

# THE FUTURE READY BRAND

A GUIDING FRAMEWORK



# PREFACE

Once upon a time, adopting the classical approach to strategy was the desirable thing to do since the basis of competitive advantage is known and markets were stable, or predictable.

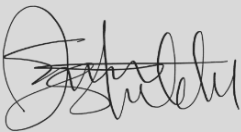
But in the face of today's massive disruptions, the ability to combine seemingly opposing traits like being nimble and scale or thinking short-term to long-term is no longer desirable but essential.

Brands and organisations that want to be future proof and future-ready must start the hard work now.

Those who get it right create adaptive, fast-moving organisations that respond quickly and flexibly to opportunities and challenges. They move intelligent decision-making to the front lines. Their process functions more like a network and are less bureaucratic. By combining urgency with agility, capability, and identity, they generate an organisation that can play fast and long term. That's the future.

And we have researched several organisations that have continued to flourish even after the pandemic, and it is no surprise that most have what the PLISM framework is suggesting in place.

It's time to join the leading pack.

A handwritten signature in black ink, appearing to read 'Eniola Ositelu', with a stylized, cursive script.

ENIOLA OSITELU

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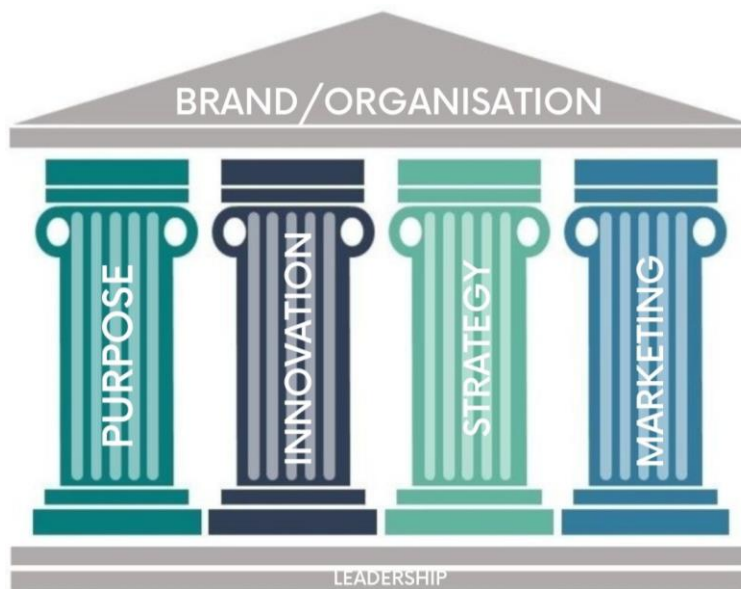


Alphabet

amazon

Walmart





## PURPOSE



- Business transformation efforts is integrated with purpose
- Business model and operations align with purpose
- Clear understanding across board of organizational purpose and commitment to core values/beliefs
- Systems/infrastructure align with purpose
- Purpose derived from the inside-out rather than outside-in approach

## LEADERSHIP

- Inspire confidence in the organisation in the context of its current state.
- Ensuring transparency, accountability and good governance
- Encouraging speedy and informed decision-making
- Engaging and involving staff at all levels
- Customer centered leadership at the highest level

## MARKETING



- Customer-oriented as opposed to product-oriented
- Maximize customer lifetime value
- Product/service design is based on customers' jobs to be done
- Cross-functional collaboration across board
- Connected to business strategy & entire organization objectives

## INNOVATION



- Culture of questioning status quo
- Intense focus on customer needs
- Culture of cross functional collaboration
- Experimenting encouraged
- Empowered workforce provided support & resources

## STRATEGY



- Clarity regarding how to achieve purpose
- Good communication
- Controlled resource allocation
- Breaking strategy down into easily achieved objectives
- Structure built around end customer experience
- Builds capability and develops talent
- Empowers, enables and mobilises staff
- Defined Culture that supports execution

# 2021: A VOLATILE START

It is a new decade that has inherited from its predecessor a volatile, disruptive and uncertain business environment. There's been civil unrest around the world and the pandemic has refused to take a bow as 2021 is not showing signs of recovery just yet.

