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THE UNCOMFORTABLE STATES OF OPPORTUNITY

BY
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GET UNCOMFORTABLE!

Growth is found now in uncomfortable places.

The literature on growth is vast and wide-ranging but almost always it tends to come down to buzz words like disruption and transformation, with little real guidance about what to do. This suffices when all that's needed is a wake-up call to bear down harder and smarter on the comfortable places that conform to business as usual. This has been the case for decades. It is true no longer.

Historically, macroeconomic growth has been enough to unlock opportunities for brands and retailers. In recent years, though, lots of companies have struggled even as the economy has regained strength and momentum. Growth has not been squeezed out by adverse economic conditions. Rather, growth has shifted to uncomfortable places beyond the reach of companies unable or unwilling to get out of their comfort zone. Kantar was the first to address this shift in a January 2018 white paper entitled *Follow the Money: Finding Growth in Uncomfortable Places*. This line of thought is carried forward in the current white paper, which digs deeper into this new, uncomfortable reality.

The idea of uncomfortable places has never been explored before, yet it is the key to understanding how to succeed in the marketplace of tomorrow. Growth isn't just a question of bolder action or braver initiatives. These are needed but companies must be bolder and braver for the uncomfortable places where growth has shifted. These are the uncomfortable states of opportunity, and a new way of thinking about demand is required. ***The key is the idea of uncomfortable places.*** That's what this white paper is about.

There are three parts to this exploration of uncomfortable growth. First, ***what*** is different and changing that has shifted growth to uncomfortable places? Next, ***why*** do companies find growth in these places to be uncomfortable? Finally, ***how*** are growing companies succeeding in uncomfortable places? This white paper provides fresh insights and answers for each of these three critical questions.

The overarching imperative is simple yet challenging: Get Uncomfortable! That's where growth is available. That's what growth will require. That's how companies will succeed. Growth in uncomfortable places is the clarifying lens that companies must bring to planning, investing and building for the future. Thus, it is critical to know more about uncomfortable places, and that is the focus of this white paper.

WHAT IS DIFFERENT?

The best way to understand ***what*** is different is to focus on the critical facts about the changing marketplace that have important implications for growth in uncomfortable places. Five facts, in particular, bring what's different into sharper focus.

Add to this the fact that the top 10 percent reaped 70 percent growth in real income over this period. Growth is strongest at the top and the bottom. This idea of an hourglass economy is not new, yet the disappearance of a robust middle-class mass market is something for which lots of incumbent brands have yet to adapt.

FACT #1

43%

IMPLICATION

OPPORTUNITY IS FOUND IN NICHES, NOT MASS MARKETS.

Forty-three percent is the real income growth per capita from 1980 to 2016 for the middle four income deciles of the global population.[1] Essentially, this is the traditional middle-class of North America and Europe that is the comfort zone of business as usual. The implications of this fact are best understood in contrast to the bottom five income deciles, or the poorest half of the world's population, which enjoyed more than twice as much real income growth over that same period—94 percent versus 43 percent. In other words, the strongest growth is outside the traditional comfort zone. It is found in an uncomfortable place. It's true that incumbent brands have doubled down on this emerging middle class, but it's not the same consumer.

Economist Branko Milanovic has published some eye-opening charts on global inequality that compare income distributions across countries.[2] For example, the median real income of the richest 5 percent of Indian consumers is barely above the median real income of the absolute poorest 5 percent of U.S. consumers. In other words, consumers realizing the strongest growth in spending potential are in very different households from the middle-class consumers that incumbent brands built their standard business models to serve.

But it's more than income inequality. The economic bifurcation epitomized by the slower growth fact of 43 percent is emblematic of a much broader phenomenon. At Kantar, we call it FragmentNation, or the splintering of mass market into niches of all sorts, economics as well as culture, religion, identity, social engagement and, especially nowadays, politics. Every splinter is a different world requiring a different strategy, and this is uncomfortable because it means establishing economies of scale in uncomfortable conglomerations of distinctive niches rather than leveraging the straightforward efficiencies of mass production and mass marketing.

