

## Relevance

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Once upon a time, all it took for a business to thrive was a great product or service, good marketing, and cool branding. Not anymore. Consumers are becoming more fickle. We have so much in the way of choice; there are temptations around every corner. There are so many networks for consumers to tap into if they are looking for something new, and the rate at which we make decisions is alarmingly fast.

Since the dawn of the digital revolution and the creation of the internet, the world has changed profoundly. The internet has changed how we shop, how we plan our meals, how we communicate, how we learn, and how we live. The internet has also led to globalization, bringing a worldwide marketplace to consumers' fingertips. As a result, businesses are struggling to remain relevant.

The digital revolution is further elevating the difficulty for businesses to remain relevant. In this brave new world, with augmented reality, self-driving cars, robotics, artificial intelligence, and a number of other types of exciting technological breakthroughs, how will your business stay in the hearts and minds of consumers? By embracing technology to better understand the market, customers, and data.

Companies using technology the right way will win.

When did you last flip through the Yellow Pages to look up a phone number? I certainly haven't done so in years. Like anyone else with a mobile phone, I tend to search numbers that I need from my device. This one-hundred-year-old company desperately needed to re-establish its relevance to its market in a digital economy. People once relied on the iconic brand of print directories, but former customers were now seeking information online. And so the company switched gears, ditching the published directories it once produced and, instead, offering the information it provided via YP.ca — an online platform. YP was Yellow Pages' effort to remain relevant, to re-imagine their traditional way of doing business, to cater to new markets. They recognized the changing needs of their customers, and took steps to become relevant again.

YP is not simply an online version of the old publication. Today, when a new advertiser signs up with YP, it is offered a wide range of support services

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for its marketing needs, well beyond the Yellow Pages site. YP realized that it needed to empower its advertisers (who they refer to as product owners). The company put them in full control of their own content, through the power of data analytics. By using sophisticated applications, which collect data on purchases and clicks, product owners can see how their customers are interacting with their online spaces. The range of services and information that YP is now able to offer its customers goes far beyond anything the company provided in the past, and is an excellent example of how a very traditional company re-imagined itself through the use of technology.

In order to achieve the kind of transformation that YP has undergone, it is important to have someone in your company scanning the marketplace to see what new tech tools are out there. Companies need to understand how to utilize and mobilize these technologies throughout their companies. The fact of the matter is, the companies that learn how to do this will thrive.

The first step in this process involves asking three questions.

1. **How is technology impacting your industry?** How can these tools be embedded into your business cycles? You need to have someone constantly scanning the market to see which tools are out there. Someone else should be working to streamline order fulfillment — to find a technology that can help make you better, faster, or provide the greatest possible customer experience.
2. **How does the technology impact your customers?** How are customers using technology? What are they using to connect to service providers? How are they gathering information? What kind of technology can be leverage for billing or service fulfillment?
3. **How does technology impact the way you work?** To answer this question it is necessary to turn your gaze within the company to see what kind of new collaboration tools are out there. How are people using technology to be more efficient, productive, creative, and to work with virtual teams?

## ASSESSING

Questioning and critiquing your operations and the range and value of your products and services is good and necessary, but it is crucial to ensure

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that you are asking the *right* questions. Are you trying to cast too wide a net? Are you overcomplicating what you are doing?

The answers may be surprising.

Sometimes important and necessary change may not involve going in a new direction; instead, it may involve going back to basics, simplifying things. This is true for people, and it can be true for businesses, too. In some cases, the best way forward, the best kind of change, involves returning to one's roots, focusing on what one does best. This is why a number of companies are streamlining and focusing on their core competencies. Simplifying things has allowed these companies to do what they do really well.

"Companies should never stay still," Steve Forbes told me. "It's important to maintain a healthy anxiety — to keep learning and keep trying to find ways to get stronger. Businesses that do so will be better able to compete."

Getting answers, whatever they are, isn't easy. Indeed, going through the process and exercise of asking these questions can be overwhelming. However, it's an essential step if you truly want to understand your market and its audience.

What's important to remember, too, is that because the world is constantly changing, a savvy business leader needs to be constantly recalibrating the equations that govern the marketplace. There are fewer and fewer "constants" in the formula. The landscape keeps changing; consumers' habits and preferences — their loyalties — shift and evolve by the hour. Whatever technology dominated when you went to bed will have been made obsolete by the time you wake up. We keep finding ourselves facing new and unexpected challenges. And always new and more difficult questions.

Then why do so many of us rely on the same stock answers? It's a brave new world out there!