What can organisations do to stay relevant? What practices and ways of working will ensure they are future proof and future ready? What must they do to remain standing when the dust settles?

The PLISM framework is a good place to start whether your organisation is a start-up, small to medium-sized, or a large organisation.

The PLISM framework is summarily a list of crucibles that companies should begin to harness, practice, and build into their culture and systems across the organisation with no one left out.

The framework comprises PURPOSE, LEADERSHIP, INNOVATION, STRATEGY, and MARKETING. When you look at the top brands operating and leading today whether it is Mercedes-Benz, Alphabet, Amazon, Walmart, or Nike, you will find that these five areas play pivotal roles in their sustained success.

They have a customer-centred leadership at the helm, they embrace innovation, their strategy is broken down into achievable objectives and they prioritise marketing. Each tends to have a purpose that guides their strategy or ways of doing things.



The PLISM framework is not only applicable to businesses. Personal brands, start-ups, personal life, and even families can put this framework into good use.

This eBook however, will focus on the PLISM framework concerning businesses only.

The framework enables companies to have a strategic focus and align resources accordingly which aid speedy decision-making, and is crucial for staying ahead of the pack.

Developing a purpose is integral to making a difference in today's world. Purpose can unleash an organisation's superior performance, but only if it is authentic, inspiring, and entrenched deeply in the DNA of an organisation.

And it is not only about purpose but all of the crucibles listed in the framework. There has to be a leadership leading and driving the agenda on all fronts.

# PURPOSE

What is purpose all about? It is your organisation's character and outlook on external issues such as social, political and environmental issues. It is what your organization stands for beyond just making profit. It's the promise to your customers and how you uniquely meet them. Purpose is an organisation's reason for existing. Why it does what it does beyond what it produces or sells.

And purpose has been proven to drive high growth rate in companies like other known growth strategies including extending into new markets, inventing entirely new propositions and acquiring new brands and capabilities.

But having a purpose is not enough; it has to be a strong shared sense of intent that can help companies meet the new challenges they face as accelerated pace of change in digitalisation, disruptive innovation, and rapidly changing consumer expectations reshape the playing field. Another critical role that purpose plays is in driving successful innovation and ongoing transformation of organisations.

According to [recent research](#), companies with purpose at the heart of their strategy and decision making perform better than others whose purpose was at the periphery of their strategy and those without a purpose. Another research affirms these findings with 56% of firms with brand purpose declaring that their organisational revenue was higher than that of competitors.

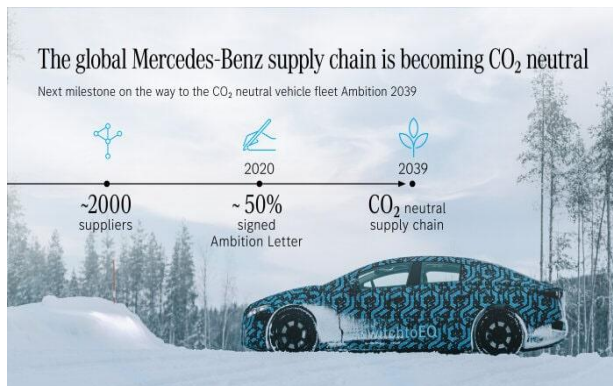
Let's take a look at how Mercedes Benz used purpose to initiate their ongoing transformation to sustainable mobility, green production with CO<sub>2</sub>-neutral energy supply and the long-term development cooperation for automated driving with Daimler AG and the BMW Group.

Aware of the fundamental changes set to completely change the mobility of the future such as electric mobility, automated driving and sharing,, Mercedes Benz looked inwards and took the retrospective approach to define [an all encompassing purpose](#).

This approach built on Mercedes' existing reason for being. They reviewed hundreds of documents, conducted internal surveys with more than 23,000 employees from different regions, functions and hierarchical levels.

