



GAMECHANGERS

ARE YOU READY TO CHANGE THE WORLD? CREATING
INNOVATIVE STRATEGIES FOR BUSINESS AND BRANDS

PETER FISK

'*Gamechangers* sets a new record for brilliant ideas per page. If you can't find inspiration from the brilliant strategies of 100 gamechanging companies, you might want to consider another line of work'

Ken Segall, author of *Insanely Simple: The Obsession That Drives Apple's Success*

'You will never look at brand building the same again. *Gamechangers* explodes with refreshing strategies and ideas to take your brand to the next level!'

Paulo Miguel Periera da Silva, CEO of Renova

'In 1940 Henry Ford said that one day somebody would combine a car and aeroplane. At Aeromobil we made that happen. You too can be a *Gamechanger* with Peter's excellent guide to disruptive innovation'

Stefan Klein and Juraj Vaculik, Co-Founders of AeroMobil

'Peter is the Einstein of marketing and has just solved the elusive theory of business success. This book is like a magical lens that will allow you to see a world in business in which you can always win. You will think differently, see links that you never saw before and play the 'game' knowing you cannot lose. Peter goes one step further by proving how ordinary people have created extraordinary businesses - it is impossible to imagine business success without this book'

Mark Pitt, CEO, Virgin Australia New Zealand

'At Thinkers 50 we aim to identify the best business thinkers. We have featured Peter Fisk because his work consistently challenges the status quo. He seeks out best practice wherever it may be and shares it with the world. *Gamechangers* is far-ranging and important. It delivers on its promise'

Stuart Cramer & Des Dearlove, founder of Thinkers 50

'Peter is able to succinctly capture the key dynamics in this fast-changing world of business and brands, and challenging one's own strategic imperatives. Through insights drawn from

global brands, he is able to inspire you to adopt different ways of thinking and working, with highly relevant applications for those of us operating in Asia'

Ajit Gunewardene, Deputy Chairman, John Keells Holdings Plc

'*Gamechangers* is more than a review of the key movers and shakers in today's industrial world; it's an in-depth view of how the commercial world is viewed by the most innovative businesses, and how they make the difference'

Stuart Brooke, Founder and Managing Director, ashmei

'This book provides fascinating insights into leading businesses that are shaping their markets in their own vision and driving innovation and growth'

Lain Jäger, CEO of Zespri International, New Zealand

'*Gamechangers* are the businesses who make sense of our fast-changing world, and drive innovation in everything they do, in order to be winners today and tomorrow. In India, there is more opportunity than ever to innovate and grow. Every Indian business needs to be a gamechanger!'

Manish Sharma, Managing Director, Panasonic India & South Asia

'Captures provocative lessons from an enormous range of recent innovations, spanning many different categories and countries. The result is a highly stimulating toolkit that challenges marketers to see things and do things very differently'

Andy Bird, Co-Founder of Brand Learning

'Fisk succeeds in providing an entertaining, lucid and innovative analysis of disruptive companies that are transforming the landscape of all global industries. Highly recommendable for those entrepreneurs aiming at changing the rules of the business game as well as for managers whose mature businesses are threatened by new entrants'

Santiago Iniguez, Dean of IE Business School, Madrid

'Unlike any business book you've ever read, celebrated brand guru Peter Fisk asks you "are you ready to play the game?" Fisk argues that "the best businesses go to where the future is", then he takes you on a kaleidoscopic tour of that very future, opening-up a multitude of new horizons. In a world limited "only by your imagination", *Gamechangers* invites you to stretch your own imagination, so as to advance in the competition for new ideas. Warning: while you are reading this, others are changing your game!'

**Bill Fischer, Professor of Innovation Management,
IMD, Lausanne, Former President and Dean, China-Europe
International Business School (CEIBS), Shanghai**

'Peter Fisk fires up a mosaic of thinking beyond business through this brilliantly enunciated century of stories. *Gamechangers* is sheer intellectual capital that everyone needs to dig, grow, store, sell and share to make this world an interesting place not just for doing business but for all of us to live'

**S. Subramanyeswar, National Planning Director, Lowe
Lintas, India**

'Peter has captured in *Gamechangers* the essence of the future direction in business. A book to be included in all business libraries'

**Labeed S. Hamid, President, Middle East Management
Centre, Dubai**

'A stunning book that will be 'current' for at least the next ten years. No blind theories or wild thinking, just clear and game-changing insights based on profound research'

**Ward Vandorpe, Managing Director Expert Marketer
Magazine, Belgium**

'If you're curious about what the future could be, and would also like to be one of those that create it, then this book is for you'

Steve Gilroy, CEO of Vistage International

'We met Peter a year ago during our perpetual trip around the world. We were meeting brands with a purpose and sharing their stories to inspire other people. He asked us during that meeting: "Are you ready to change the world?" Now that we've read the manuscript... we can't wait to apply the method to our business'

**Anouk Pappers and Maarten Schäfer, co-founders
of CoolBrands, Netherlands and authors of *Around the
World in 80 Brands***

'This is the most original and practical book. Any marketer who skips this book is missing a huge opportunity to get "genius" ideas from the father of 21st century business thinking'

**Handi Irawan D, CEO of Frontier Consulting Group,
Indonesia**

'A great framework that is insightful, colorful, simple, and easy to put into practice. A must read for any ambitious executive'

Tanyer Sonmezer, CEO, Management Centre, Turkey

'Peter Fisk is one of the great marketing polymaths of our age. *Gamechangers* is the latest brilliant episode in his crusade to transform the way marketing creates sustainable business and brand value. A tour de force and a must for every self-respecting CEO'

