the little book of genius

Peter Fisk
The Little Book of Genius brings together some of the best insights and ideas from the bestselling “genius” series of books by inspirational author Peter Fisk.
These are extraordinary times.

A world changing all around us. Economic turbulence and uncertainty that affects every one of us. Technological impacts with speed and connections never before imagined. A social and environmental crisis that is even more serious.

Power is rapidly shifting from west is east, large to small companies, mass markets to niches, business to customers. Customers are more individual and connected, more informed and demanding than ever before. There are unlimited opportunities to focus, but with unprecedented competition.

It’s time to press the “reset” button.

Whilst the Chinese use the same word to mean threat and opportunity, Einstein reminds us that we cannot solve problems with the same thinking that created them, and Picasso sees turbulent times as the most exciting times, because everything changes.

See things differently. Think different things.

How will your markets be shaped by these new forces? How do you harness them to develop a better strategy, drive more radical innovation, harness the power of networks, re-engage your best customers, and deliver more profitable, sustainable growth?

Now is the time to seize the opportunities of a changing world, to shape your markets in your vision rather than live by someone else’s, and to deliver extraordinary results.

Be bold, be brave, be brilliant.
“Hello, I am your customer. Do you see the world like I do? It’s simple really. Start with me and everything else follows. Together we can do extraordinary things ... Are you ready?”

Customers are now in control of our markets, demanding that we do business on their terms. Their expectations are high, and loyalty is rare. They are individual and emotional, well-informed and highly organized. They know what they want, and only accept the best.

“Customer Genius” introduces a 10 step blueprint for building a customer-centric business; proving that the right customer strategies, based on deeper customer insight, driving more compelling propositions and distinctive experiences, can engage those ‘wonderful people’ we call customers.
1. **Outside in.**  
Power has shifted to customers, and business must learn to think and act from the outside in.

2. **Bigger picture.**  
Customers see their challenges and solutions more holistically, without sectors or categories.

3. **Less is more.**  
Better to attract and retain fewer, more profitable customers than to try to serve everyone.

4. **Deep diving.**  
Use more personal immersion to discover what factors really drive attitudes and behaviours.

5. **Get personal.**  
People are more irrational and emotional. Focus on the energisers, not just the essentials.

6. **Pull don’t push.**  
Don’t sell products, engage people on what matters to them – where, when and how they want.

7. **Work together.**  
Collaborative, help people to solve problems and achieve more with co-created solutions.

8. **Intuition rules.**  
Throw away the rule book, and enable customer service people to be human and responsive.

9. **Word of mouth.**  
Customers are more loyal to each other than any business, so harness the power of advocacy.

10. **Future results.**  
Customer metrics are lead indicators, whilst financials only tell you about the past.
• As business people we have a very narrow perspective on our markets, limited by the boundaries that we define, and missing much of what matters in our customers’ worlds.

• When was the last time you had a proper conversation with a customer not about products or problems, but about what drives and influences them, their hopes and dreams?

• Most research is superficial, based on and seeking to confirm existing prejudices and beliefs. It is filtered and aggregated, squeezing out any new insights.

• “Customer immersion” is about understanding people more deeply. It’s about having real conversations, one to one, listening and exploring what matters to them and motivates them.

• Leaders and managers should each spend time with real people – gaining deeper insight, memorable anecdotes and renewed motivation for why they do business.

• Malcolm Gladwell calls it “thin slicing” – the ability of a police officer to visit a person’s home and, through observation and listening, to learn an enormous amount about them within seconds.
• Few companies have insight(s) ... Insight is described as a constant state of curiosity, whilst insights are defined as penetrating discoveries, flashes of inspiration.

• Abraham Maslow created his hierarchy of needs, from basic to aspirational, however a better way to look at this is rational to emotional, essential to energizing.

• The “energizer pyramid” helps you to interpret customer needs, and the benefits you offer:

  - Essentials” are what customers expect you and others to provide. Make sure you deliver them every time, however you can differentiate and engage people in other ways.

  - “Enablers” are about what you enable people to do, which they couldn’t do otherwise. They are more about the application and use of the products and services.

  - “Energizers” might be small but emotionally important factors, aesthetic design, service style, little extras which people love, remember and tell their friends about.
3. Delivering a great customer experience

- Customers experience your business, and your brand, by design or default. Managing their total “journey” becomes more important than focusing on specific products or services.

