

A person with long, dark, curly hair is shown from the side, covering their ears with their right hand. The image is overlaid with a semi-transparent blue filter. The background is a solid blue color.

# **DON'T LISTEN TO YOUR CUSTOMERS!**

By Magnus Penker

# **INNOVATI°N 360**

Feb 2020

It's really hard to design products by focus groups.  
A lot of times, people don't know what they want until  
you show it to them.

— *Steve Jobs*

**Y**ou may have heard that we are living in the Age of Customer Experience. Gartner projected that 89 percent of companies compete primarily on customer experience. You might ask why on Earth anyone would say, “Don’t listen to your customers!” when customer opinions matter the most.

Because your customers can’t tell you what they need. Listening to them will mislead you. Customers tend to use surveys to complain, or negotiate, or tell you what bothered them recently. While there is certainly value in hearing these unfiltered complaints and what they suggest about short-term perceptions, you cannot take customer inputs at face value.

The only way to really know your customers, what they desire, why they buy and what motivates them to stay loyal, is to observe their behavior like an anthropologist.

That is precisely what this article is about. How to start thinking like a business anthropologist and understanding your customer in a scientific way. This is the only way to avoid getting trapped in serving temporary needs and then finding yourself suddenly abandoned for the Next Big Thing.

Innovation is essentially as a strategy for risk management, but it’s more than that. True innovation satisfies actual needs, not what consumers say that they need. True innovation brings more consumers into the market and grows the pie so that everyone can enjoy more.

People often refer to Kodak as a company that went bankrupt because it didn’t adapt fast enough to digital, but that’s not the true lesson here. In fact, Kodak did adapt and developed digital cameras as early as 1975. They actually held the No. 1 spot in digital camera sales as recently as 2001.

The real lesson is that Kodak lost their way because they lost sight of what people were buying. They thought customers were buying film, chemicals, inkjet cartridges, workflow software, and so on. Their customers were actually trying to hold onto memories. Kodak’s competition was not just other camera and printer companies, but entirely new innovations like social media. In any case, the full story of Kodak has not been written yet and there is still much to learn from their attempt at coming back to life.

When company leaders only prioritize profitability, and set up incentives around short term return on investment, the company will be exposed to blindsides from changing market conditions. You may recall the three innovation horizon, but it’s worth reviewing them again for clarity.



The First Innovation Horizon is where you improve your existing core business and incrementally maximize revenues through greater efficiency and productivity.

The Second Innovation Horizon is where you develop ideas from the Third Innovation Horizon into practical competitive advantages as you experiment with new capabilities and new lines of business.

The Third Innovation Horizon is where you collaborate with external stakeholders and make small bets on emerging technology that could lay the groundwork for radical innovation in the years ahead. To extend the lifespan of your company and reduce systemic risks, establish long-term investments in the Third Innovation Horizon, test out theories in the Second Innovation Horizon, and make money in the First Innovation Horizon.

With these horizons in mind, I'd like to test with nine thought experiments in not listening to your customers. These exercises have helped organizations and innovation teams in the real world become better at anthropology. They can help you gain deeper insights into what is going on in the customer's internal world.

All of these thought experiments can be done with nothing more than a pen and paper or an app on your phone to record your observations.

### **Exercises in Innovation Number 1: Make it worse.**

Look at your phone. What is it missing? What would make your phone more valuable to you than it is right now? This is a great exercise to do with everything you touch on a daily basis. After you think about how to make it better, take some time to picture how to make it worse. Thinking about what could make an object or process worse sparks original thought patterns around how to improve it.

One thing your phone absolutely does not need is a giant antenna. If it had a giant antenna, it wouldn't fit in your pocket, it could easily break, and it would look ugly. The reason I bring up this example is

that one of the world's top technology leaders, a former CTO at Ericsson, famously said that the one thing a cell phone needs to be successful is a really big antenna.