Your main focus should be, of course, your customers. You need to understand what they want, what's important to them, what isn't, what influences them, what doesn't, how they shop,. There are other questions, too. How do they work? How could this information impact your company? Does it? The answers will help drive all kinds of behaviour — how you communicate, the language, tone, and branding elements you use to create connections — and will help determine how you design and promote your products and services.

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These questions are essential to ask yourself while exploring relevance. Questioning your relevance is the gateway to innovation. It reveals what you need to do differently, it uncovers if you need to bring new products to market or make adjustments, and quickly identifies what is and is not working. These insights will guide your innovation efforts which can then be unleashed by your intrapreneurs.

### CONTEXT

Relevance, of course, depends on context. What is relevant to one group of customers may not be relevant to another. The needs and wants of a teen are not the same as those of a senior; much of what appeals to women won't appeal to men. Context is key.

Without knowledge of your target market, without knowledge of consumer context, you cannot intelligently develop products or market them — you don't have the full picture. So, before making any big decisions on product development and marketing, step back and assess the *consumption context*. You wouldn't expect a plane to fly with only one wing, right? Make sure your project is fit to fly. Otherwise, failure is pretty much inevitable.

A good example of catering to context is evidenced in the contrasting success stories of Home Depot and IKEA in the Chinese market.

Home Depot is a warehouse-style dream-come-true retailer for the DIY (do-it-yourself) handyperson, and the chain has an enormous presence throughout North America. Well, it wasn't long before executives at Home Depot reviewed its domestic success and wondered why the same concept that was so successful in North America wouldn't be just as successful in one of the world's largest emergent consumer populations: China. Indeed, why not?

Well, timing is everything.

It just so happened that at the same time that Home Depot was dreaming of a new DIY empire in the East, the Chinese economy entered a dramatic growth spurt. A new and vibrant middle class was anxious to show off its wealth and to enjoy the thrill of conspicuous consumption after years of government control and restrictions. Unfortunately for Home Depot, it turns out that among this class of *nouveau riche* spenders, no one *wanted* to do it themselves.

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DIY is popular in wealthy Western countries with large and successful middle classes, but for people in developing countries it was taken as a stigma of poverty. Only poor people were forced to build their own homes.

IKEA, on the other hand, has been doing extremely well in China.

Why?

The answer lies in the very different shopping experience found in IKEA stores, compared to that of Home Depot. IKEA does an excellent job with its floor displays. Customers who walk in don't have to imagine how the furnishings and accessories the company sells will look in their homes; the store is filled with sets that beautifully showcase the company's products. IKEA showrooms are immersive experiences. Customers can see how the products look in a room and say, "Yes, I want this." Once the decision to buy has been made, the customers just have to take their purchases home. They can then assemble the furniture themselves — something that is quite easy to do with IKEA's products — or pay to have someone do it for them. This is important to Chinese consumers.

The shopping experiences provided by Home Depot and IKEA are very different. Both are very successful businesses, but in the Chinese context, IKEA's business model is more attractive. Had Home Depot done more research on the Chinese market and the preferences of customers there — what their hobbies are, what is important to them — perhaps the company could have come up with another approach for the market, one that could have been more successful.

In order to fully understand context, I would encourage you to do the following, which actually takes us back to earlier chapters:

- **Don't make assumptions.** Just because something has worked in one context, doesn't mean it will work in another. Get the facts.
- **Ask questions and do your research.** Asking questions — as the Greek philosopher Socrates famously demonstrated — is the surest path to truth (in our case, meaningful breakthroughs). Once you do this, you will be able to better understand context.
- **Listen more and talk less.** Listening is probably the most ignored form of information acquisition. Few of us know how to listen productively and creatively, however. We are hardwired to respond.

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Often the smartest and most productive approach is to *reflect* more and *react* less. Listening to other people and their ideas — figuring out *where* their ideas are coming from and *what* their perspectives are — helps orient and broaden your own thinking and perspectives. Creative thinking and problem solving is all about learning how to think from as many different perspectives as possible. That will never happen if the *only* voice you ever hear is your own.

Understanding what is going on at a macro level and identifying the things you need to know or understand at a sublevel are very important. Find that out, and work from there. Context is queen.

## CHAPTER EIGHT

### Creativity

IN THE 1960s, scientific researchers George Land and Beth Jarman devised a creativity test for NASA, to aid in the selection of innovative scientists and engineers. NASA considered the study to be a success for their purposes, but the scientists were left wanting more information about creativity and where it comes from. Are people born with creativity? Or, is it learned?