FACT #2

All 4

IMPLICATION

INFLUENCE COMES FROM INTIMACY, NOT FROM AUTHORITY.

In the 2017 Edelman Trust Barometer, for the first time ever since it began in 2001, global trust declined year over year for all four of the institutions tracked—government, media, NGOs and business.[3] The 2018 report was more of the same.[4] Over the past decade, there has been an inversion of trust globally from institutions to individuals, from the status quo to reformers, from official statements to leaked information, from data to personal experience, from politeness to bluntness, from advertising to social media.

Consumers have lost connection with a broad, shared narrative of life and the marketplace. Increasingly, organizational assertions of expertise and institutional assurances of security ring hollow. Instead, as detailed in a recent Kantar FutureView webinar, people are turning to smaller worlds of influence and connection.[5] The worst of this has been described as post-truth. But it's actually a post-trust phenomenon because truth requires a trusted authority to validate it and that's what has drifted away. The shift of trust to smaller worlds is the real dynamic at work.

The issue at hand is not so much corruption and incompetence—although that's part of it—as it is a lost sense of shared interests. People have come to understand that experts and institutions have their own agendas that don't always protect or prioritize what matters to people. These institutions aren't evil; they're just very efficient at doing what matters to them, not necessarily what matters to people. This became particularly apparent in the aftermath of the financial crisis. People have come to see that the interests of institutions often conflict with their own, so people are turning instead to more intimate connections of smaller worlds where they have a greater sense of shared interests.

This is what brands have to do. Brands must find more intimate ways to connect with consumers that convey transparency and honesty about shared interests. Of course, this is uncomfortable because it is outside traditional practices.

Lots of brands have shifted dollars to influencer marketing to build a presence in these smaller worlds. But one survey of U.S. Millennial women found that a little over half trust influencers less than before.[6] It's not just expertise that matters. It's unambiguous evidence of shared interests, which is exactly what is uncomfortable for many brands. Authority is no longer concentrated at the top. Trust and influence are now bottom-up and found in the proliferating number of smaller, more intimate worlds where big opportunities will be found in the future.

FACT #3

26%

IMPLICATION

LIFESTYLES ARE ABOUT MORE HUMAN TOUCH ALONGSIDE DIGITAL TOUCHPOINTS.

Paralleling the shift to smaller worlds that are more human and less institutional is an evolving view of digital. Typically, the future of the marketplace is envisioned as some version of more and more digital. However, the paradox of digital is that the future is both more digital and more analog. Just as companies are getting comfortable with digital, consumers are demanding more human-scale engagement as well, and not simply as respite from digital but as the very essence of digital itself. As described in a Kantar FutureView webinar on human scale, consumers are actively looking for an analog upgrade to their digital lives.[7]

Across all of the countries tracked by the Kantar Global MONITOR, 61 percent agree that it is important to sometimes disconnect from online and mobile communications. Even in digitally engrossed Asian markets like China, Japan and South Korea, agreement is high: 41 percent, 47 percent and 45 percent, respectively.

Voice technologies are deepening the appetite for analog. Inherently, voice is a conversation at human scale and thus the coming interface for digital will be analog. Consumers are responding in human ways already. Half a million people told Alexa "I love you" in the first year after it was introduced.[8] A JWT Intelligence/Mindshare study of U.K. consumers found that 36 percent love their voice assistant so much they wish it were a real person. And 26 percent admit to having had a sexual fantasy about it. Nothing is more human scale than that.

Consumers are adding human touch to their digitally immersed lives. Sales of vinyl LPs are up. Board games and specialty magazines are hot. Sales of printed books are up, and Barnes & Noble has taken its Nook kiosks out of its stores. Moleskine notebook sales are up. Fujifilm's Instax instant cameras are hot. The popularity of podcasts is skyrocketing. Greenways are the new byways of city life. Farmers' markets, food trucks, cafés, festivals and coffee shops are everywhere. Anxious push-back about technological immersion is accelerating all of these human-scale trends.