He also said that a phone is not a bar of soap, which was exactly how many consumers described the Nokia phones at the time. His point was that the comparison with soap cheapened the reputation of the entire industry. At the time, everyone remembered the prior generations of expensive mobile phones that had giant antennas. He thought



that a phone should look like an expensive piece of communications equipment, not a disposable household goods item. A desirable phone should look like the ones CEOs were using.

We all make mistakes, but what matters here is why he said it. He completely misread who the audience for cellular phones would be. He was thinking of high level executives as the audience, and this was before Apple's smartphone revolution of 2008 reshaped perceptions of the best design for a high status mobile device. Brick phones like Nokia's were still trying to gain traction and early adopters of high end phones were executives who needed to stay connected from distant locations - like hunting in the woods or getting on and off their private jets.

These executives liked big technology that would impress everyone around them with how important they were. Big antennas had a practical function but they were also there to call attention to the executives by standing out like a giant flag of success.

Of course, as it turned out, the real market for cell phones was not for CEOs but everybody else – average people who merely wanted to talk to each other and stay entertained. They needed a phone that was fun, functional, easily transportable, and elegant, like a watch.

In this case, the lesson is that your greatest enemy may be your own assumptions. Don't listen to your customers. Don't listen to experts. Don't even listen to yourself. Observe.

Get out of your bubble and expose yourself to how people act in the real world. Don't interact with them if possible. Just observe and take notes. Create an intersection of experience between your old habits and things you've never done.

## **Exercises in Innovation Number 2: Collaborate with your enemies**

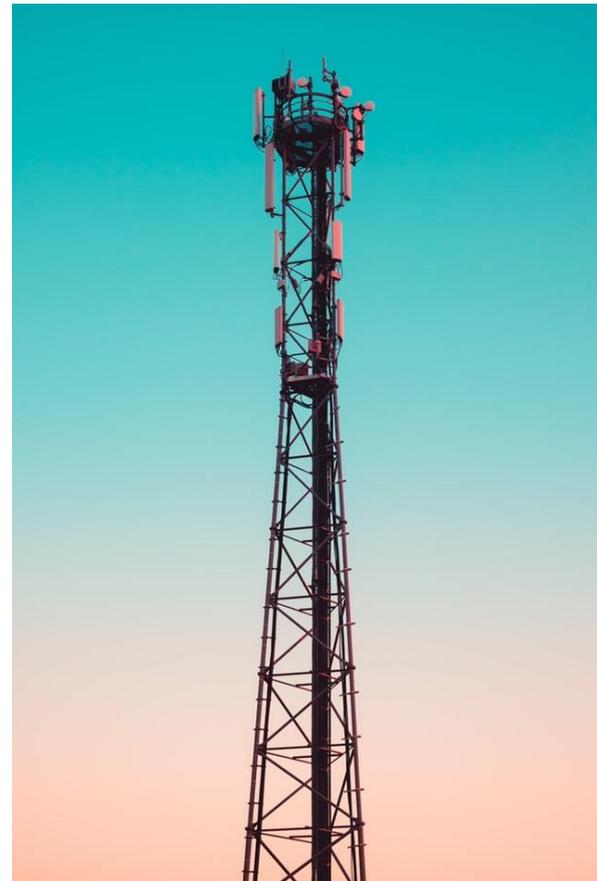
Who are your top competitors? What would it take for you to sit down with them at a table and talk about the future of your industry? This thought experiment is about seeing what you have in common your enemies.



Ericsson was able to turn things around, even though they were in very deep trouble for a long time. Do you know how they did it? With antennas.

Only now the antennas they build are very, very small. Millimeter Wave phased array antennas, sometimes twenty or more inside each phone, will function as the backbone of 5G communication standards. In 2017, Ericsson's new CEO Börje Ekholm begged his stakeholders for patience as he sold off the media business and redefined the company as a leader in 5G hardware. It was a huge bet on the future and it has paid off handsomely.