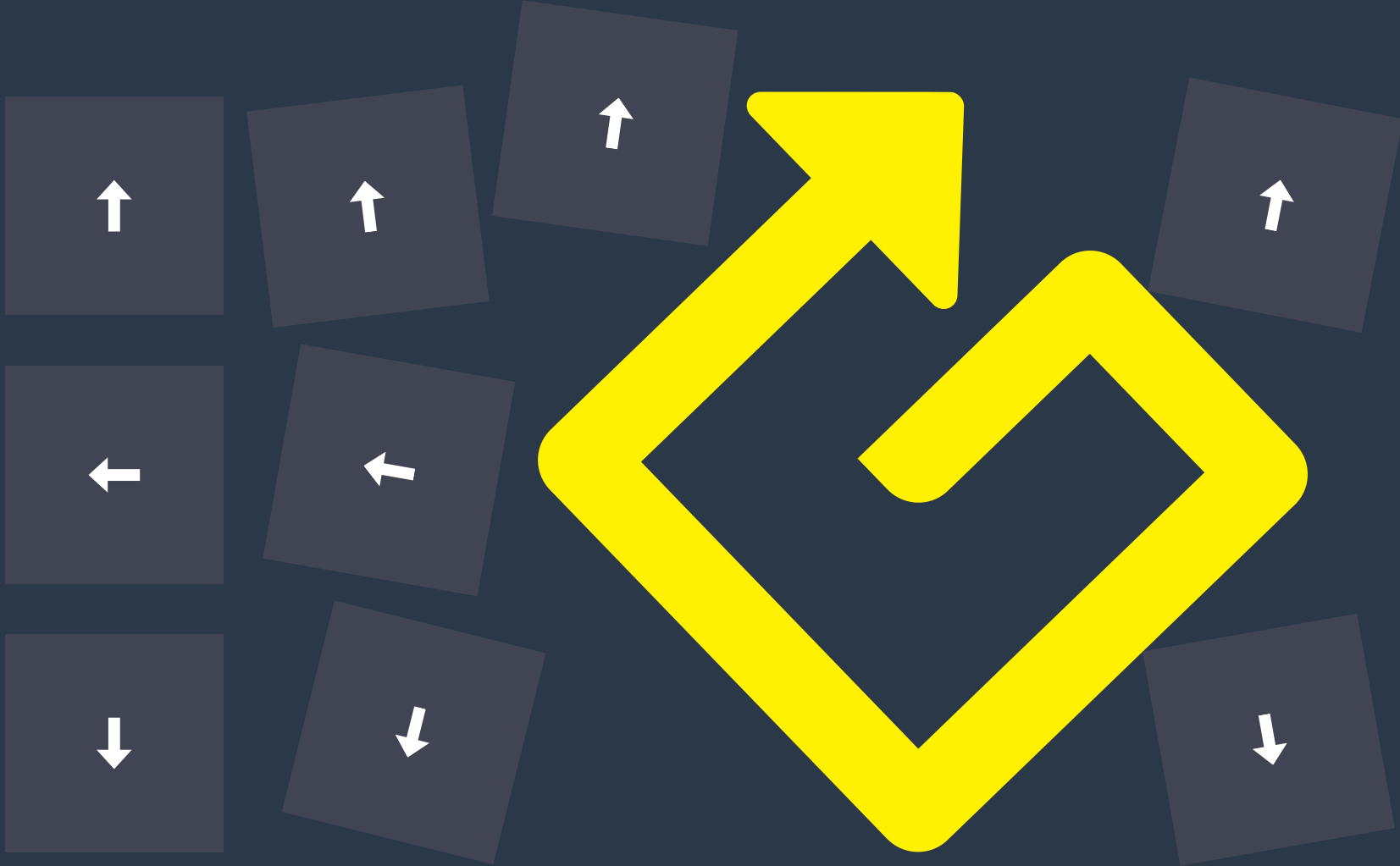
David Haigh, Founder and CEO of Brand Finance plc

'A veritable alphabet of brands that are changing the world as we know it. Peter is one of the very few who really changes our understanding of business rather than simply observing it'

**Shaun Smith, co-author of *Bold: How to be brave in
business and win***

'*Gamechangers* is an inspiring must-read for organizations who are facing transformational change to their business model and are seeking practical ideas which can be easily executed to drive positive results'

**Peter Hardwick, SVP Sales and Marketing, Canada
Apotex Inc**



GAMECHANGERS

ARE YOU READY TO CHANGE THE WORLD? CREATING INNOVATIVE
STRATEGIES FOR BUSINESS AND BRANDS

PETER FISK

WILEY

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I AM A GAMECHANGER

I believe in the **future**.

A world of infinite possibilities.

I see **opportunity** when others see impossibility.

Thinking bigger, reframing my perspective.

Seeing things differently, thinking **different** things.

I explore. I challenge. I risk. I venture.

Rethinking. Imagining. Reinventing. Igniting.

We are all in the **ideas** business.

Creating, designing, innovating, together.

I embrace my childlike **wonder** and curiosity.

I take flying leaps into the known.

Playing the game. **Changing** the game. Playing to win.

I want to **contribute** to something bigger than **myself**.

I want to make **life** better, the **world** a better place.

Change is my opportunity, to seize and **shape**.

Aiming higher, with a purpose beyond profit.

Harnessing the power of **brands**, the potential of people.

Digital **networks**, technologies and business models.

Fusing the best ideas. **amplifying** the potential of others.

Mobilizing people with a cause, **enabling** them to achieve more.

I don't want to live somebody else's life.

To live in the shadow of somebody else's vision.

Imagination is my pathway to a better **future**.

Ideas and brands are my guides.

Partners make them real.

Most of all, I **believe** in me, and in being more.

To achieve what I never thought possible.

To put a ding in my universe.

I am bold, brave and brilliant.

I am a **gamechanger**.

