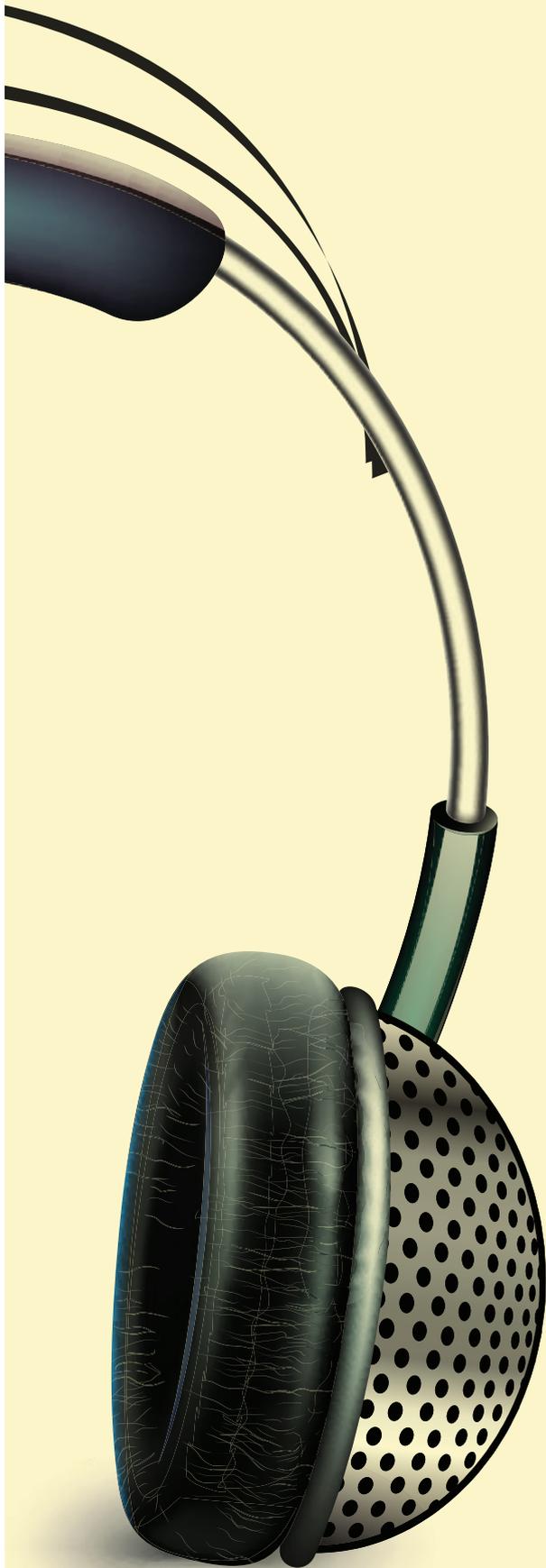


CREATIVE INNOVATION FOR
THE MILLENNIAL GENERATION:

PRODUCING ONE-STOP HOLISTIC LIFESTYLE SOLUTIONS FOR THE DIGITAL CONSUMER



Tom Oliver, CEO of Tom Oliver's Group, on creating 'rockstar' brands for the millennial.



THE SECRETS BEHIND CREATIVITY AND INNOVATION

Creativity and innovation are the two biggest drivers for the long term success of any business. Cutting costs out of the supply side no longer works. Businesses have to focus on the demand side, and here innovation is the biggest issue. Now more than ever, the ability of any business to produce innovation at the highest level will determine its long term success.

Most businesses think that the processes of creativity and innovation are linear, but they are not. Businesses can profit immensely from understanding the process of making music in a band – called “jamming” – to produce innovation at the highest level.

When jamming, a band focuses on bringing an inner vision to life. All band members move in tune with the music. Spontaneously, they give up control and move as one – in harmony. That’s when the magic happens. Only by jamming together, a band can produce great songs.

Therefore, a company has to decode the secrets behind creativity and innovation so that the different parts of a business can work together in harmony, “jam” and hear the music to consistently produce innovation at the highest level.

UNDERSTANDING THE HEARTS AND THE MINDS OF THE MILLENNIALS AND CONSUMERS BELOW 30

Understanding consumers is now more difficult but also more relevant than ever before. The individual consumer has a bigger presence as the global competition intensifies and the digital world increases the speed of interaction between businesses and their customers.

This heavily influences the future of advertising and communication and the ways in which to win the Millennial Generation for products and services.

To become and remain one of the best global brands, businesses have to understand the hearts and the minds of their consumers. They have to understand people and their



emotions, they have to thoroughly understand their customer base and how to connect with them. Only then brands will be able to engage consumers effectively.