Luck and timing did have a part to play in this. Ericsson benefited greatly from the market's reaction to Huawei's PR disaster in 2018. Earlier in the year, Huawei beat Apple to become the second largest smartphone manufacturer in the world. By the end of 2018, Huawei was forced to pull out of US markets completely. Criticism of Huawei surged as it appeared that the hardware manufacturer built backdoors into their communications infrastructure for Chinese Intelligence agencies.



While Huawei's loss became Ericsson's gain, the real story here is that Ericsson was positioned to take advantage of market changes because they had already realigned their culture around implementing the Third Innovation Horizon concept of 5G.

What people call luck is often the intersection between preparation and exposure. If you expose yourself to new things without being prepared, you will not get lucky. The same is true if you are prepared but never expose yourself to new possibilities.

As the American journalist Tom Brokaw once observed:

*"You make your own luck. It is always a mistake not to go. So I jump on the airplane, try new things—sometimes I get in way over my head, but then I think, I'll work my way out of this somehow. A big part of making your own luck is just charging out of the gate every morning."*

Ericsson kept charging out of the gates and looked at the big picture.

Work on 5G began as far back as 2008, before 4G even rolled out, when the first iPhones hit the market. The introduction of the first app store made it clear that phones would soon need to run much faster and have the capacity for massive data transfers. 5G will also turn each phone into a cell tower repeater. The new mesh fabric approach to cellular coverage will bring low latency to rural areas and overloaded city towers.

In the Third Innovations Horizon, the goal is to collaborate on standards, agree on tools for interoperability, and work with competitors to create a new industry. That's where 5G is now for most carriers. In the Second Horizon, you begin making tests and prototypes to see what works and figure out the specs of the innovation path you are going to go down. This is where Ericsson is today with 5G and their Millimeter Wave antennas.

Ericsson's fixation on antennas led them to make a good call, but the source of their next S-Curve came from cooperation among enemies and paying attention to outliers.

### Exercises in Innovation Number 3: Call a meeting to spotlight the outliers

You can involve your entire work team in the next thought experiment.

Gather the team on a Friday afternoon. You can have remote teams call in. Invite every team member to describe the most unusual sight or event they witnessed on the way to work that morning. What matters is not what they saw, but the discussions that follow. This exercise awakens their innate curiosity and encourages the entire organization to start thinking like anthropologists.

What did they see, in detail? Why did that happen? What does that behavior imply? Pay attention to outliers and take notes because every outlier contains a lesson.

Curiosity and careful note-taking are perhaps the most critical business skills your company can possess. If you don't possess it collectively, you can train your way there, but treat this with all of the seriousness it deserves.



You may need to prompt them with ideas to start the flow of observations. Here are some suggestions to get the ideation process started.

**Inversion** – take a common event and discuss what if it had happened another way. If your team saw people walking their dogs, what would it mean to say that the dogs were walking their people?

**Integration** – integrate offers with other offers. If people were shopping for services in a variety of locations, what kind of location could offer everything they need?

**Extension** – pushing the boundaries of the offer or the audience. If a company offers services to legal professionals, what would they need to do to offer an equivalent service to the education industry?

**Addition** – including elements from other concepts. If the team saw food delivery drivers, what if those drivers came to the customer’s home and prepared the food there?

**Subtraction** – reducing or eliminating essential elements. Team members might notice that people were upset waiting for stop lights. What would need to happen to transportation systems for all stoplights to go away for good?

**Translation** – applying lessons from one field into another. The Uber-ization of everything is a good example of applying the concept of on-demand, app controlled services across all industries.

**Grafting** – reapplying an entire component from another system. Virtual currency like ApplePay has been adopted at many retail locations. What would it look like for there to be an ApplePay for enterprise supply chains?

**Exaggeration** – pushing a concept beyond its logical limit. Bicyclists weave in and out of traffic on the way. What would happen if they could travel at extreme speed in AI controlled capsules?

These represent merely a sample of the ideation techniques available. Once dialog begins, encourage it and try to capture as many new ideas as possible, especially related to observations of outliers and what that could mean.

## Exercises in Innovation Number 4: Observe customers in the wild

Going out and observing customers is something you should really try and not just as a thought experiment. I have often advised business leaders that to be truly innovative, they should test out anthropology for themselves.