Some brands are onto this. Heineken introduced its new cooler pack in the U.S. with the tagline, "Less technology. More ice." Kettle Chips tied its brand to all things analog in a U.K. ad campaign that touted, "Real food. Real pleasure." That's it in a nutshell. Not only do brands have to operate more at digital scale. They have to operate more at human scale, too, and that paradox is growth in uncomfortable places.

FACT #4

65.1%

IMPLICATION

VALUE IS FOUND IN EXPERIENCES, NOT GOODS OR SERVICES PER SE.

The growing interest in analog is part of the broader change in spending reflected in the 65.1 percent share of 2017 global GDP accounted for by services, and it is growing. Services account for 77 percent in the U.S. It's 51.6 percent in China, up from 44.1 percent in 2010. In India, it's 48.9 percent, up from 45.2 percent in 2010. Services dominate in trade and exports, too. Bottom line, value growth is being delivered by services and little else.

This is uncomfortable for many companies that must now figure out how to turn goods into services or how to add services to goods. Companies in service categories must stave off new competitors by inventing new kinds of value from services.

Nor will services in the future be the same as in the past. McKinsey broke apart growth in U.S. consumer spending on services into experience-based versus non-experience-based services. Far and away, experiences were the fastest growing. So, it's not merely services. It's services that deliver experiences.

The marketplace is pivoting from experiences as a point of differentiation to experiences as table stakes. Added to this are the animating new technologies of AR, VR and voice. None of this is within the comfort zone of business as usual. Indeed, experiences now entail a multiplicity of cross-category fusions of offerings and benefits. In particular, health or wellbeing has become an experience that is central to nearly everything, from retailing to apps to banking to foods to customer service and more.

With experiences newly factored in, the equation of success has to be recalculated around new business models and value chains. This starts with the uncomfortable necessity of remapping category boundaries to reflect the fact that experiences in one sort of business can now be trumped by those in another sort of business that would never have been a competitive threat before.

FACT #5

The Magical Number Seven, Plus or Minus Two

IMPLICATION

ENGAGEMENT IS ABOUT ENABLING OPTING IN, NOT FIGHTING OPTING OUT.

This odd-sounding fact is the title of one of the most frequently cited papers in the history of psychology. It is a 1956 literature review of studies on short-term memory that found a convergence of research on seven, plus or minus two, as the maximum number of things people can keep in their heads while making a decision.[10] Subsequent research has confirmed this time and again. In other words, the cognitive capacity of humans is fixed at seven, plus or minus two.

Yet the amount of information washing over consumers has skyrocketed. Researchers at the University of California at San Diego estimate that in 1980 consumers had to swim through 10 gigabytes (GBs) of data per person per day. By 2008 it was 34 GBs.[11] In 2015 it was 74 GBs.[12] As reported in the 2016 Kantar *FragmentNation* white paper, Kantar tracked a 120 percent increase from 2008 to 2015 in the aggregate number of ads in the U.S.[13]

Of course, marketing overload is nothing new. But within the comfort zone of business as usual, marketers have consistently misinterpreted it, thereby over-investing in ill-guided initiatives that have added to inefficiencies and costs. The prevailing view is that overload is an opting-out problem of resistance that necessitates things to keep consumers engaged. This overlooks evidence that consumers appreciate, and even welcome, advertising and shopping.[14] Consumers don't want to opt out. In fact, they want to opt in, and to opt in more, but the ways in which companies force them to engage make it challenging. What looks to be opting out is actually consumers unable to opt in deftly or proficiently because of finite cognitive capacity. As a result, as also reported in the *FragmentNation* white paper, BrandZ™/Kantar tracking shows brand clarity declining even as brand awareness is up. In other words, consumers are opting in more, not opting out, but they can't keep up.

Instead of battling consumer resistance, brands should rationalize and temper what consumers must do to engage by better facilitating the ability of consumers to opt in. Obviously, much of this is tied to experiences, human scale, intimacy and personalization. All of these dynamics are interwoven and mutually reinforcing. ***What*** they add up to is a future of growth in uncomfortable places.

WHY IS IT UNCOMFORTABLE?