HOW TO WIN THE MILLENNIAL GENERATION AND THE CONSUMERS BELOW 30 FOR YOUR PRODUCTS AND SERVICES

The highest driver of change over the next decade will be a significant shift in the expectations of the digital consumers of the Millennial Generation.

The dynamic lifestyle demands of consumers around the world expect a more and more seamless experience from the companies they do business with. In the next years, businesses will have to create one-stop holistic lifestyle solutions and services for its consumers to become and remain among the best global brands.

In order to provide this seamless experience to consumers, businesses can profit immensely from understanding how rock stars and global social entrepreneurs engage people’s hearts and minds. When a rock star goes out on stage, he tunes into an inner vision and then brings this inner vision to life with his band to excite worldwide audiences. A global social entrepreneur applies exactly the same process when he sets out

with nothing more than a vision to inspire global movements and rally millions of people behind a cause.

In applying the same principles, businesses can develop the kind of products and services that have a mass appeal and resonate with consumers around the world.

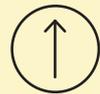
Apple has done this very successfully by creating a loyal global “rockstar” following for its products. This is why we see consumers camp outside of Apple stores the night before a new iPhone comes out, as if they were going to a U2 concert.

Very few other brands have managed to create this kind of authentic, passionate and emotional communication and relationship with their consumers. This is why I call Apple a true “rockstar” brand.

BUILDING A BETTER COMPANY: CORPORATE CITIZENSHIP

The consumers of the next five to ten years will be more and more purpose driven: They want to do business with the best corporate citizens. To be a good corporate citizen means to build a better company. Thereby a company ensures its long term success. Otherwise, it will drive its consumers away.

This means that in order to engage with consumers, brands have to constantly redefine and reexamine their place in the world. This requires a constant re-evaluation



Tom Oliver doing what he does best

of the positioning of a brand and a clear and authentic communication of its values and purpose.

FOCUS ON DIGITAL MARKETING AS THE CORE DRIVER IN CREATING A SEAMLESS, MORE CONNECTED AND EMOTIONAL EXPERIENCE FOR THE CONSUMERS

In its efforts to get more excitement for a brand to drive top line growth, businesses have to invest heavily in digital marketing to make the digital experience a central aspect of the consumer experience.

A seamless, more connected and emotional experience has to be orchestrated across all touchpoints to respond to the demands imposed by the accelerating digital transformation and the new way in which businesses have to communicate with customers.

Additionally, brands have to create an enhanced digital experience to encourage a two-way conversation with the consumer and use it as an opportunity to reignite identification with the brand. In this context, innovation will be the key element to drive the user experience.

REDEFINITION OF A BRAND'S KEY THEMES AND MESSAGING IN THE ECOSYSTEM OF THE MILLENNIALS

In the next five to ten years, businesses can no longer be idle but have to constantly redefine the positioning of their brand, their enterprise and their ecosystem with the Millennials and consumers below 30.

What we can learn from the practices of the best global brands such as Apple is that the brands come out on top that know how to craft a cohesive story around themes that consumers can identify with and that resonate with them enough to shape brand loyalty and consistently drive top line growth.

These themes have to be unified and orchestrated across all touchpoints to create the kind of one-stop holistic lifestyle solution for the consumer we were talking about earlier.



RESTRUCTURING OF AN ORGANIZATION AT THE TOP MANAGEMENT LEVEL

A lot of C-Suite executives still feel that their organization is not ready to deal with the shift in demands from the increasingly digital consumers below 30.

Restructuring an organization at the top management level can result in a more agile organisation that is able to respond faster to shifting consumer demands: local and central leadership are more intertwined than before and can therefore optimize all touchpoints and enable a two-way conversation with the consumers through Adaptive Experimentation in a more flexible manner.

As an example, brands such as McDonald's proceeded to eliminate additional layers of management and leadership, such as the management layer of McDonald's Europe. These measures were taken to respond to the rapidly accelerating complexity of the demands of the digital consumers and to drive innovation across all touchpoints.

These measures ensured that changes could be implemented rapidly to drive consumer loyalty

and reshape a much-needed identification with the brand. McDonald's is a case in point because it got blindsided after 10 years of stable sales growth and has been experiencing many consecutive months of flat to negative sales now.

Consumers' skepticism towards the brand, its positioning, purpose and net positive impact on society is at an all-time low, especially with the Millennials. Most of them feel that McDonald's as a brand doesn't share their values and doesn't "get" them as consumers. They question the brand's purpose and place in the world. Management faces an alarming lack of consumer identification with the values of the brand.

McDonald's is not only a great example of the rising importance of the perceived purpose and the net positive impact a brand has on society.

It shows us that even the best global brands cannot be idle and have to constantly re-examine and change their old mental models to adapt to significant shifts in the expectations of the increasingly digital consumers. @