That’s exactly what Gillette did. Gillette was one of the first big enterprises to consistently hire anthropologists right from the university. More recently years, some other big names who followed suit include Google, Microsoft, Intel, and Ford Motor Company.



The value of putting market research in the hands of anthropologists is that they are trained to observe without interfering and keep careful notes about anything out of the ordinary. They know people often don’t know the truth about themselves or can’t tell the truth.

A good example is shaving. Gillette asked men to estimate how many times the drew the razors across their faces in the

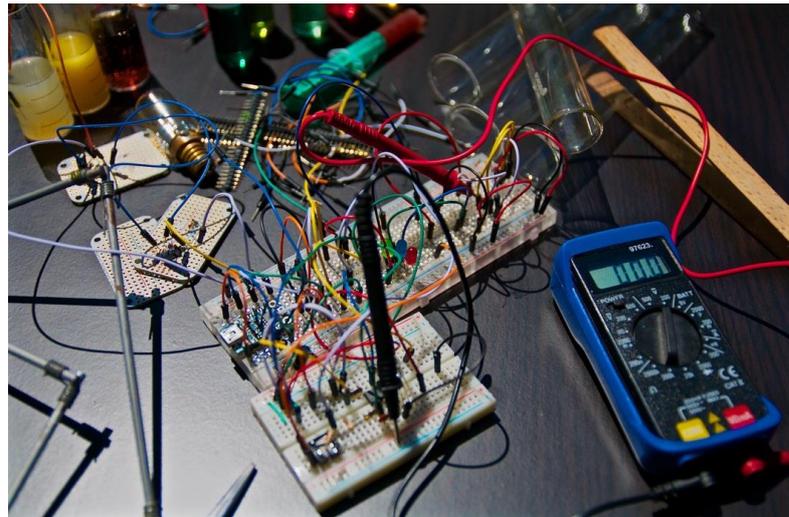
process of shaving. Most estimated 20 to 30 times. It seems reasonable, but Gillette didn't stop there. By observing people actually shaving, they found that the average number of strokes was 135. Obviously, that answer makes a vast difference in elements like blade shape and length of use. For this same reason, they have had consistently positive results with their advertising. Even if the backlash against their 2019 video ad "The Best Men Can Be" opened up a social dialog that kept the Gillette brand relevant and active in the public consciousness.

Even with all their anthropologists, though, Gillette didn't foresee the subscription razor business model coming, which has started to erode their dominance in a stagnant market. While they have matched the subscription model of Dollar Shave Club and Harry's Razors, what they need to prepare for what's next is to start testing out new hypotheses.

### Exercises in Innovation Number 5: Fully test prototypes pre-launch

In this thought experiment, try to imagine every way that customers could use your product in the wrong way. Really let your imagination go, and it still may not be enough.

Sometimes customers don't know the truth, but other times they aren't able to answer truthfully. The perfect example involves a company I met with that built an ingenious way to recycle water from hot showers in the home. The closed-loop system reduced water consumption per shower by up to 90 percent and conserved energy required to heat the water by up to 80 percent, saving thousands of dollars per household on utility costs while reducing the strain on the world's water tables. It was a win-win for consumers and for the planet.



The problems began after roll out. Customer began returning the systems and complaining that the water filters weren't working. After expensive investigations and filter testing, they found that a large percentage of customers were using the shower as a urinal. Not a single customer admitted that this was the problem. They couldn't bring themselves to admit it.

The company is still in operation and the filters have been extensively redesigned, at an enormous expense. You've got to have anthropologists involved in every stage, from design to hypothesis testing to roll out.

Even if it slows down time to market, it's better to find out what could go wrong before you have a crisis on your hands.

## Exercises in Innovation Number 6: Spend time with the customer, but don't be creepy

Empathy is the cornerstone of business anthropology. Can you put yourself entirely in the customer's mindset?