They also delved into the psyche of the automobile brand to answer salient questions about where they

were coming from, how they got there, what made them unique and how current capabilities opened up future opportunities. And they came up with "*first, move the world.*" The purpose in itself challenged Mercedes to pursue more than what they could immediately achieve. It eventually gave rise to *Ambition 2039*.



with the transformation to CO<sub>2</sub> neutrality with a package of measures along the entire value chain. Even the supplier network is a key element in achieving their climate goals due to the higher energy demand in the production of fully electric vehicles. And half of their suppliers has signed an "ambition letter of intent," committing to supplying the German luxury automobile brand with only CO<sub>2</sub> neutral parts in the future.

Currently, the company offers a range of electrified models in each segment, including 48-volt models, a wide choice of plug-in hybrids, and all-electric vehicles with battery and/or fuel cell.

The following year, after concluding on a strong sense of purpose, Mercedes-Benz was able to break its [sales record](#) in 2019, selling over 2.3 million vehicles. They recorded the highest unit sales of any premium brand in the automotive industry for the fourth time in succession.

Clarity of purpose has provided a call to action for Mercedes, its partners, and stakeholders. And it is already urging them to innovate better, and continue the transformational process. Ultimately, the local and global society stand to benefit from greener cars in the future.

When a company's purpose is articulated with clarity and well understood at all levels, it inspires employees and unlocks discretionary efforts essential for transforming and growing the company.





The VISION EQS show car , one of the concept cars of Mercedes, is an outlook on the future of Mercedes-Benz into sustainable luxury. With a clearly articulated purpose like “first, move the world,” it prioritises focus and allocation of resources addressing the need to move around in the future, in the luxury the brand is associated with and known for, sustainably.



# INNOVATION AT ALPHABET

Alphabet has gone from a one-product company to a company that has more projects than it can count. It has been constantly reinventing itself and has stayed innovative. They started out as a leader in web services since its launch in 1998, and 23 years later it is now also a leader in consumer hardware experiences powered by its software and artificial intelligence expertise.

What is it about innovation and why does it matter? Successful innovation requires the ability to generate smart ideas and then commercialise them for success, which basically means turning new ideas to widely used products or practice. Take for example, Google maps. Soon after its introduction, citizens in countries all over the world adopted the product to navigate. It soon became a mainstay for just about anyone trying to navigate around a busy city on a android powered phone.

Driven by its purpose *“organizing the world’s information and making it universally accessible and useful,”* Alphabet has gone from web-based services to [life-extension research](#). In the big tech industry and virtually any industry these days, the ability to consistently innovate is a company’s lifeblood. Tech companies that refuse to do so get thrown under the bus in an instant.

Take for example when the pandemic started to bite and people had to stay at home, Alphabet launched the “stay home #withme” campaign that boosted views by a whopping [600%](#). It is easy to say well, people were home anyway, but a lot of work had to be done. Content had to be right and Alphabet was quite innovative with that, tailoring content to unique audiences and geographical locations.

While others were seeing threats, Google was using its platforms to take advantage of opportunities, equipping businesses and driving ad revenue through its platforms.

Alphabet released their third-quarter earnings at \$46.17 billion, up by 14% which exceeded expectations across the board with YouTube alone generating [over \\$5 billion](#) in revenue.

Why is it important to have an innovation engine within your organisation like Google? Markets have become more volatile and competitive and Innovation can be the edge to stay ahead. An organization that can innovate often can avoid a level playing field with the competition especially in domains such as big tech where innovations and disruptions are rife.



Today, Alphabet makes products used by billions of people across the globe —YouTube, Nest Hub Max, the Pixel 5 smart phone, Android, Gmail, Maps, and much more. At the centre of it all is the focus on customer analytics and customer experience; the drive to improve people’s lives through innovation.