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change the world? 1

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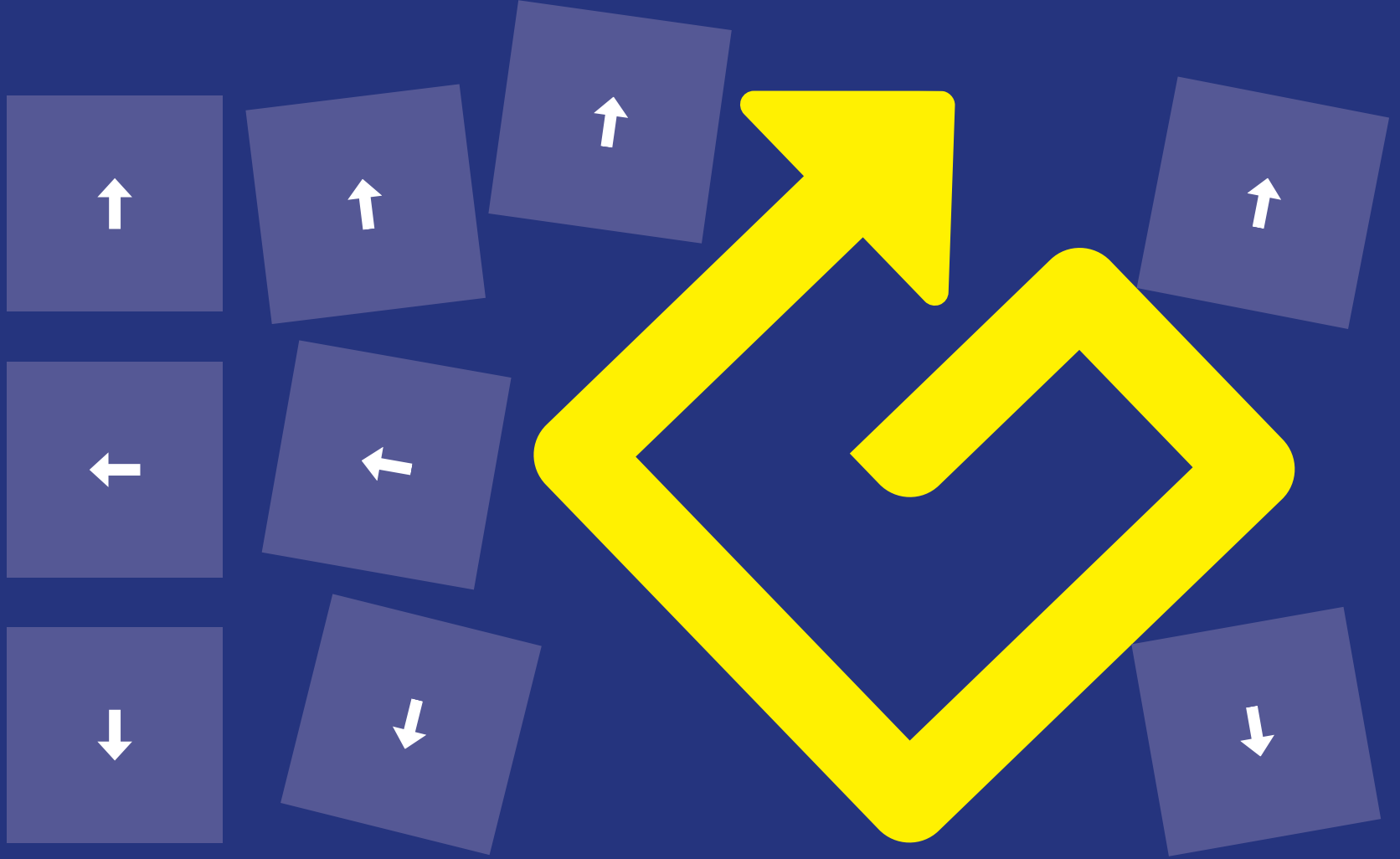
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**INTRODUCTION...ARE YOU
READY TO CHANGE THE WORLD?**

CHANGE THE GAME, DON'T JUST PLAY THE GAME

'Gamechangers' are disruptive and innovative, start-ups and corporates, in every sector and region, reshaping our world. They are more ambitious, with stretching vision and enlightened purpose. They see markets as kaleidoscopes of infinite possibilities, assembling and defining them to their advantage. They **find their own space**, then shape it to their advantage. Most of all they have great ideas. They out-think their competition, thinking bigger and different. They don't believe in being slightly cheaper or slightly better. That is a short-term game of diminishing returns.

1. Play ... the game, change the game

Today's brands and businesses are playing a new game. They recognize that the steady state has been replaced by a zigzag world where ideas shake up every market and winners create the future in their own vision.

2. Change ... world-changing, game-changing

Discontinuous change in markets requires disruptive action. Power shifts and global trends drive exponential change and new possibilities. Incrementalism is not enough to win this new game.

3. Win ... the Gamechangers and what they do

There is a new breed of business, changing the world right now, but thinking bigger and smarter, winning in new ways. Do you have what it takes to change the game? Are you ready?

This book is about you, and how you can change your game. In Part Two we explore the 10 dimensions in which you can achieve this by thinking differently. In Part Three we look at the 100 companies, chosen by you, who demonstrate these new practices. In Part Four you'll find the action canvasses, the toolkits for your success.

HOW WILL YOU CHANGE YOUR GAME?

Gamechangers think and act differently. They fuse digital and physical, global and local, ideas and networks. They win by being smart, fast and connected – rather than through scale and efficiency.

They capture their higher purpose in more **inspiring brands** that resonate with their target audiences at the right time and place, enabled by data and technology, but more through empathetic design and rich human experiences. Social networks drive reach and richness, whilst new business models make the possible profitable.

They collaborate with customers and partner with other businesses, connecting ideas and utilizing their capabilities. They look beyond the sale to enable customers to achieve more; they care about their impact on people and the world. Ultimately they want to create a **better world**.

GAMECHANGERS

4. Think ... Change your future

Out-thinking the competition with audacious ideas that can change the world ... possibilities limited only by imagination, guided by an inspiring purpose, daring and ingenious, forged in your own ideas factory.

5. Explore ... Change your market

Making sense of the kaleidoscope to shape markets in your own vision ... tectonic shifts in power, from masses to niches, average to individual, looking east and south, millennials and entrepreneurs, to find the best opportunities.

6. Disrupt ... Change your strategy

Finding your own space, with a strategy that shapes markets in your own vision ... choosing your future, reframing your context and audience, rewriting the rules, then having the agility to pivot from mediocrity to magic.

7. Inspire ... Change your brand

Building brands about people not products, about making life better ... more than a name or logo, brands are built through platforms and propositions that are relevant and engaging, bringing people together with shared aspirations.

8. Design ... Change your business

Innovating the whole business, from business model to customer experience ... design thinking to look beyond products, open and collaborative, simple and frugal, to make the best ideas happen profitably.

