, ZaoZao ... Defining a better vision, innovative strategy and business model. Winning by finding your space and playing your own game.</p>	<p>Building brands in a connected world</p> <p>BOLDER BRANDS</p>  <p>Apple, CocaCola, Diesel, DSM, Juan Valdez, Nike+ ... Building brands around people not products, to make life better. Engaging people in more human, collaborative and inspiring ways.</p>	<p>Innovating the whole business</p> <p>CREATIVE GENIUS</p>  <p>Google X, Li & Fung, Pixar, Renova, Samsung, Virgin ... Creating better business solutions from the future back. Future trends, better questions, creative fusions, entrepreneurial.</p>	
<p>Delivering great customer experiences</p> <p>The Customer World</p>  <p>Airbnb, Lego, Nike+, Rapha, Threadless, Zappos ... Engaging customers more deeply through enabling experiences. Driven by insights, propositions, communities and advocacy.</p>	<p>Marketing that is real and realtime</p> <p>MARKETING ON DEMAND</p>  <p>Amazon, Beats, IBM, Natura, P&G, Supercell ... Social and local, mobile and topical, multi-channel and integrated. Engaging people in more relevant ways, to do more, and grow faster.</p>	<p>Transformational business leaders</p> <p>PEAK PERFORMANCE</p>  <p>Haier, Natura, Patagonia, Salesforce, Tata, Unilever ... From command and control to communicator and collaborator. Leaders who have vision and agility to drive change and innovation.</p>	
<p>Other more specific themes, typically one-day formats. There are also workshops specific to each sector and market eg Finance, retail, telecoms, healthcare etc.</p>			
<p>Marketing to Gen Y</p> <p>WeChat or WhatsApp, how to engage 16-24 year olds through social relevance.</p>	<p>Content marketing</p> <p>Coke's "Liquid and Linked" approach provides a better model for content.</p>	<p>Brand extensions</p> <p>How to reshape brands to extend into adjacent segments and categories</p>	<p>Growth strategies</p> <p>The Growth Wheel. Developing the right growth strategy for your business.</p>
<p>Marketing to women</p> <p>With the highest income growth, women are more influential and affluent.</p>	<p>Brand storytelling</p> <p>From Diesel's jeans to IBM's Smarter Planet, how to make stories contagious.</p>	<p>Franchising and licensing</p> <p>How to create an IP-based business model that wins through replication.</p>	<p>Scenario planning</p> <p>Making sense of the future by evaluating trends and ideas, risks and opportunities.</p>
<p>Marketing to over 60s</p> <p>More over 60s than under 15s by 2025, doing more for boomers who live to 100.</p>	<p>Social local mobile</p> <p>Using digital media and big data to engage people at right time and place.</p>	<p>Crowds and co-creation</p> <p>Collaborative innovation, brands and experiences that engage people deeper.</p>	<p>Strategic market planning</p> <p>Developing the right plan to beat your competitors, engage your customers.</p>
<p>Luxury brand strategies</p> <p>How to define luxury today, engage more premium audience, whilst also diffusing.</p>	<p>Building communities</p> <p>Forget loyalty cards, think movements, people trust and are loyal to each other.</p>	<p>Frugal innovation</p> <p>Creating products and services from the bottom up, low priced, simple and easy.</p>	<p>Performance metrics</p> <p>Turning strategy into goals into metrics into targets into scorecards and rewards.</p>
<p>Emerging market strategies</p> <p>Learning from the most successful local companies and international entrants.</p>	<p>Collaborative consumption</p> <p>Zilok to Zipcars, sharing, renting, and subscribing to better utilise capacity.</p>	<p>New business models</p> <p>Redefining how your business works and makes money, freemium to subscription.</p>	<p>Portfolio optimisation</p> <p>How to focus business and product portfolios, and brand architectures.</p>

MASH+UP is a quarterly round-up of new ideas and anecdotes by Peter Fisk who is a bestselling author, keynote speaker and expert consultant. He is founder of GeniusWorks, helping companies to develop more innovative strategies for brands and marketing. He was recently nominated to Thinkers 50 Guru Radar, as one of the world's best business thinkers, and is visiting professor at IE Business School, Madrid. His new book "Gamechangers: Are you ready to change the world?" will be published in 2014. Find out more at www.theGeniusWorks.com or email peterfisk@peterfisk.com