# AMAZON : LEADERSHIP

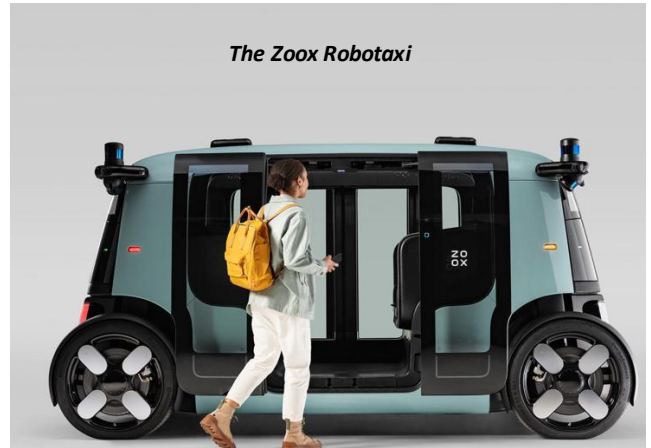
Under the leadership of Jeff Bezos, Amazon has gone from a website that once sold books to a platform that lets anyone set up a storefront and sell just about anything. The progression of the “most customer-centric” company in the world” can be attributed to the leadership of Jeff Bezos.

Under his leadership, experimenting, coming up with innovative ideas no one had thought of or implemented, and attracting innovative talent was part of his agenda; even from a strategic viewpoint like acquiring startups like Zoox (pictured on the right above) the self-driving vehicle also known as Robotaxi or partnering with Kohl, to facilitate Amazon returns.

Two things were imperative for Amazon —the ability to scale and remain nimble. That entails speedy decision making and the willingness to take risks and experiment. And you have to be willing to fail which is what gets Jeff going. By that, we mean an experimental failure, not an operational failure (bad execution). “Our customers are loyal to us right up until the second somebody offers them a better service,” CEO Bezos once said. “And I love that. it’s super-motivating for us.”

No company can be led by this kind of leader and the existing workforce will not start thinking and acting like him/her.

It is contagious. They say it rises and falls on leadership. It makes a company attract talent



and build capabilities that will sustain excellence and growth in years to come. Leadership is what dictates the agenda, the momentum, the culture, ideals, values, and objectives of an organisation.

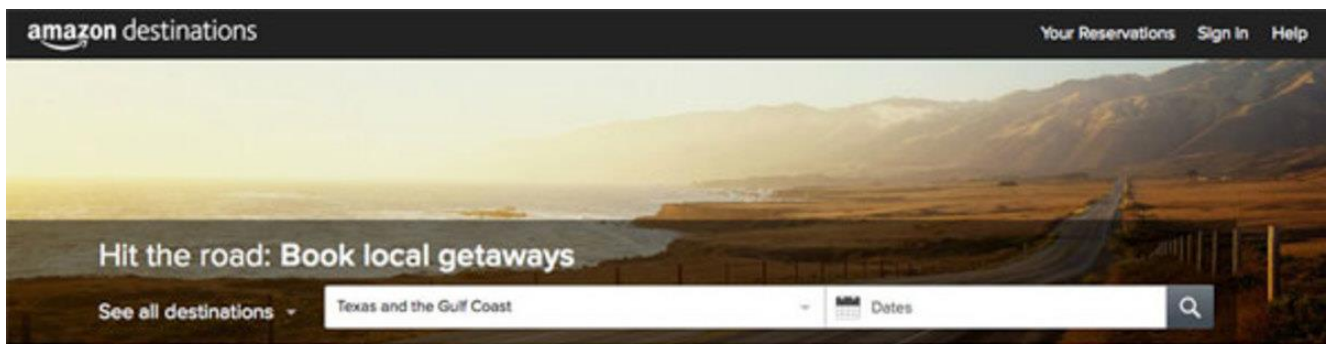
It does not matter what structures, systems, and processes are in place. A wrong or bad leadership if unchecked can upend any gains previously gathered by an organisation. But when the leadership is committed like Jeff and his team of leaders, to what enables growth like invention and innovation, such organisation continues to remain relevant and able to disrupt existing businesses and ecosystems.

It is important to note that without the right leadership at the helm of any organisation, all the other contents in the PLISM framework will come crashing down.

Leadership does matter.



*Amazon Echo Dot (2<sup>nd</sup> Generation)*



**Amazon Firephone**



**Amazon Prime**



**Amazon Web Service**

"When we are developing a new product or service or experimenting in some way, and it doesn't work, that's okay. That's great failure." That was Jeff Bezos' comment on experimental failure. Under his leadership, innovation is not only encouraged but a part of the company culture. It is the reason they attract the most innovative minds who are encouraged to come up with ideas and test them in markets. Many people are aware of the success story of Amazon but flops like the Fire Phone and Destinations (pictured), not so much.