Tesco is Britain's top retailer and the third biggest in the world by gross revenues. They sell just about everything from groceries to car insurance. Navigating their superstores can be confusing, especially for customers that are tired or under stress. To solve one of retail's biggest problems, in-store conversions, they conducted a great deal of research. In the end, they simply spent time with their customers, shopping alongside them to watch how they make purchase decisions.

One demographic that stood out is how many shoppers brought small children with them and made a day of it. Like many other big box retailers before them, they tried adding beauty salons and pizza parlors to make the stay more pleasant for this valuable demographic. Still, young mothers rated trips to the store as "tortuous," and "daunting," according to Andrew Sims in the book "Tescopoly."

To put new mothers and expecting women at ease, they introduced midwives and clinics. They could not only do health checkups, they could simplify the shopping by recommending the ideal combination of items that young mothers would need, customized to their lives.

In fact, digital often takes the blame for the drop in revenues at brick-and-mortar stores and retail malls, but lack of customer-orientation did more damage to bottom lines than e-commerce ever did.

The retail toy company Toys R Us is another great example of a solid enterprise that became irrelevant due to arrogance. They believed that they were still the epicenter of children's toy market because they didn't have any real competitors. But in fact their competitor was the internet, with many tiny online shopping sites that added up to an infinite inventory and excellent customer service. Toys R Us shelves became more and more crammed and unmanageable as their in-store customer service remained practically non-existent.



It wasn't fun to shop there anymore, and the world moved on without them.

In contrast, Tesco paid attention to the data about what customers actually needed, rather than what they said. The Tesco midwives offered intelligent, practical advice that was both helpful and drove business to the store.

The very opposite is what happened with one fatally flawed initiative by retail giant Target in the US.

Based on the same sort of data analysis as Tesco, Target decided to make shopping easier for young mothers in order to lock in lifetime customers, maybe multi-generationally. Instead of providing in-store services, though, Target decided to mail discounts on maternity-related items directly to the home addresses of customers where the data indicated a baby was on the way.

Perhaps you can guess where this is going. Even a single anthropologist on the Target team could have clued them in and prevented what came next. In Minneapolis, Minnesota, a father became angry when Target sent baby coupons to his teen daughter. He thought they were trying to encourage teen pregnancy. In fact, they were accidentally revealing some explosive family secrets.

By analyzing customer purchase data, Target found that certain outlier purchases, like unscented lotions and multivitamins, were strong indicators of pregnancy. That triggered coupons sent to the customer address, but in this case it was the teenager in the house who hadn't yet told her father about her pregnancy.

The result was a great deal of negative media coverage on the loss of privacy in America and a large segment of consumers who rated Target's data use as "creepy."

At the other end of the scale, retail grocer Trader Joe's lists their data policy as: "We don't have access to your data at Trader Joe's because we don't have any data on you."

The Retailer Preference Index rated Trader Joe's at number one in both customer-centricity and sales per square foot. They only attract around 10.5 percent of US consumers but their customer knowledge and engagement has led to a customer base growth rate of 5.9 percent, in 2018 data from Food Navigator.

Bucking the trend of lowering employee wages, Trader Joe's pays at the top of the wage scale, consistently placing them in the Best Places to Work lists. Despite the costs, they post some of the best profitability numbers among US grocery retailers. I can tell you from living in New York that shoppers really feel strongly loyal to the brand, and I've even heard people on the streets saying, "Trader Joe's for President." This is not an endorsement and I have no interest in them financially. I'm just observing, like an anthropologist.

## **Exercises in Innovation Number 7: Segment sales by usage**

In this thought experiment, write out which attributes you believe matters most about your product to the people who are buying it. It may not be traditional answers like price or durability. Read what people are talking about on social media when they discuss your products and compare that with your list.

Perhaps you have not heard of the Swedish firm The ABC Group, which make caps for student graduations at each grade level. The distinctive white caps are iconic as a symbol of achievement. What's is interesting about this case is that when company leaders started observing customer buying patterns, they found that most customers were buying two hats -- one for parties, that tended to get damaged, and one for pictures with the family.