The Land and Jarman creativity test studied the subjects' ability to think of innovative solutions to problems. They administered their test to 1,600 five-year-old children. Incredibly, ninety-eight percent of those children were deemed "highly creative."

The scientists re-tested each subject five years later. In the second test, only thirty percent of these same children scored in the same range. When tested at the age of fifteen, the number deemed highly creative had dropped to twelve percent.

When 280,000 adults were given the same test, only two percent tested as highly creative.

Based on these results, Land and Jarman determined that "non-creative behaviour is learned."

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Creativity is one of the core attributes of intrapreneurs. They continually strive to imagine and re-imagine a better world.

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It isn't that adults lack creativity. We all have the creative gene hard-wired in our brains. The problem is that, like any muscle, it has to be stretched and exercised daily or it will shrink and atrophy. An important goal of the greenhouse approach is learning how to exercise the creative muscles we all have.

### THE VITAL INGREDIENT

If creativity is an essential quality of our humanity, the question is, is it important for businesses and companies? Most people associate creativity with the work of artists and designers, but the truth is, creativity is crucial in all aspects of life — especially business. Creative thinking is essential in the business world. Look at it this way: you may not have the skills to paint a *Mona Lisa*, but you probably have more than enough creative appreciation for it as a work of art. Its beauty and craftsmanship engages you at a deeper and more emotional level (I hope!) than a quarterly report or monthly sales summary might. We all have it, okay; what we need to do is trust it. And that takes some creative-thinking rewiring.

A creative person will look at problems and situations and be able to consider them from a fresh perspective, a perspective that suggests unorthodox solutions. As we have seen, intrapreneurs are thinkers who dissect, reverse-engineer, and re-imagine ideas and concepts, procedures and processes, and products and markets. Creative thinking empowers people to look at a problem or situation from a new perspective, using imagination and curiosity to evaluate the issue at hand. It fosters the ability to make connections between things that may not seem to correlate and to find interesting points of intersection.

Even if you are not a designer or artist, you can still be a creative thinker. Regardless of the discipline you're in — human resources, operations, finance — we're all in the business of solving problems. And how do we solve problems? By applying creative thinking. Almost everything we do involves some element of design and creativity.

A fascinating study was commissioned by Adobe and Forrester Consulting in 2014 to assess how creativity influences business

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outcomes.\* Senior managers from a broad sample of industries were surveyed to qualify and quantify the types of impacts creativity has on business results. Companies in which a culture of creativity is embraced, the report concluded, outperform on key business indicators such as market share, talent acquisition, and revenue growth.

It should come as no surprise that businesses practising creativity are more innovative than those that are not. When creative thinking is encouraged in a company, either through brainstorming informally or as part of a more structured process, the company will surpass its competitors.

For businesses to survive throughout the next industrial revolution (4IR — Fourth Industrial Revolution)\*\* and beyond, they must stay ahead of their competitors. Both relevance and creative thinking will be required to do this. Both of these qualities are core to intrapreneurship.

Knowledge alone won't generate innovative ideas. You need creative thinking as well. Even when innovations are envisaged, creative thinking is required to refine those innovations until they're just right. The greater your curiosity and depth of knowledge, the more combinations of ideas you can come up with, the more innovative you can be.

Neil Blumenthal is co-founder and co-CEO of Warby Parker, an eyeglass company that specializes in offering affordable alternatives to expensive eyewear. Warby Parker not only offers designer eyewear at a reasonable price, but the company is socially responsible. For every pair of eyeglasses purchased, a pair is donated to those in need.

Creativity and social responsibility is the essence of Warby Parker's entire business ethos. The central motto of the firm, according to Blumenthal, is "learn, grow, repeat." Warby Parker encourages its employees to engage as much as possible with social causes and community initiatives; for instance, it offers a fully stocked free lending library for employees, regular skills training, and internal conventions. But Warby Parker also asks staff members for their creative ideas. Every week, employees submit their innovative ideas, which keeps everyone in a creative mindset.

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\* Forrester Consulting, "The Creative Dividend: How Creativity Impacts Business Results" (Forrester Consulting, 2014), [landing.adobe.com/dam/downloads/whitepapers/55563.en.creative-dividends.pdf](https://landing.adobe.com/dam/downloads/whitepapers/55563.en.creative-dividends.pdf).

\*\* Klaus Schwab, *The Fourth Industrial Revolution* (New York: Crown Publishing Group, 2016).

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“Creativity is a business imperative,” Blumenthal says.

Creative thinkers are the dreamers of the world. They are the people who pose questions like “What if?” Creative people have been classified as happier and generally more open-minded than other people, and the good news is that almost everyone has the potential to be creative.

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