FragmentNation.
Intimacy not Authority.
Human Scale.
Experience-Centric.
Enabling Opting In.

It is no surprise these concepts are uncomfortable. Even the vocabulary is unfamiliar and challenging. But uncomfortable here is more important than a few unusual phrases. Part of our work at BrandZ, Kantar tracking has been to unpack exactly ***why*** companies find today's new sources of growth uncomfortable. This also starts with vocabulary, in this case the dictionary definition of and synonyms for uncomfortable. The Oxford Dictionary associates four states as definitional synonyms for uncomfortable—unease, physical discomfort, pain and awkwardness. Addressing and solving each of these is how discomfort is alleviated, and thus by analogy, how best-in-class companies can bend the growth curve upward.

These four discomforts, so to speak, can be translated to reflect the world of business more closely. "Unease" is the inability to ***see*** opportunities in uncomfortable places. "Physical discomfort" is the compounding problem of not being able to ***reach*** them. "Pain" translates as the inability to ***afford*** uncomfortable opportunities. And "awkwardness" is not knowing what to ***do*** even if the opportunities of uncomfortable places can be seen, reached or afforded. ***In other words, uncomfortable places are defined as the opportunities that business as usual cannot see, reach, afford or do.*** Yet it is these kinds of opportunities that are driving growth in the marketplace, so the skills and solutions that companies must master are those that will enable them to see, reach, afford and do what it takes to succeed in uncomfortable places.

These solutions parallel the Kantar These solutions parallel the Kantar W.H.O.L.E. Demand framework first described in *Follow the Money*. In combination with a translation of each state of discomfort as a corresponding strategic business concept, the W.H.O.L.E. Demand framework provides a useful organizing schematic.

W.H.O.L.E. DEMAND

The basic idea of W.H.O.L.E. Demand is one view of demand that goes from strategy to activation, connecting marketing and sales. Too often, competing views of demand, particularly the traditional divide between marketing and sales, are a barrier to growth. The creation and conversion of demand is strategic at every point of activation. Growth requires connecting the dots to create a fully integrated approach to the marketplace.

At the heart of W.H.O.L.E. Demand are five commercial principles that serve as a way of benchmarking strategy and execution. The first is *wide-angle lens*. This means an expansive, forward-looking view of the marketplace that looks beyond the old confines of categories. Incumbent companies must consciously fight off the risk-aversion inherent in big organizations.

The second principle is *human-centricity*. This means focusing on the whole person, not just people as shoppers or consumers. The third principle is *optimizing value* through a joined-up network of tools and data-driven dashboards that facilitate faster, more flexible decision-making. Money saved should be reinvested in growth.