By segmenting the sales, they found they could produce the party hat cheaply because all it had to do was look nice originally, because it was certain to be destroyed during the party. They then spent more time into quality crafting for the picture hat, because that is the one parents would see and perhaps put away as a keepsake.

A similar revelation came to me when I first observed customer purchase habits at an electronics reseller. I didn't interfere or ask questions. I just stood in the corner and watched. I found that some customers were super-aggressive with the staff. They tended to be demanding and irritated from the moment they walked in the door.

The staff handled the customers one by one but never inquired about why certain customers were more upset than others. By observation and data analysis, I determined that these were the ones most likely to be upset were business customers dealing with equipment replacement problems or office expansions.

They were primarily coming in very unwillingly to buy cables and accessories. When cables stop working or there is a stressful change at the office, these customers might have had problems in their personal lives as well. All that mattered to them when they walked in the door is that they store should solve their problems with maximum efficiency. They didn't have any time for failure.

I advised the electronics retailer to raise the price on cables and accessories because these customers were not sensitive to price, just performance. Shoppers were much more price sensitive around the computers because they had time to shop, compare, and talk to friends about big purchases. When a cable is missing, no one really cares to shop for prices. They need answers now.



You might wonder how things ended up and what were the results. In this case, the company took my advice. They raised prices on accessories, improved profitability, treated business customers in a hurry with more care and gained insights into how to better serve everyone.

Either by cost reduction or by additional revenue generation, you can adjust the profitability of your current business by segmenting of your inventory based on how your customers feel when they make a purchase and what's important to them about that moment.

Never forget that you are not in business to please yourself. Once the customer makes the purchase, the item or service becomes their property and they may use it in ways you don't expect or want, so be prepared to help them, not judge them.

This is what happened to James Gosling, founder and lead designer of the Java programming language. When I met him at a conference in Silicon Valley, he told me about something that still bothers him. He had recently found out that NASA, the US space administration, was using Java in their Space Shuttle missions. The graduates working on code for the mission control only knew a handful of languages and Java was among their primary choices because it is so widely used across industries. It's a good choice career-wise for programmers, but Java was never designed to handle time-critical functionality and input/output flows at that level. These are multi-billion dollar spacecraft and human lives on the line. He said he was panicked about it, but the point is you have no control over what customers will do once they buy what you sell.

### **Exercises in Innovation Number 8: Keep digging until you find the emotional connection**

Write down your thoughts on what sort of emotional connection customers have with your products.

The world's top 5 tool makers control more than half of the power tool industry's \$51 billion market. Stanley Black & Decker at No. 1 and Hilti at No. 5 represent two opposing strategies to achieve market leadership. While Stanley used acquisitions to bring on board the capabilities they needed, Hilti went in search of what mattered most to their best customers.



They now own popular brands that include Black & Decker, Sears Craftsman, DeWalt, Bostitch, and China's Guoqiang. On the industrial tool side, they bought, Mac Tools, Blackhawk, Virax and more. Similarly, the made purchases of top brands Latin America, Asia and select emerging markets. As long as there are top brands to buy, this can be an effective strategy, but it will come to an end someday. In any case, acquisition is not cost efficient in the long run.

Liechtenstein's Hilti went the opposite direction. They concentrated on tools for construction and energy industries and rose to the top all alone, while mergers came together furiously all around them. Hilti took the time to understand their customers very well, spending time with people who were repairing, maintaining, and taking care of their tools. They found the emotional connection workers feel for high performance tools.

Hilti has benefited from double digit growth over 2018 with sustainably high profits. If they continue to play the game well, they will have much better return on equity than Stanley Black & Decker.

You have to know customer in fine detail to figure out what kind of emotional connection they have with your brand. Anthropology is the only pathway into the secrets of their hearts.