9. Resonate ... Change your story

Turning into the customer's world with real-time and relevant content ... engaging them in more relevant, topical and meaningful ways, at the right time and place, collaboratively creating content that is built around contagious stories.

10. Enable ... Change your experience

Delivering customer experiences that enable customers to achieve more ... going beyond the sale to support and enable, educate and entertain people, through digital and physical experiences, big data and mobile technologies.

11. Mobilize ... Change your relationship

Growing further and faster through networks and collaboration ... connecting people with people, trusting and loyal to each, sharing and co-creating ideas that matter to them through social communities, and even spark a movement.

12. Impact ... Change your results

Delivering and sustaining a positive impact, human and financial ... value creation is about more than sales, it is about sustained profitable growth underpinned by a circular economy, social and environmental, and leaves a legacy to the world.

13. Amplify ... Change your potential

Leaders amplify the potential of their people and organizations ... which starts with you, changing your brain to think differently, to win as a speedboat or a supertanker, to redefine your potential, by being bold, brave and brilliant.

WHO ARE THE GAMECHANGERS?

From Alibaba to Zidisha, Ashmei to Zilok, Azuri and Zipcars, a new generation of businesses are rising out of the maelstrom of economic and technological change across our world. These are just a few of the companies **shaking up** our world. Over 12 months I asked around 500 business leaders from across each continent to nominate the companies who they see as shaking up their markets. From this I identified

10 companies, large and small, in every sector and learnt how they are developing their businesses, innovating and competing, growing and winning.

14. Futurestore ... changing the game of retail

From branded boutiques to online marketplaces, digital walls and mobile marketing, retail connects physical and digital experiences.

- Amazon
- Fab
- Positive Luxury
- Aussie Farmers Direct
- Ekocycle
- Etsy
- Rackuten Ichiba
- Inditex
- Trader Joe's
- Le Pain Quotidien

15. Futurebank ... changing the game of finance

Financial services need to go beyond transactions and management, to help people to achieve more with their money.

- Moven
- Umpqua
- Zidisha
- Square
- La Caixa
- Commonwealth Bank
- Fidor
- Itau Unibanco
- First National Bank
- M-Pesa

16. Futurehealth ... changing the game of healthcare

Healthcare is increasingly personal, predictive and positive. It harnesses technology to enable more individual and intelligent wellbeing.

- 23andMe
- Epocrates
- Narayana Hrudayalaya
- Aravind Eyecare
- Genentech
- Organova
- Intuitive Surgical
- PatientsLikeMe
- Scanadu
- Second Sight

17. Futuregadget ... changing the game of consumer products

Products will embrace smart design and service to provide more connected experiences that are intelligent and personal.

- Renova
- Method
- Nike
- Apple
- Godrej
- Lego
- Natura Cosmetics
- Oculus Rift
- Pebble
- Philosophy

18. Futuremedia ... changing the game of content and media

As networks become ubiquitous, media is about relevant and distinctive content, bringing stories to life through real-time, immersive experiences.

- Coursera
- Spotify
- Netflix
- Al Jazeera
- Future
- Pledge
- Ushahidi
- Red Bull
- Supercell
- Pixar

19. Futurefashion ... changing the game of fashion

Fashion captures culture, be it current or heritage, aspirational or fun, or harnessing technology and data to enable high performance.

- Toms
- Ashmei
- Threadless
- Gilan
- Desigual
- Editd
- Kering
- Rapha
- Patagonia
- Shang Xai

GAMECHANGERS

20. Futuretravel ... changing the game of travel and hotels

Travel will grow rapidly as the new middle classes grow, and also driven by new business models, new categories and extreme experiences.

- Zipcars
- Emirates
- Airbnb
- Kulula
- Virgin Galactic
- Pipistrel
- Aeromobil
- Red Bus
- Air Asia
- Starwood

21. Futurefood ... changing the game of food and drink

Food brands will focus on delivering more rich and authentic experiences, supported by premium brands and new business models.

- Juan Valdez Cafe
- Beauty'in
- Zespri
- Graze
- Mayrig
- LA Organic
- Yeni Raki
- Moa Beer
- Aerolife
- Nespresso

22. Futuretech ... changing the game of technology and networks

Technologies have most impact when they empower people through intelligent interfaces, supported by smart devices and enabling networks.

- Samsung
- GiffGaff
- ARM
- Google <X>
- Raspberry Pi
- Huawei
- Alibaba
- Tencent
- Bharti Airtel
- Xiaomi

23. Futuremakers ... changing the game of manufacturing

Manufacturing has become smart and on demand – responsive to global aspirations of connected markets, and customized to local needs.