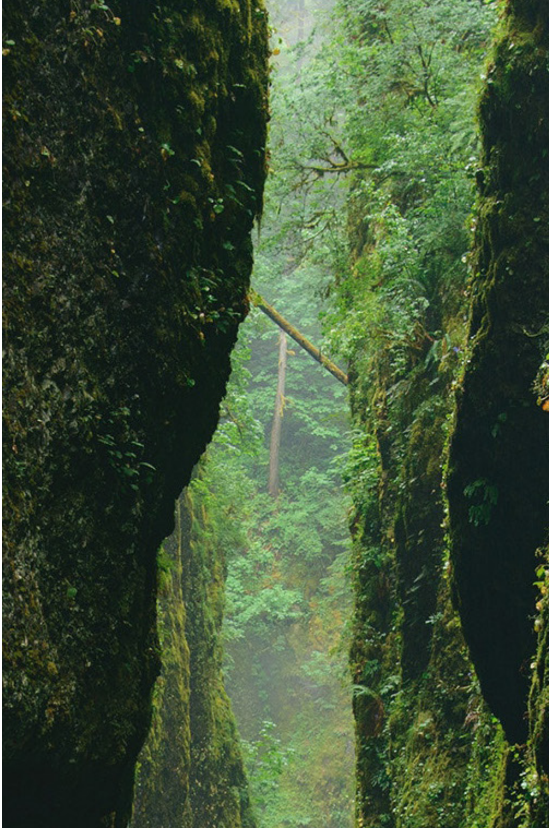
WIDE-ANGLE LENS	**H**UMAN-CENTRIC	**O**PTIMIZING VALUE	**L**EARNING-OBSESSED	**E**XPERIENCE-CENTRIC
Seeing the whole marketplace, especially the future ahead	*Focusing on the whole person, especially lifestyles not just consuming*	*Turning the whole enterprise into an engine that unlocks power for growth*	*Building a whole understanding using rapid, smart systems*	*Centering the whole value proposition on experience*
Future-proof everything Understand today with a view towards tomorrow	**Install a rich data spine** An integrated data platform as the business foundation	**Optimize Spending** Above and below the line, invest more in what truly works	**Granular analytics** Develop a detailed, quantitative, real-time view of demand	**Put customer experience first** Put everything in service of boosting the experience
Less formulaic thinking More discerning view of under-served consumer needs	**Break down functional silos** Pull together all functions for a single view of customers	**Optimize Pricing** Use revenue growth management programs for margin	**Instill agility** Be cross-functional, self-directed, test-and-learn, swift	**Make it effortless** Make the experience joined-up at every point in every way
More imagination Reconsider traditional category boundaries	**Humanize connections** Personalized linking of 'people world' with 'shopper world'	**Optimize Execution** Physical/digital shelves that maximize commercial potential	**Embrace failure** Reward taking risk, but keep failure affordable	**Enhance the experience** Break out of the category to add unexpected value
Look for convergences Cultivate curiosity about bringing things together differently	**Storytelling mastery** Develop diverse, impactful storytelling to broaden reach	**Optimize Planning** Simplify and accelerate bolder, metric-calibrated strategies	**Faster than humans** Move quickly using AI and automation with flat decision-making	**Realize the business value** Make experience the pivot point of value for the brand

The fourth principle is to be *learning-obsessed*. This requires a passion for getting better faster. This begins with analytics, but it must be accompanied by a willingness to be more agile and more accepting of failure for the right reasons. Finally, companies must become *experience-centric*. This entails a fundamental rethinking of what people want and what brands deliver.

Companies that are not steeped in these principles will find growth opportunities to be uncomfortable. Part of this stems from a truncated scope of vision and understanding. Companies feel *uneasy* because they cannot *see* where growth is found these days. Even if they can see demand, they fall flat because their marketing and retailing reflects a *physical discomfort* trying to *reach* consumers.

The other part of feeling uncomfortable comes from gaps in capabilities and know-how. Companies find it *painful* because they believe they cannot *afford* to shift investments to uncomfortable places. They find it *awkward* because they worry they are not able to *do* what it takes.

The W.H.O.L.E. suite of business solutions is specifically designed to address each dimension of discomfort, along with a focus on experiences as a platform for value. Not only does this approach keep companies competitive, it surfaces new opportunities that suddenly present themselves when companies are able to feel comfortable getting uncomfortable.



UNCOMFORTABLE STATES OF OPPORTUNITY

Uncomfortable places is a concept that unlocks better ways of thinking strategically about growth opportunities. The inability to see, reach, afford and do has kept many companies from properly recognizing and calibrating the size and scale of significant growth opportunities. In this white paper as well as in our ongoing client work, we look at uncomfortable places as states because the idea of a state best captures the potential of growth. For global companies, these uncomfortable states, when properly framed and quantified, can be as important to growth prospects as improving results in major markets or reinvigorating a major brand or transforming relationships with key retailers. Five illustrative uncomfortable states are introduced in this white paper as examples of these opportunities.

UNEASE

"I can't **see** it."

SOLUTION

W — EMPLOY A WIDE-ANGLE LENS

Oftentimes, companies are not growing or are growing more slowly than their categories because small, niche brands are better attuned to the shifts in demand that are the hotspots of growth. Incumbent businesses just don't see what's happening. Not only because they are blind to the opportunity but more often because they are blind to the significance of the opportunity.