### **Exercises in Innovation Number 9: Become a part of your customer's life**

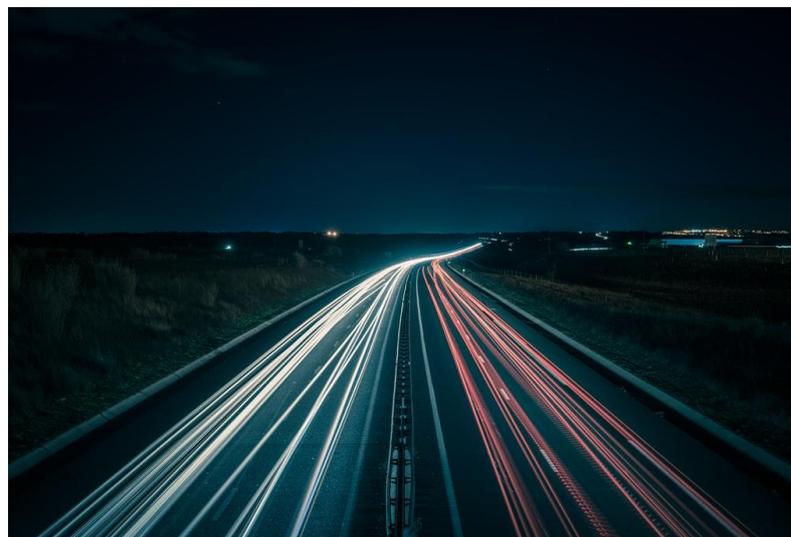
This final thought experiment is another where social media comes in handy. Pay attention to the metaphors people use when they talk about your products and investigate what those metaphors imply.

You many have noticed that few companies talk about market share these days. More than the market, they want to control mindshare or walletshare. How much do customers think about your brand? How much of their income do they spend on it? What messages prompt them to make a purchase and what keeps them loyal to your brand? These are questions related to going deeper into the customer's private thoughts.

At the height of the Cold War, there was quite a lot of spying going on and it was not just the Russians vs. NATO. Japan was still rebuilding its economy and industrial espionage was one of their strategic imperatives. In the early 1980s, the New York Times broke the story of 18 Japanese businessmen, including executives from electronics giant Hitachi and car maker Mitsubishi, who were convicted of spying in the US.

They came to America to capture and replicate electronics technology from IBM. Behind the headlines, though, there was a bigger story.

Japan recruited some of the brightest anthropological and technical minds from among their student populations and placed them in au pair positions for families abroad. Auto makers wanted to better understand how Americans made their car buying decisions to crack the US market. Although Toyota had found great success stateside, becoming the top-selling import by 1975, beating even Volkswagen, Japanese industry leaders didn't understand why. They wanted to get to the level of consumer desire and not rely on luck.



What the au pairs discovered was that while Europeans wanted to “drive” cars, Americans wanted to “ride” in cars. Their ideal experience was closer to riding in a horse and carriage, with little details like tire rims that resembled spokes like wagon wheels and a more comfortable interior. They copied US the tiered system from US automakers, where buyers move up in social status as they buy slight variations of the same car. Japanese designers restricted color choices and offered just a couple of preset option packages to reduce manufacturing costs.

We live in a very different world today, where data privacy is highly prized and consumers are far more skeptical about brand intentions. Still, anthropologists gain incredibly valuable insights into motivation and desire when they sit down over a meal with some representative customers, share a coffee or a glass of wine, and talk about their lives. The impact to the bottom line, both in the near term and the long terms, can be far greater than a hundred productivity studies.

The single most important message I want you to take away from this paper is to test out thinking like a business anthropologist.

After you try out some of these exercises, compare notes with someone in your company who is curious and customer-oriented. The process of experimenting will suggest where your anthropological strengths are and how your company can better serve the customer’s unspoken needs.

Your company may need to develop employees or hire new ones to acquire skills in business anthropology. True innovation begins when you think first about what customers gain in partnering with you, paying close attention to their emotions, social status, experiences, feelings, and desires.

Movie critics say that a line of dialog is written poorly when it is “too on the nose.” Most people can’t say what they need because it’s too private or they just aren’t self-aware. The truth is revealed when you listen carefully.