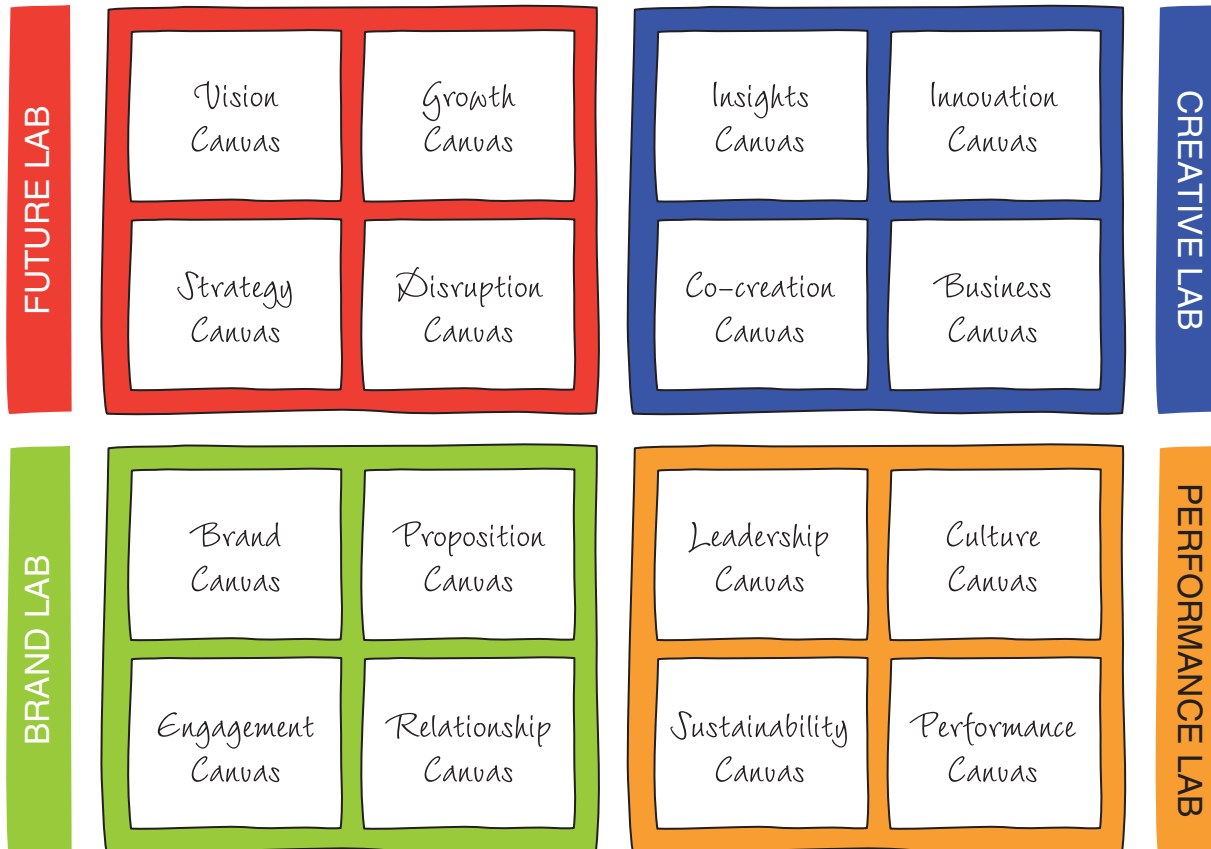
- Tesla
- 3D Hubs
- GE
- Braskem
- Syngenta
- Space X
- Corning
- Dyson
- Tata
- Local Motors

Case studies for other categories, updates of the brands in these categories, plus winners of regional 'Gamechangers' competitions to find the best local innovators, can be found at www.Gamechangers.pro.

INTRODUCTION...ARE YOU READY TO CHANGE THE WORLD?

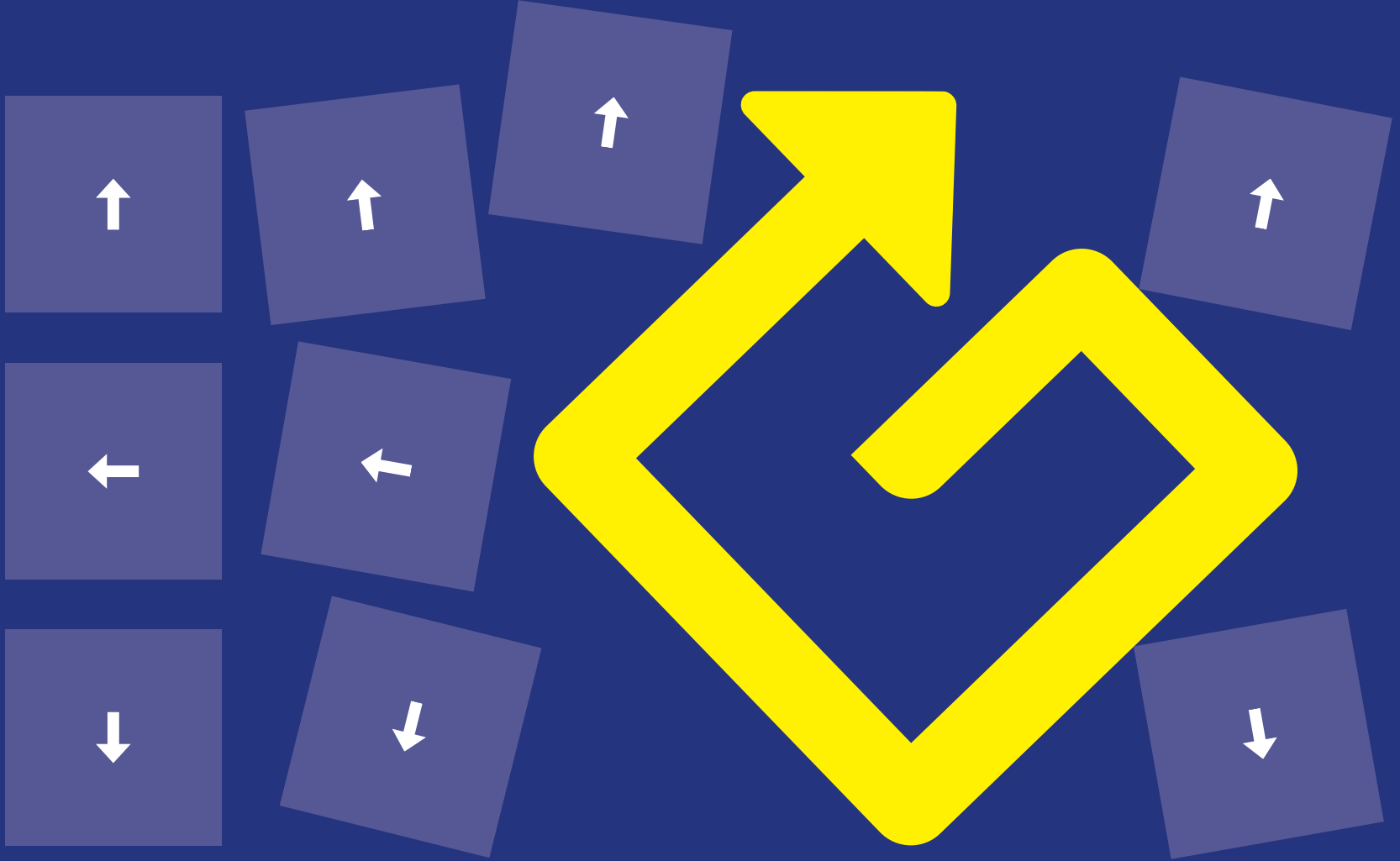
ARE YOU READY TO GET STARTED?