Rather than get caught up in the uncomfortable foment of niches, established companies tend to bet on more comfortable alternatives. But these investments often fail to generate sustained growth, while the more challenging opportunities that were passed over grow into big businesses. Companies that lean in earlier on smaller opportunities wind up with first-mover advantage because they have done the work of building or adapting their businesses to succeed in these niches.

A wide-angle lens avoids this failure in three primary ways. It enables companies to see a more expansive definition of the category or consumer need states. At the same time, it puts a frame on this view that provides commercial focus. When companies think only about very specific category requirements — say, kibble sizes and flavors of pet food — they often fail to see more expansive opportunities rooted in bigger, deeper dynamics — such as a more central need for connection of which pet ownership is but one expression. Finally, a wide-angle lens scales the area of focus so that smaller opportunities don't look bigger than they really are simply because they dominate the telephoto lens that companies tend to bring to their specific lines of business.

The field of vision cannot be so close that the growth picture is seen out of proper proportion. Line extensions and additional promotions look enormous when the whole view is that of one brand. A wide-angle lens enables companies to assess more accurately the potential of these kinds of opportunities relative to the growth potential of other innovations.

UNCOMFORTABLE STATE #1
COSMOPOLICA

Urbanization is an oft-cited change dynamic. Some companies have even started to look at this phenomenon beyond individual countries to understand a new urban strategy. But this ignores obvious differences between cities, and butts up against the experience of global commercial leaders who travel to these different cities and see a world that feels similar and familiar. **Cosmopolica** is an uncomfortable state that frames this properly. Many of the world's major, global cities are more similar to each other than to the countries where they are located. These cities, which represent 7 percent of the world's population but 28 percent of global GDP, are a continental-sized trading block with unique consumer attitudes, distinctive retail environments and real synergies to be achieved through their strategic commonality.

PHYSICAL DISCOMFORT

"I can't ***reach*** it."

Even if an opportunity can be identified, efforts to create or capture that demand will feel uncomfortable unless consumers or shoppers are effectively engaged and converted. Generally, efforts to reach people don't work because the advertising didn't resonate, or the retail program failed to catch the eye, or techniques were used that didn't generate a sufficient return. Companies must reach consumers and shoppers in a language that is native to people in the platforms and outlets of their choosing.

UNCOMFORTABLE STATE #2
NINENINETYNINEIA

One of the biggest changes in how people access content is the shift to relatively small monthly subscription fees, such as $9.99. This uncomfortable **NineNinetyNineia** state of subscription content platforms brings profound changes in how consumers view content and advertising, and thus will significantly transform businesses. It also impacts consumer spending power because paying for a multitude of subscription platforms means less to spend on discretionary or premium goods. Even the simple idea of repurchasing a loved consumer brand in the mobile world will be more like subscription. As more of the marketplace moves to this sort of subscription-centric, renewable commerce, it's no surprise that Walmart has hired a new Chief Customer Officer from American Express, one of the world's experts in subscriptions.

SOLUTION

H — UTILIZE A HUMAN-CENTRIC APPROACH

Part of the challenge is the word reach itself, which has taken on specific meaning in marketing as the number of consumers encountering a message. In human-centric terms, reach is more the resonance of connecting with consumers, or the ability of brands to engage consumers meaningfully. Failing to reach consumers in ways that resonate can often be traced back to companies feeling more comfortable with older, established platforms of advertising and communications.

At the same time, the retail ecosystem has seen reach as a numbers game, trying to get every item made onto every possible shelf. Human-centric retail reach means a more tailored strategy to make sure the right items are presented to the right shoppers at the right time. In addition, problems with reach show up in attempts to shift shoppers away from retailers they prefer to more lucrative, more comfortable classes of trade, even though experience has shown that is difficult—if not impossible—to change a shopper's retailer of choice. Brands lose retail reach when they view their shoppers as profit centers rather than as humans with time pressures and a wide variety of shopping needs that get satisfied where it is most convenient, effective and satisfying for people.

Reach is best achieved through a human-centric approach that meets people where they want to be, not where a company would prefer them to be. Strategies should be built around lifestyles, not consuming or shopping. Execution must center on humans, not on brands or outlets.