- Jan Carlson reminded us that each touch-point is “an opportunity to make or break” a lifetime relationship, to engage them more personally, or equally where things can go wrong.

- Mapping current experiences is a good starting point.

- Each step is an opportunity to add value to customers – to elaborate or streamline activities, to differentiate and personalize, to bring your brand to life.

- Customer service is the easiest way to personalize the experience, to anticipate needs and solve problems quickly, to be more seamless, responsive and memorable.

- Experiences are much more than a “sales wrap”. They help customers to do more, maybe by becoming their guide or facilitator, or by adding education or entertainment.
• Becoming a customer-centric business is much more than doing some research, developing new products, putting on a smile, or being customer “focused” from the inside out.

• The “outside in” starts with their customers’ needs then creates solutions; listens before it talks; pulls rather than pushes; creates value for them first, and then shareholders.

• The 10 step “customer blueprint” starts by defining the purpose of your business in terms of what it does for customers. Strategy, organization, and performance then follow.

• A customer strategy defines your target customers, and everything the business does to attract, serve, retain, and grow them profitably.

• Making it happen requires disciplined change management, inspiring leadership, collaboration across functions, and clear targets and measures of customer performance.
It symbolises the new entrepreneurial spirit of south-east Asia. CK Pralahad describes the “bottom of the pyramid” as a $5 trillion opportunity. In 2001 Tony Fernandez promptly cashed in his AOL stock options and bought the Kuala Lumpur-based airline. Today it is one of the world’s fastest growing and most profitable airlines, connecting the bustling capitals of the region.

Air Asia succeeds by targeting some of the most populous markets in the world with a low-cost business model that also delivers service to match that of nearby Singapore Airlines. In 2008 it became the first long-haul low-cost airline, and Richard Branson was so impressed he took a 20% stake.

Amazon seeks to be “the most customer-centric business on Earth”. Jeff Bezos believes that focus on customers rather than competitors leads to more certain and sustainable growth. Since 1995 his focus has not just been on selling books but on providing customers with “convenience and speed” in buying almost anything – from toys and music to travel and groceries.

In 12 years, revenues have grown from $12 million to $12 billion. Innovations such as “look inside” sampling and “one-click” purchases, delivery tracking and self-publishing, stayed focused on the customer benefits. As did the radical decision to allow competitive retailers to sell through the site, enabling customers to compare prices and ensure that they get the very best deals.
Becoming a “zipster” is easy, register your details online with a membership fee of $50 a year, and then whenever you need a car – for 20 minutes or a month – just spot a Z-space, zap the door with your phone, turn the key, and off you go. From San Francisco to Berlin you will find Zipcars positioned around the streets, located by GPS on your phone, waiting to be driven.

Zipcars thinks and works from the outside in, developing an innovative business model that focuses on cost and convenience first, congestion and carbon emissions second. It targets students and young people as early adopters. Not only are Zipcars making people rethink the need for car ownership, but you can instantly have the coolest car to impress your friends.

Banks used to thrive on an antiquated model of taking peoples’ savings and lending it to others. Banks were intermediaries who eventually becoming too greedy, with its sub-prime loans and exotic derivatives running out of control. Zopa, founded in 2005, recognised that there was a different way – that networked technologies could connect people directly with people.

Zopa is an online money exchange, enabling people to lend and borrow money from others around the world. Peer-to-peer lending is simple and direct. The two parties find an interest rate which they agree upon, ensure each others credit worthiness through peer reviews, and then click to transact.
Marketing injects the customer insight and creative thinking that gives business its edge. However it must combine this with the analytical and commercial rigour that drives strategy, innovation and profitable growth.

The genius of marketing lies in the ability to connect outside and inside, markets and business, customers and shareholders, creativity and analysis, promises and reality, today and tomorrow. From Apple to Agent Provocateur, Jet Blue to Jones Soda, marketing is a living, evolving practice.

Genius marketers, like Einstein and Picasso, apply intelligence in more imaginative ways. They use their left and right brains to seize the best opportunities, to stand out from the crowd and to lead the business.
of the best ideas from Marketing Genius are

1. **Be original.**
   Spreadsheets help you focus and optimize, but you need creativity to stand out and move forwards.