At the end of the book you will find the 'Gamechanger Labs'. These consist of 16 canvasses, practical toolkits and workflows to apply the best ideas to your own business.



PART 1
ARE YOU READY?

Next generation businesses win by changing the game. They don't want to be a little better, they think bigger...they see things differently, and think different things...they define and shape markets in their own vision. They combine all the tricks of 21st-century business to engage and inspire people...to enable more, to make life better. And to win.



1 PLAY...THE GAME

THE GAME, CHANGE THE GAME

'Moonshots' are the incredible, seemingly impossible, ideas that can change our world.

Google <X> is a **moonshot factory**. Full of creative thinkers, optimists, seeking out the big opportunities and most challenging problems, that with a little imagination and a lot of **innovation** might just make our world a better place. From intelligent cars to augmented vision, the <X> team fuses technological possibility with human need, to create more audacious, inspiring **futures**.

This is how we move forwards.

From **Galileo's vision** to da Vinci's mechanics, Ford's cars to Bell's phones, Apple's devices to Dyson's cleaners. They enrich society, and make life better. Markets emerge out of new possibilities, seeing things differently, thinking different things. Brands capture big ideas, innovation turns them into businesses and future growth.

We live in the most **incredible** time.

Days of **exponential change** and opportunities limited only by our imagination. A world where impossible dreams can now come true. A period of **awesomeness**. From Alibaba to Zespri, Ashmei to Zidisha, Azuri and Zipcars, a new generation of businesses are rising out of the maelstrom of economic and technological change across our world.

'**Gamechangers**' are more ambitious, with stretching vision and enlightened purpose. They see markets as kaleidoscopes of infinite possibilities, assembling and defining them to their advantage. Most of all they have **great ideas**, captured by brands that resonate with their target audiences at the right time and place, enabled by data and technology but most of all by rich human experiences. Social networks drive reach and richness, whilst new business models make the possible profitable.

Our challenge is to make sense of this new world, to embrace the new opportunities in innovative ways, and to be a winner.

WHAT'S YOUR GAME?

Branson flashed his trademark grin, flicked his shaggy, maverick hair.

'Business is like **the best game** you could ever **imagine**.'

We talked about his multi-billion dollar investments in financial services, media and telecoms, airlines and space travel. He described his responsibility to hundreds of thousands of staff, and millions of customers.

And he was calling it **a game**.

He was having fun now, challenging the notions of conventional strategies and structures, especially in the biggest companies. The essence of Virgin, he said, is to do things significantly different and better.

He talked about his admiration for kids and for the **next generation** of entrepreneurs – especially those in fast-growing markets who have hunger and passion, and how he was inspired by iconic revolutionaries, Nelson Mandela and Steve Jobs.

'You've got to **think different**, uninhibited like a child, never give up, have an ambition that you really care about, take more risks, be ingenious, make a bigger difference to people's lives, have incredible fun, but also **play to win**.'

I asked him what keeps him going. 'Doing things different, unexpected and a bit crazy,' he said. 'It's about playing the game. But the best way to win is to **change the game**.'

Whilst he says he's not too old for an all-night party, Branson loves a game of tennis, and that's after he's swum for an hour each morning along the coast of his own Necker Island.

From his earliest venture, launching a student magazine, he would always do things differently. He launched his first airline with no knowledge of the travel industry, but he had a **big idea**, to provide low-cost travel that was modern and fun. And he had a brand that at least some people loved. He could see an opportunity to disrupt the market, to be on the customer's side. When he launched mobile phones, he piggy backed on somebody else's network to grow **further** and **faster**, and targeted a new generation of consumers.

Even **Virgin Galactic**, his latest and craziest business, is not all it might seem. He had no experience of space travel. But he got together with glider designer Burt Rutan to do things differently, launching his spacecraft from the back of a mother ship, eventually to be fuelled by his algae farms on the Caribbean, hugely reducing costs and carbon emissions and enabling daily departures and landings.

Perhaps the most surprising revelation is that space is not really the frontier. Branson's real ambition for Virgin Galactic is

inter-continental travel. Imagine a one-hour flight from Rio to Jakarta, or Cape Town to Beijing. It could get a little weightless on the way, but could transform the way we think about the world.

Whilst Branson was still playing, it was already evening in Beijing.

Li Ka-Shing was sitting down to a dinner of his favourite snake soup. The Chaozhou-born, Hong Kong-based chairman of **Hutchison Whampoa** is the richest man in Asia, worth around \$30 billion according to Bloomberg.

Yet he lives a relatively frugal existence, wearing simple clothes and a \$50 Seiko watch on his wrist, and has donated much of his fortune to education and medical research.

This is a man who sees business as an ancient game, rooted in Chinese culture's '**Wu Xing**' where the five elements – wood, fire, earth, metal and water – come together in a mutually generative sequence.

You can see these phases in Li's business investments which include construction and energy, mining and technology, shipping and banking. Together they account for over 15% of the market cap of Hong Kong's Stock Exchange.

Li loves a game before work too. In fact you'll find him at 6 every morning teeing off at the Hong Kong Golf Club with his playing partner, movie mogul Raymond Chow.

Whilst Asia rises, the old is still important. And that great old 'Sage of Omaha', investor **Warren Buffett**, still knows how to play too.

Twice as wealthy as his Asian peer, Buffett loves to surprise his shareholders when they gather at 'the **Woodstock of business**', Berkshire Hathaway's annual meeting. Forget slick graphics explaining the complexities of financial markets, this is different.

GAMECHANGERS

As the lights dim, there's a roar off stage, and 80 year-old Buffett rides on, dressed in a leather jacket, on the back of a shining **Harley Davidson**. He grabs a guitar and starts playing a song. His review of the year. His shareholders love it.

In fact it's interesting how playful the world's most famous entrepreneurs are.

Mark Zuckerberg began writing software at the age of about 10. As his father once said 'Other kids played computer games, Mark **created them**'. Whenever he came across

somebody else's game, he would hack into the code, and change it to make it better.