Amazon's third-quarter earnings was \$96.1 billion, up by 37% with AWS alone generating [over \\$11 billion](#) in revenue., up by 29%.

It is worth repeating, that leadership is the backbone, providing support for and sustaining the other crucibles.

# STRATEGY AT WALMART

With a clear purpose statement, “save money, live better,” the retail giant figured early on that the challenges peculiar to the retail industry would deter them from delivering on their purpose.

Talent scarcity and sustainability were top on Walmart’s list of to do’s. Since the success of a strategy depended on doing several activities well and integrating them, Walmart proceeded to work with relevant associations and groups to come up with curriculums that would address the skill gap and build infrastructure that will enable them meet their sustainability commitments.

Walmart complemented that with addressing the remuneration gap. The retail giant figured that to compete, they had to forfeit short term goals and invest in building capacity and empowering their associates. The curriculum and training programmes addressed skills gaps required to confidently execute the job and equip them to move up quickly. And from a business point of view, it resulted in better customer service, better on-shelf availability, better retention, and lower costs of turnover. Sustainability is another major area. To live up to fulfilling its purpose, cost reduction was very essential.



This meant reducing waste and removing any cost that did not add value to a product, service, or the value chain. This meant better fleet management from driver behaviour and how they shifted gears to product packaging and alternative green energy via solar installations on physical store rooftops.

Every action carried out by the retail giant aligns with their purpose. If it will enable them to operate more efficiently to save people money in affordable products and live better, then they are up for it.

According to NRF, Walmart remains the [top global retailer](#) in 2020 with over \$500 billion in sales, ahead of Amazon and Alibaba.





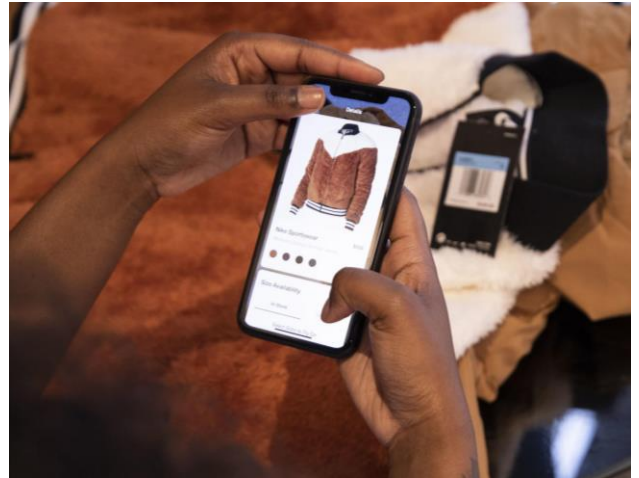
# MARKETING

Again another top brand with a purpose, Nike has since its inception marketed itself beyond shoes. Nike's purpose is to "unite the world through sport to create a healthy planet, active communities, and an equal playing field for all." It is this same purpose that guides their strategy and marketing.

Nike's marketing is customer-centric whether it is the functional task customers hire their products to get the job done like "keeping fit and healthy during the pandemic," or the emotional dimension of looking cool amongst peers in the latest Jordan shoes, or aligning with a brand in tune with current realities like taking a stand on racism.

During the first wave of the pandemic for instance, when customers were avoiding spending on discretionary items, Nike brands like Jordan were constantly the most sought-after products according to Google shopping insights.

As a brand focused on the consumer, during the various lockdowns across all of its markets, Nike from data analysis responded to customer change in shopping behaviour by leveraging on its website and app to release limited edition products, driving sales through online customer experience innovations such as interactive work-outs and games. And part of its long term plan is to develop a transformation strategy that will bring half of its revenue from direct-to-consumer online sales.



In 2018, Nike acquired Zodiac customer data analytics while it was working on boosting the Nikeplus membership programme to build a life-long relationship with customers. And the gamble is paying off because 30% of total sales by end of 2019 were direct-to-consumer showing strong indications of customer loyalty.