2. **Redefine markets.**
   Think in terms of customer solutions rather than being blinkered by traditional boundaries.

3. **Value not volume.**
   Don’t be a slave to market share, there is often more value in niches than mass markets.

4. **Be different.**
   Advantage starts with your value discipline – do you offer best products, best relationships or best price?

5. **About you not us.**
   Redefine brands in terms of what you do for customers, rather than what you do.

6. **Propositions not products.**
   Sell propositions based around customer benefits rather than products.

7. **Stories not slogans.**
   Engage people in more relevant narratives that establish context and meaning.

8. **Networks not channels.**
   Connect with physical and virtual communities, collaborating and enabling them to do more.

9. **Value-based marketing.**
   Focus on markets, segments and products that create the most economic value long-term.

10. **New marketers.**
    Work across the business as customer champions, business innovators and growth drivers.
Markets are defined by conventions – geography, product category and customer type. However such clusters evolve over time, old markets die and new ones emerge.

Amazon started as a bookseller and evolved rapidly, whilst IBM moved from computers to services. But Kodak was so obsessed with competitors that it missed the changing world.

Mapping your existing and adjacent markets enables you to see more clearly the threats and opportunities of changing markets, new competitors and new opportunities.

- Creatively explore adjacency in terms of countries (either nearby or with similar cultures), categories (which solve customers problems more completely), customers (who have similar needs), or capabilities (across your value chain).

- Opportunities for growth can then be prioritized based on evaluation of these options, either as extensions or by shifting your core, and come together to form a “market strategy” (which is different and bigger than a “marketing strategy”).

### 1. Mapping the new markets

- **Customers**
- **Countries**
- **Categories**
- **Capabilities**
Brands and business need a higher purpose beyond the pursuit of profits – one that inspires and focuses the business, articulates its difference, and gives it momentum.

Define your brand by what you do for people, rather than what you do. What do you enable people to do which they couldn’t do before? How do you make the world a better place?

Your “big idea” is not a name, logo or slogan, but the concept that sits behind these – which as a corporate brand also reflects the purpose of your business.

Brands are simply defined by three components - functional, comparative and emotional – what you enable people to do, why this is different, and how it makes them feel.

Strategy and investment, products and services, culture and communication should all be aligned to this “big idea” in a way that is meaningful, engaging and creates value for customers, employees and shareholders.
Most marketing is ultimately about pushing a range of products at as many customers as possible. This doesn’t work anymore. Customers are more different, and more discerning.

Propositions are based around customers not products, they establish a relevant context and articulate the most distinctive benefits, thereby articulating more value to customers.

At the heart of a proposition is an insight, which provokes a dialogue with a target customer, and then introduce one or more products in a more relevant and profitable way.

Internally, a proposition is structured as above, although the message might be much simpler externally.

Propositions start with customers (who and what), then add differentiation (why and how), and then price (based on the perceived value that you have created).

The trick is to find creative ways to change the perceived value, by changing the benchmarks that define the context.
Markets are increasingly connected and self-organizing, built on powerful and intelligent networks.

From Facebook and Linked-in, to Manchester United and Friends of the Earth, networks come in many forms - physical and online communities, affinity brands and partners.

Robert Metcalfe, founder of 3Com, proposed that “the value of a network is proportional to the square of the nodes” as every extra member connects and shares content with everyone else.

Digital media transform the way we market – anybody can be a global retailer, brochures are replaced by blogs, aggregators quickly commoditize brands, customers are in control.

Google transforms access to knowledge, Wikipedia changes the way we create it, and Tripadvisor gives us a view we trust. Brands must rethink how they are built, communicate and add value in this uncontrollable, interactive, exciting new world.
Three friends decide to go sailing. They take off from their stressful jobs, and head for a week in the Caribbean. Unpacking their bags, one shows off his new foam clogs he had bought in Canada. As the days, waves and beers go by, they imagine setting up their own business – how about making those shoes, comfortable, lightweight, non-slip and very strong.

Crocs were an instant hit – the ultimate boat shoe, but also for nurses, chefs and kids too. Brad Pitt and Britney Speers adopted them, and they were suddenly fashionable as well as functional. Sales were phenomenal, selling 20 million pairs worldwide in the first three years. Loved by many, hated by others, a billion dollar IPO in 2006 also gave the guys more time to go sailing again too.