Facebook itself started out as a game. Enrolled at Harvard to study psychology and computer science he was quickly distracted, famously creating a game called **FaceMash** which invited fellow students to vote for the hottest girls (and guys) on campus.

Soon he changed the game, under pressure from some of his peers and University administrators. Facebook was born. And a billion people followed.



The Guiyang Circle

LIVING IN THE ZIGZAG ZEITGEIST

More than **half the world** live inside a circle based 106.6° E, 26.6° N, and within 4100 km of Guiyang, Guizhou Province, in southwest China. A quick snapshot of our changing world demonstrates the dramatic change that are, or will disrupt every business:

- **Middle world** ... Global population has **doubled** in the past 50 years, with a shift from low to middle income groups, a new consumer generation (OECD).
- **Young and old** ... As life expectancy has boomed, now at over 70, and births have declined, from 5 to 2.5, we live longer, with different priorities (UN).
- **Mega cities** ... Urban populations will grow from 3.6bn in 2010 to 6.3bn by 2020, representing 96% of the global population growth (World Bank).
- **Flood warning** ... By 2050 at least 20% of us could be exposed to floods, including many cities, an economic risk to assets of \$45 trillion (World Bank).

Brands come and go with much more regularity, products are built across the world, small businesses work together in networks:

- **Business life** ... Over 40% of companies in the Fortune 500 in 2000 were not there in 2010; 50% will be from emerging markets by 2020 (Fortune).
- **Made in the world** ... 55% of all products are now made in more than one country and around 20% of services too (WTO).
- **Small is better** ... 70% of people think small companies understand them better than large ones. The majority of the world's business value is now privately owned.

- **Corporate trust** ... While 55% of adults trust businesses to do what is right, only 15% trust business leaders to tell the truth (Edelman).

Technological innovation is relentless, currently digital and mobile, but rapidly becoming more about clean energy and biotech:

- **Always on** ... 24% of the world's population has a smartphone, typically checking it 150 times per day, spending 141 minutes on it (Meeker).
- **Digital markets** ... 80% of websites are US-based, 81% of web users are non-US based, 70% of the value of all e-commerce transactions are B2B (IAB).
- **Instant content** ... Content on the internet tripled between 2010 and 2013; 70% is now video. The half-life of social content is 3 hours (bit.ly).
- **Future energy** ... By 2017, there will be close to \$11bn in revenue from 35-million homes generating their own solar or wind power (GIGAom).

Customers feel increasingly ambivalent about brands and companies. In a world of infinite choice, their priorities and preferences have changed:

- **Bland brands** ... 73% of people say they wouldn't care if the brands they used disappeared; 62% say they are not loyal to any brands (Ad Age).
- **Customer emotions** ... 70% of buying experiences are based on how people feel, loyal customers are typically worth 10 times their first purchase (McKinsey).
- **Service costs** ... 7 times more to acquire customers than keep them, 12 positive experiences to make up for one unresolved negative experience (IBM).

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- **Family life** ... The amount of time parents spend with their children continues to go up, fathers spend three times more than 40 years ago (Meeker).

THE END OF THE WORLD AS WE KNOW IT

When Henry Ford launched his Model T in 1908 his Detroit assembly line, his innovative product and his pioneering marketing machine transformed an industry. His efficient mass-production methods reduced prices, improved quality and created vast wealth. He dominated the market, and by 1918 half the cars in America were Fords.

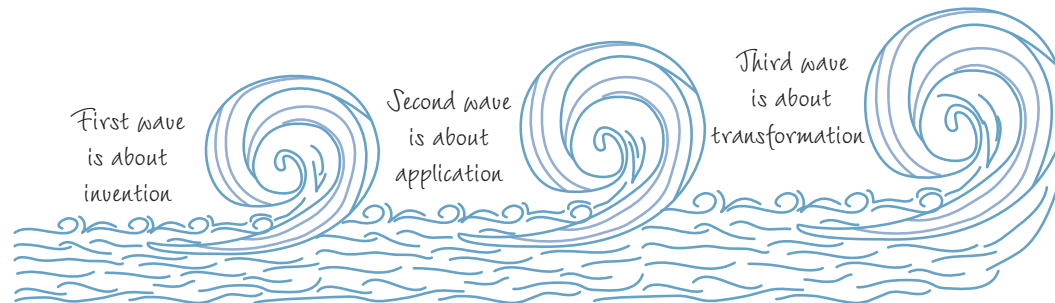
It was the third wave of the industrial revolution.

The first wave of the industrial revolution had been about **invention** – from the forging of iron in the Shropshire valleys,

the spinning jenny for making textiles, and James Watt's steam engine. The second wave was about **application** – Robert Fulton's steamboat on the Hudson River, Alexander Bell's telephone, and Thomas Edison's light bulb.

The third wave was about **transformation**, when the innovations take on a scale and can change the world – from the mass production of cars, railways and airplanes, to huge factories and modern medicines. This transformed people's lives, improving health and education, the growth of cities and international trade.

Whilst the industrial revolution had begun in the north of England, making Britain powerful and wealthy, it soon spread across Europe and to America, and in later years beyond, particularly to Japan. It was 250 years of disruption, after 7000 years of a society based around agriculture.



Industrial age began with the mass production of iron, textiles and steam engine

Industrial innovators changed people's lives, from telephone to light bulb

Industrial age changed the world with railways, cars, aircraft, and medicines

Digital pioneers develop transistors and circuits leading to computers

Digital innovators embrace the internet, mobile devices and content

Gamechangers unlock global connectivity and collective intelligence

Waves of Digital Revolution

Now, as that age closes, we are in the midst of the **digital revolution** – embarking on the third wave of a new age that will change the world again, even faster.

The first wave, about invention, started with transistors that led to integrated circuits, the rise of **computers** and the miniaturization of machines ... from video games and mobile phones through to 1990 when Tim Berners Lee introduced the World Wide Web.

The second wave, about application, is well known to us today. Internet and mobile **communications** pervade our lives: shopping on Amazon with our Apple iPads, a world of knowledge through Google and Wikipedia, a world without borders through Facebook and Skype. First distracting us, now embraced as the way we live.