Take the same approach to customer feedback. Don’t listen to what they say. Observe how they act and what their priorities are. Find out what matters to them emotionally.

The big picture is that your organization’s future depends on satisfying customer needs, not just in the moment but deeply. That is your sweet spot. When you find it, make the most of it because your sweet spot will shrink as competitors copy your success and society moves on.

Generate ideas in the Third Innovation Horizon, test your theories in the Second Innovation Horizon, and maximize revenue in the First Innovation Horizon.



## About the author Magnus Penker

Magnus Penker is an internationally renowned thought leader on innovation, artificial intelligence, digitization and business transformation. He is a speaker at prestigious global forums and events such as the Global Peter Drucker Forum, at top-ranked international business and design schools, at a variety of associations and at some of the world's largest companies. Mr. Penker is currently writing a five-volume series on business innovation entitled The Complete Guide to Business Innovation and is a contributing editor at the International Journal of Innovation Science.

As a result of these achievements, Mr. Penker has been honored with the Business Worldwide Magazine award of "Most Innovative CEO Sweden 2016" and appointed as a Global Top 100 CEO by CEO Monthly for 2018. He has launched 10 startups as well as acquired, turned around and sold +30 SMEs all over Europe.



For the past eight years, Mr. Penker has used his practical and theoretical insights to develop InnoSurvey®, a leading methodology and global innovation database that is used to analyze and advise companies, business leaders and scientists around the world. Today, Mr. Penker is the CEO and founder of the Service Provider, which is headquartered in Stockholm, Sweden and in New York, NY, USA.

Through his bestselling American books on digitization and IT engineering and his more than 20 years of experience as a management consultant and business leader, Mr. Penker inspires leaders to find a new way of thinking and organizing to stay on top.

Mr. Penker is driven by the recognition that, in these turbulent times, we must understand what we are really good at and determine how we can use those capabilities and competencies to create advantages in a globalized market with endless possibilities. The global map is being redrawn at speeds we have not seen before, and historically low interest rates are attracting capital to global digital-risk projects that will further strengthen this movement.

Mr. Penker has a BSc in Computer Science (CTH, Sweden) and an MBA from the Henley Business School, England.

## About Innovation 360 Group

The Innovation 360 Group helps organizations establish an adaptable innovation process and foster a culture of innovation. Its data-driven action plans are based on analytics from thousands of innovative projects over many years. In today's intricately connected global marketplace, characterized by extreme competition and the daily appearance of new competitors, disruption is the status quo. Data trends indicate that around 40 percent of the companies thriving today will be gone within the next 10 years. In this new world, innovation is a basic survival skill.

The Innovation 360 is recognized as a leading international innovation management firm, with a growing presence in 30 countries and operations in nearly all major language groups. From its executive offices in New York and Stockholm, it oversees worldwide initiatives through a network of accredited practitioners trained in Innovation 360's methodology. It has aggregated the world's largest database of concepts in practical innovation and developed Sherlock, the first AI program devoted to deep mind pattern recognition within innovation data.

The Innovation 360's methodology includes research in innovation, evidence-based analysis and recommendations for concrete execution plans to increase innovation capability, profit and growth. An overview of this proprietary process is published in the Service Provider's five-volume series The Complete Guide to Business Innovation.

On a global scale, Innovation 360's innovation consultants are currently addressing the world's toughest challenges related to the equitable distribution of food, energy, water, security, global health, education, environmental sustainability and access to space. Its consultants have been tasked with formulating the upcoming ISO Standardization for Innovation Management. It helps organizations to align their operations with these emerging international standards.

Innovation 360 specializes in leading enterprises and governmental bodies on original approaches to ideation, codification of creativity and market strategies linked to developments along three horizons of breakthrough technology. Leaders can learn how to recognize advances in productivity and profitability from the intelligent management of innovation portfolios. The Service Provider can facilitate the design and execution of interactive training workshops (innovation circles) or help transform an organization through proven change management action plans.

# INNOVATI<sup>o</sup>N 360