And there's cross-functional collaboration whether it is apparel or shoes. The research and innovation team and apparel designers collaborate to produce groundbreaking products like the cold-weather footwear collection designed specifically for wet road surfaces and to withstand weather conditions as rugged as the terrain. Their marketing remains customer-centric, focused on maximising customer lifetime value.



# FUTURE PROOF OR READY?

Rather than dwell on whether organisations should be future proof or future ready, the starting point for us is acknowledging that the future has the potential to unsettle and leave organisations flat footed. If organisations and brands know this, then this is a good start. What should then follow is taking appropriate actions to build a resilient culture that can survive and thrive in whatever volatile and unpredictable situations the future brings.

No one knows what exactly the future holds. We can only estimate, project and draw comparisons from previous learnings. And a very good example is the pandemic that struck in late 2019. There is also a trap organisations should avoid. There is a way of thinking or restructuring to be “future proof” that can leave organisation leaders with a false sense of being in control. There should also be a focus on shifting the mindset to anticipating a range of plausible futures and embarking on preparations to thrive in them. That should be the ultimate goal —to be prepared, to be future ready.

The pair of shoes pictured is the Nike Adapt. The shoes, with its data-tracking capability . tracks performance in real time, allowing the company to give athletic tips and sell additional products to customers. How does a “shoe company” develop a product that is encroaching on the space of brands like Fitbit in the tech industry?

It is in the purpose. It is in the strategy. As a market leader, innovation has got to be a part of its culture, its DNA. And their marketing is not focused on what they have to offer, but more on customer needs. It is why research and innovation units will work with the marketing department and designers to deliver on their promises.

It is why they will take a stand against racial injustice. When others brands were mute. Their decision to use Colin Kaepernick the star of their 30<sup>th</sup> anniversary despite threats of boycott and some even taking to social media to post their destruction of their Nike products, had no negative effect on the brand. Instead, it recorded a [\\$6 billion increase](#) in overall value that period.



Each of the five areas in the PLISM framework deserve attention to. Take for example leadership, Amazon have been able to exploit opportunities that arose from the pandemic because of its leadership culture with a strong focus on the ability to scale and be nimble at the same time. This means making speedy informed decisions without a fear of experimenting or failure. This has had a ripple effect on the entire Amazon Company.

Organisations must build capacity to be future proof but also remain flexible enough to adapt to the future.



# How D&I can help

As response and recovery from the pandemic continues, one thing is certain, the crisis has ushered in a new reality for consumers and retailers. For customers, it is their behaviour. Why they buy, how they buy, what they buy and where they buy it.

For businesses, it is a review of priorities, the path they choose to pursue and their business model. But customers have indicated time and again that their experience is a major determinant of their continued support for a firm's business.

If 40% of customers can say they have tried competitors, or new brands during the lockdown, think about the ripple effect it would have on your business if these customers stick with that behaviour and talk about their new experience.

The cost is frightening. Getting customer experience right is a bargain in comparison.

The D&I team help startups, brands and organisations deliver business performance and growth, using the PLISM framework to maximise their potential in the market place; with in-depth knowledge and expertise in these five areas essential for business growth. One such solution is our [Relearn Initiative](#) which is designed to equip and empower business leaders and employees in delivering value ultimately leading to financial performance. All the strategies and marketing will not amount to much without the right people, without empowered people. And leadership has to raise its game to inspire confidence and get people at all levels to bring along the discretionary energy needed to move organisations towards the desired path.

It is all about the customer experience in the 21<sup>st</sup> century and it is simple. How customers value your brand depends on how you make them feel than anything else. But it is the seemingly simple things that are the hardest to deliver.

“It is all about the customer experience going into this new decade and it is simple. How customers value your brand depends on how you make them feel than anything else. But it is the seemingly simple things that are the hardest to deliver.”

Let us help you put customer insights at the heart of what you do. Why? Because a significant amount of people say that the experience a company provides is as important as its product. Together, we can help you develop and deliver seamless customer experience that drive engagement, fulfilment, loyalty and profitable growth.

Get in touch.

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