The third wave of the digital revolution is when everything changes, when digital is transformational, when power really shifts.

Whilst the last 20 years of technology has inspired us, it is only **now that the game really changes** – when the 'gamechangers' shape the future. Mass production is rapidly becoming obsolete, 3D printers are already replacing factories, companies work in virtual networks, products are bought on demand and customized by default, whilst personal channels are replacing stores which used to second guess what people wanted.

In the past we created **average** products for average people. We made the products ourselves in big factories that absorbed significant capital investment. We needed to sell on a huge scale to secure a return on investments. Markets were largely homogeneous because every competitor was close to average, therefore we could measure results by market share.

We used mass-market, broadcast advertising with average messages, at times to suit us, pushing people to buy more of what we wanted.

This game **doesn't work anymore**. That was the industrial age. Soon we will see the end of factories, shops and advertising.

Digital is by its nature not about size or geography, capability or experience. It is **borderless and democratized**, enabling anyone to have an impact. Mikael Hed sits in Espoo creating games like Angry Birds that entertain the world; Eric Magicovsky could be anywhere raising \$10 million from 69,000 people on Kickstarter to launch his Pebble smartwatch; Vicky Wu flies between LA and HK building 'prosumer' demand for her latent fashions with ZaoZao.

This is the third wave of the digital revolution, where ideas can **change people's lives**, where anybody can change the game.

WHERE THE FUTURE BEGINS

The value of business lies not in what it does **today**, but in what it seeks to achieve **tomorrow**. That might seem a little idealistic, given the short-term obsession of many organizations with operational performance, yet it is the future that most interests investors and private owners who now dominate the business world, hoping to see their investments grow through future profits.

Most business leaders are **'heads down'** in a relentless battle to survive, to hang onto the status quo. But that can only lead to diminishing returns. The more enlightened leaders are **'heads up'** looking at where they are going, making sense of how the outside world is changing with every day, identifying the new needs and expectations, the new competitors and challenges, opportunities and possibilities.

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The best businesses **go to where the future is**.

They disrupt before they are disrupted. They sell before they are worthless. They recognize that existing success is increasingly driven by out-dated beliefs, a once-profitable niche that has now become the mainstream, a previous innovation that has been widely imitated, an economy of scale that has become irrelevant, a temporary monopoly that is no more.

As we explore the shifts and trends, the white spaces and technological breakthroughs, the new attitudes and behaviours, we need to learn to think in a different way.

The **change is exponential**. So we need to jump on whilst we can. Catch the new wave, or better still, learn to ride with the successive, and ever more frequent, waves of change.

When we look around us at the companies who are challenging established positions, shaking up conventions and waking up tired consumers, they are not the big companies but the small ones. They are the **speed boats**, fast and flexible, rather than **supertankers**, steady and stable.

The challenge is extreme. It demands that we rethink where we're going, and how to get there, rather than hanging on to what made us great before.

In a fast and connected world, complex and uncertain, a winning business cannot hope to keep doing what it does and do better. It has to do more, or different.

WE ARE ALL IN THE IDEAS BUSINESS

In Hong Kong there is a great 100 year-old business that explains our future potential. For much of the last century **Li and Fung** was focused on low-cost manufacturing of textiles.

That was until salary levels grew, and places like Indonesia were able to achieve much lower cost bases. The business reinvented itself as a **virtual resource** network, helping brands to find the right partners for the business, in terms of expertise, quality and price.

Walk into a Li and Fung office in Sao Paulo or Istanbul, Barcelona or Toronto – or any one of their 300 offices in over 50 countries – and the small team of **sourcing experts** will help you find the best designers, manufacturers and distributors for your brand. Every pair of Levi jeans you buy is made with the help of Li and Fung, and around 40% of the world's textiles. If you need finance, they'll find you an investor, and if you need merchandising, processing or customer service they can find the right partner for that too. Their business model can be based on fees, on commissions, or on an agreed mix.

Actually, all you need is a **good idea**. Take it to Li and Fung and they can make it happen with you.

Those ideas are not the product of years of experience, of big organizations with thousands of employees, of rigorous 'big data' analysis and scientific labs. Those things can help, but they can also hinder. Fresh perspectives beat conventional wisdom, youthful insights connect with millennial markets, right brain intuition is an equal to left brain intelligence, and collaboration can achieve this even better.

And we haven't even started on Steve Jobs. From the revolutionary Apple Mac that transformed computing. The iPod, the iPhone, the iPad. Not just incredible products with beautiful designs, but new business models creating entirely new markets, **changing the world**.

Or James Dyson, with his bagless vacuum cleaner. Ratan Tata, with his dramatically affordable Nano car. Amancio Ortega

with his ready baked Zara clothes. Or further back in time ... Henry Ford, Marie Curie, Thomas Edison, Pablo Picasso, The Beatles, Nicolas Hayek, Ted Turner and many more.

Great ideas are the result of **better thinking**.

We need to think – to see things differently, and do different things – to open our minds to new possibilities, to outthink the new competition.

- **Think bigger** ... redefine the markets we are in, reframe our brands in more useful contexts, recreate the strategies for success.
- **Think smarter** ... refocus on the best customers and categories, reinvent every aspect of our business, realigning with new partners.
- **Think faster** ... reenergize people with new ideas, resonate with customers' new priorities and aspirations, and achieve more together.

Beyond the connectivity and applications, the social networks and artificial intelligence, we now live in a world that is **more**

equal and accessible, where people are more knowledgeable and capable, than ever before.

It really is a world limited only by our imaginations.

Back at the moonshot factory of Google X, they have a mantra which says 'Why try to be **only 10% better**, when you could be **10 times better**?'

Ten times better provides much more than a temporary competitive advantage, it has sufficient capacity to change the game. The effort required to think in a bigger frame, to innovate things more radically, to deliver them faster, is relatively small compared to the benefits.

But that requires one more thing. To **think different**.

Apple, or rather its ad agency Chiat Day, conjured up that phrase, but it matters more than ever. The best companies today don't just play the game, they think bigger and better, smarter and faster, in order to **change the game**.