“Diesel is not my company – it is my life”, proclaims Renzo Rosso, founder of the hippest jeans brand on the planet. Up in Italy’s Marostica Hills, at Diesel Farm, he sips his espresso whilst considering the latest designs for “successful living”, be it in the form of clothing or footwear, jewellery or fragrances. There are even Diesel wines and olive oils, from Rosso’s own vineyard.

Diesel makes cool look easy, but it’s a constant process of evolution, spotting and setting the trends. The brand has evolved from “greasy rockability” in the eighties to “conscious hedonism”, shifting audiences and adjusting its proposition over time. With 320 stores in 80 countries delivering over Euro 1.5 billion sales, the Italian entrepreneur is really enjoying his life.
If you want to take on market leaders like Coca-Cola, then imitation is unlikely to work. “Run with the little guy” says the tagline, yet Jones Soda has become a big story for much more than its drinks. “Nobody needs my s**t, nobody even wants it, but they love my s**t”, says maverick founder Peter van Stolk.

He emotionally connects with customers by letting them choose the flavours – “turkey and gravy” being a favourite – by making every single label an uploaded customer photo, and by targeting distribution channels that are anything but ordinary – music stores, surf shacks and tattoo parlours. Jones is shaking up the American soda market on a shoestring, and customers love it.

“Every adult adores at least one of our brands”, is the single-minded goal of the world’s leading drinks business. As well as Guinness, Diageo’s portfolio includes Smirnoff and Johnnie Walker, Baileys and Jose Cervò. However Diageo seeks more than market leadership, publicly ranking itself against a cross-sector peer group in terms of its total shareholder returns (it lies just ahead of Unilever, but still well behind P&G and Yum!)

“100% marketing” is the brand team’s way of achieving this, recognising that Lord Leverhulme’s “half of marketing is wasted” is no longer acceptable. It takes a disciplined, value-based approach to managing its portfolio, focusing its proposition, and integrating its media mix, making marketing the value engine of the whole business.
How to be a **Creative Genius**

- Time and space.
- Genetics and robotics.
- Education and fashion. Possibilities limited only by our imaginations. The future is yours to create. **Who will be the Leonardo de Vinci of our times?**

Most ideas are incremental, quickly copied and suffocated by conventions. “Future back” thinking starts with stretching possibilities then makes them a reality “now forward”.

The best ideas emerge by seeing what everyone has seen, and thinking like nobody else. Newness occurs in the margins not the mainstream. Solutions emerge through powerful fusions of the best ideas into practical, useful concepts.

We now live in a creative economy, where ideas are the most valuable assets, and creative people rise up. Visionaries, border crossers and game changers. Engage your right brain, open your eyes, think more holistically ... intuition rules.
of the best ideas from Creative Genius are

1. **Future back.**
   Escape the limitations of existing markets by designing the future then working backwards to today.

2. **World views.**
   Creativity is about perspective, seeing your world through new eyes – children, space, art.

3. **Rule breaking.**
   First define all the rules and conventions and then imagine how you could break or invert them.

4. **Open and close.**
   Creativity is divergent whilst innovation is also convergent, ensuring creative ideas have impact.

5. **Creative fusions.**
   The best solutions often emerge from combinations – atomic ideas into molecular concepts.

6. **Open innovation.**
   Customers are collaborative partners in innovation, turning new insights into useful applications.

7. **Trickling up.**
   Ideas flow from margins to mainstream, from extreme users, other sectors and emerging markets.

8. **Aesthetic design.**
   Memorable design is like nature. It has beauty and purpose, form that follows function.

9. **Market vortex.**
   Market entry is just the start, it is how you influence and reshape markets that defines your destiny.

10. **Social entrepreneurs.**
    Sustainability is our biggest catalyst, finding new ways to make people’s lives better.
Developing a better view of the future, and the factors that will shape it, enables you to make better strategic decisions and becomes a source of competitive advantage.

Innovation from the “future back” eliminates the limits of existing capabilities, structures and conventions. It also helps you to make the right tactical decisions “now forward”.

Fashions, fads and trends. Making sense of it all is not easy, until you start to look for the patterns, the directions and drivers, the obvious changes but also the weak signals.

“Scenario planning” enables you to consider the different possible futures: which scenario is more likely; how different events will influence each other; and the consequences for your business.

With a set of alternative futures, you can “futureproof” your business, being prepared and reducing risk - but also choosing which one you would prefer to create - and drive your strategy and innovation in order to be successful in that future.
2. Creating radical market disruptions

- Disruption is a great catalyst for change – either responding to something which happens, or by deliberately disrupting the status quo – breaking the real or perceived rules, or challenging the conventional ways by which business or markets work.

- Planning a disruption is a creative process, first requiring you to articulate what the existing “state” is. But it also requires imagination to design an alternative, a better way, in which you will succeed, and customers will too.

- A starting point might be to consider all the different ways in which your business or wider industry currently works – the rules – and then challenge them, looking for alternatives, or even complete opposites.

- “Blue ocean” strategies help you to identify unexploited needs of existing or non-customers, and by focusing on them, change the points of differentiation and attract new customers.

- Other markets, sectors or geographies, provide some of the best clues for disruption. What would be the iTunes of your industry? And what would be the iPod? Your challenge is to apply such parallels in relevant, practical and profitable ways.
Creativity is about idea generation. Innovation is about turning ideas into practical, profitable solutions. Innovation requires creativity - divergent thinking to explore many different options - but it also needs convergent thinking to focus on the best opportunities, and create solutions that have most impact.

“Open” innovation is where companies, most famously Boeing and P&G, recognise that the best ideas often lie outside, and through partnerships and “co-creation” with customers, they can be much more creative, and their innovations more successful.

Innovation needs effective management, either within the business or as a separate “venture”. It needs drive and discipline, diversity of skills and mindsets, and it also needs protecting from the desire for immediate results.

An “innovation portfolio” would focus on a number of strategic “big bets” projects, some “next generation” development, as well as some incremental “quick wins”. You need a balance, but you need them all, to compete today and succeed tomorrow.
• Rapid market entry, particularly into emerging or newly defined markets requires you to create a “market vortex” – establishing your position before others, engaging customers before others.

• The vortex entices people in like a whirlpool - building momentum keeps the process going, overcoming physical and mental blockages, and ensuring that you learn and evolve as you go. It helps you “own” the space you want, and the impact is faster.

• Isolated and maybe unnoticed at first, the vortex starts to influence competitors and other new entrants, it conditions consumer behaviour and creates new expectations.

• In time the vortex moves from a market entry role to establishing new standards and conventions. It redefines the rules, the sources of profit, and “changes the game”. Eventually new market conditions start to form, and the business must actively shape these new structures as it normalises.
In 1969 Neil Armstrong took man’s first steps on the moon wearing space boots with soles made by 3M. Now, an $18bn market leader, 3M describes itself as “the innovation company”. Not only does it focus on “practical and ingenious solutions that help customers succeed”, but also on transforming markets and customer behaviour itself.

3M’s innovation techniques are legendary. These include the insights that spark new products – the choirboy that inspired the Post-It note, and 10% of every week’s hours dedicated to “bootlegging” – working on crazy ideas from which 30% of new revenues emerge. It’s innovation process consists of parallel approaches to concept, product and market innovation.

“Leave luck to Heaven” is the English translation of Nintendo. The keiretsu’s first idea was handmade hanfuda cards, followed by a taxi service and love hotel. Eventually, this evolved into playing cards and today an $85 billion video game company like no other.

From the double-screen, hand-held Nintendo DS to the all-conquering collaborative action of the Nintendo Wii, the Kyoto innovator continues to reshape its industry. However it is not just about electronics, but about the aesthetics of design and human interaction that sets Nintendo apart. Japanese culture Shibui means unobtrusive beauty. Wabi sabi is the reflection of inner perfection and simplicity.
When it comes to producing breakthroughs, both technological and artistic, Pixar’s track record is unique. Toy Story in 1995 was the world’s first computer-animated feature film and was followed by blockbusters likes of Monsters, Inc., The Incredibles and WALL-E. Every story and character is created internally by a closely-knit community of artists and engineers.

Pixar started in 1979 as the Graphics Group, a part of Lucasfilm until it was bought by Steve Jobs in 1986. He shaped the company into what it is today, and continues to oversee its development since being acquired by Disney in 2006. Pixar and Disney Animation Studios now collaborate, constantly pushing the technological possibilities of animation.

Richard Branson’s Virgin Group needs little introduction – from his early pioneering music business he leapt into the aviation world without any idea about running airlines. But quickly found people to help. Championing the customer, challenging existing markets, became a Virgin speciality – and succeeded in everything from finance to cosmetics, mobile phones and TV.

What is there left to do, mused Branson to first side-kick. “Go to space” replied Will Whitehorn, who set about building Spaceport America, testing SpaceShipOne. With the help of rocket scientist Burt Rutan, Virgin is launching space travel for the masses, at a fraction of the cost, and carbon emissions, of NASA.
How to be a Business Genius

How do you lead a business in turbulent times, when change is essential but the destination is uncertain? What kind of strategy provides focus and agility, to create extraordinary value to all stakeholders in the long-term, whilst still succeeding in the short-term.

Ultimately a business is about growth – sustainable, profitable growth. As the organisation evolves how does it drive and accelerate this growth? In the past we focused on core capabilities, today we are driven by opportunities which we address through partnerships across continents and sectors.

“Business Genius“ is about strategy and leadership, change and performance. It describes how to get the right balance personally and organisationally – left and right brain, outside in and inside out, future back and now forward, radical ideas and practical action ... A more inspired approach to business.
of the best ideas from **Business Genius** are

1. **Accelerating growth.**
   Driven by market opportunities not capabilities, doing more for customers not more products.

2. **Business lifestages.**
   From entrepreneur to corporation, seven phases in the evolution of business and leadership.

3. **Economic value.**
   Value is what matters most, based on future expectations of profitability, growth and risk.

4. **Purpose not profit.**
   Business needs a purpose beyond profit, the way in which it ultimately makes people’s lives better.

5. **Smarter strategies.**
   Strategy is about choices – deciding where in the world, how and what will maximise value.

6. **Business innovation.**
   Every aspect of business can improve – from products and processes to business models.

7. **Energy and passion.**
   Fast workplaces and creative workstyles transform attitudes more than rules or rewards.

8. **Leaders and managers.**
   Managers control processes, whilst leaders inspire people. You need to do both.

9. **Managing change.**
   Change with a purpose in mind. Make it matter, make it focused, make it happen, and make it stick.

10. **Delivering results.**
    Value creation is driven short and long-term, combining business, market and personal impacts.
1. Developing a more profitable strategy

• A strategy is not a plan or tactic – it's a commitment to an enduring course of action which will take investment and time. Strategies require choice, alignment and leadership.

• Corporate strategies are about purpose and portfolio, whereas business unit strategies are about focus and differentiation. They are delivered through business plans.

• “Where to compete” is about finding the best opportunities for sustainable, profitable growth. It might be in different geographies or sectors, but still relevant to your guiding purpose, although not limited by existing capabilities.

• “What to do” is about the way you will engage customers, create and deliver products and services, and the business model through which this will deliver profitable growth.

• “How to compete” is about being different, a clear position relative to competitors, shaped by your chosen value discipline, and delivered through value propositions.
2. Being an inspiring leader

- The successful business leader of the 21st century, in big companies and small, share some common characteristics – combining the passion and directness of the entrepreneur, with the rigour and discipline of the corporate executive.

- Catalyst of change: constantly seeking new possibilities, challenging the business to think differently, and act faster.

- Communicator of vision: articulating a clear and inspiring direction, living the values and personality of the brand, engaging all stakeholders in active collaboration.

- Connector of people: bringing the best people and best ideas together - internally as well as from other companies.

- Conscience of business: deciding what is right and wrong, considering the big picture of the company and its role, and how it can help create a better world.

- Coach of high performance: working with and supporting all levels across the organisation, whilst also adding their own specialist skills to the business.
• “Change” is about transforming the way the business works – both in terms of its “harder” structures and processes, and its “softer” attitudes and behaviours.

• Whilst change used to have more of an internal focus, to improve quality and efficiency, today it is more externally driven with clarity of purpose and priority driving the direction of change.

• In Japanese, change is now much more about “kaikaku” (radical reform for a specific purpose), rather than “kaizen” (continuous improvement because it’s good for you).

Change will happen if $A \times B \times C > D$ where
- $A =$ an inspiring vision of the future
- $B =$ the reasons why we can’t go on as we are
- $C =$ the first practical steps
- $D =$ reasons why people prefer to stay as they are
In the past, companies were tangible – manufacturers of distinctive products. Now they are largely intangible – based on ideas and networks – and need different ways of evaluating and measuring, managing and exploiting.

IFRS define five categories of intangible asset – customer, marketing, contract, technology and artistic—although they can only be added to balance sheets on acquisition. However, they still drive value, typically accounting for 61% of market capitalisation, or £22.2 trillion worldwide.

An effective business scorecard is based on a clear understanding of what drives this value, connecting practical everyday actions with economic profit and value creation.

There are three categories of metric – inputs, throughputs and outputs. They connect at strategic and operational levels, and personally too, and form the basis a “value-based” approach to performance reporting and management.
“Googol”, the mathematical term for 1 followed by 100 zeros, symbolises the scale of the ambition of Larry Page and Sergey Brin to “organise the world’s information and make it universally accessible and useful”. “The perfect Q&A machine” says Page. Yet with email and shopping, software and YouTube, Google sees itself as much more than a search engine.

The secret, however, is not in the algorithms but in the people. “Googlers” love working at Googleplex, now officially one of the world’s “best places to work”. The environment is exhilarating and the perks are extraordinary. From virtual reality to gourmet restaurants, free bikes and weekly t-shirts, crazy ideas time and professional development, it really is an inspiring place.

London, Paris, New York. Walk through the fashion malls, and around 35% of the retailers and brand names will have a shared secret – Li & Fung, the world’s leading virtual supply chain. Dream up a new collection, and the Chinese company will find companies to design, source, manufacture, distribute, advertise, merchandise, and even run your back office for you.

Founded in 1906 in Guangzhou, and now headquartered in Hong Kong, Li & Fung is not an enormous Asian factory churning out cheap clothes. Its a smart “invisible” business that has the networks to help you do every aspect of business faster, cheaper and better. With $7 billion revenues and offices in 70 countries, it offers a new business model for a “flat world”.

LI & FUNG
“The consumer is boss” proclaimed AJ Lafley when introducing himself as the new CEO. It sounded, he admitted, “a little like Sesame Street” but sometimes you need a simple message to have an impact. For the Cincinnati business, famous for brands like Crest, Tide and Pampers, it was revolutionary. For the last 165 years, P&G scientists drove innovations, and products were king.

Lafley started about transforming the business, reorganising around customers, collaborating with them in new “sense and respond” innovation processes. Office walls were torn down, and half his senior managers were replaced, then acquisitions followed, including $54 billion for Gillette ... turning P&G into a virtual brand-owning company, with consumers at its core.

Umpqua is a bank like no other. For 43 years its 6 branches served the lumberjacks of Oregon state. Until its CEO died. Then Ray Davis arrived, and decided that Umpqua had to change or die too. Instead of looking to big banks, he looked to Starbucks for new store designs, Gap for product design, Ritz Carlton for customer service training. And he recruited their people too.

“Welcome to the world’s greatest bank” says the sign as you enter its boutique stores. Funky music, leather sofas and espresso bar, free wifi and magazines. Bring your friends, stay as long as you like. This is banking designed around customers, and one that Davis has grown from $140m to $6bn in 10 years.
Peter Fisk is an inspirational business author and speaker, consultant and entrepreneur.

He was recently described by Business Strategy Review as “one of the best new business thinkers.”

Peter works with the leaders of many of the world’s leading brands including American Express and British Airways, Coca Cola and Cooperative Bank, Lastminute.com and Marks & Spencer, Microsoft and O2, Red Bull and Shell, Virgin and Vodafone.

He is founder and CEO of the Genius Works, a strategic innovation firm, that helps business leaders to see things differently – to develop and implement more inspired strategies, innovation and marketing.

The Genius Lab is an accelerated innovation consulting process to address strategic issues. Zoom Ventures brings together business investors and social entrepreneurs. The Fast Track is an accelerated development programme for business leaders with workshops and retreats.

He was previously the transforming CEO of the Chartered Institute of Marketing, led the global strategic marketing consulting team of PA Consulting Group, managing director of Brand Finance, and partner of The Foundation.

For more information visit www.theGeniusWorks.com or email peterfisk@peterfisk.com

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