PAIN

"I can't ***afford*** it."

One of the most common objections to investing in uncomfortable places is that financial and other resources spent there won't generate as much return as resources spent in more comfortable places. There are several reasons why companies fail to recognize the value that can be optimized by investments in uncomfortable places.

One reason is timeframe. In most companies, few people have responsibility beyond financial objectives tied to a specific, short-term reporting period. This leads to optimization against a time horizon that may not be valuable or relevant strategically.

Another reason relates to granularity and interconnectedness. The combination of more powerful technologies and more detailed databases has given companies the ability to measure performance at high levels of specificity even though every granular activity is rarely significant. Uncomfortable places often consist of several separate activities that are indivisibly interconnected and related. Building a new capability requires a series of specific activities rather than a single big activity, and the uncomfortable unprofitability of individual activities over the short-term masks their potential to add up to something with big economic benefit.

Laser-focused is a phrase that is commonly applied to both building culture and driving returns. But a laser is a very specific tool for a very specific task. It is helpful only if the problem at hand is densely massed and not moving. There's a reason that duck hunters don't use lasers — scattered, rapidly moving opportunities can be hit only with a shotgun.

SOLUTION

O — OPTIMIZE FOR VALUE

UNCOMFORTABLE STATE #3
BASKETON

As retail becomes less and less store-based, the primary building block of profitability in that ecosystem will no longer be the store, the shelf or the category. The omni-channel marketplace now emerging will see the unit of profitability for retailers move from being store- or shelf-based to being shopper-based, in particular, the shopper's basket, or the uncomfortable state of **Basketon**. Brands have spent the last four decades refining category growth stories at a consumer and brand level to build shelves and manage categories to drive growth for the category and the brand. Going forward, much of the work that used to be category management will be basket management. Suppliers and retailers will work together to cluster shoppers by basket type and solve the profitability challenge presented by different basket types. **Basketon's** largest region will be **ListOMania**, which is a place of better understanding, comprehending, managing and influencing the shopping list. The transition to basket-led analytics from store-led or shelf-led analytics will open up significant opportunities.

Uncertainty is another reason, and it may be the most important. Rarely are people in big companies assigned tasks for which failure is an option. Big companies always give a tip of the hat to concepts like embracing failure. In practice, though, managers who miss short-term objectives don't get raises or promotions and aren't retained. Thus, the authority to optimize for anything but predictable, safe outcomes is unavailable.

AWKWARD

"I can't ***do*** it."

When a child says, "I can't do it," parents are quick to recognize what this means. Sometimes, it reflects a legitimate lack of ability. Other times, it reflects fear because a child simply hasn't done something before. And sometimes, a child just doesn't want to do it. Unfortunately, companies are awkward in all of these ways when it comes to uncomfortable places.

The way for companies to get past fear and to get comfortable with new skills is to become learning-obsessed. Companies must get better at rapid iterative learning, such as algorithmic machine learning that can do real-time data interpretation wired to execution and operations. Individuals must be better trained with the skills needed to work in uncomfortable places. And organizations must embrace process redesign to ensure that knowledge reaches and precedes decisions in a timely, effective way.

SOLUTION

L — BECOME LEARNING-OBSESSED

UNCOMFORTABLE STATE #4
TOOLTOWN

At some point, every manager and analyst has found the critical analytic tools they use to get their jobs done to be outdated or insufficient. Most business teams have given someone the task of building workarounds—usually in Excel—which has left the inadequate tool intact and unimproved. But in a **Tooltown** world of fast-moving, highly granular data requiring advanced analytic techniques, commercial teams cannot be dependent on having the skills and ingenuity to figure out workarounds for tools that do not get the job done. The need for commercial teams to work in partnership with IT is frequently acknowledged, but usually that conversation concerns new data stacks or the potential for integrated marketing, not better tools. To win, companies must focus on the development of joint, effective applications and tools.

ADD IN THE E

Be **E**xperience-Centric

The final piece of W.H.O.L.E. is experiences. As noted, this is what is driving the growth in value and consumer spending. This is also what emerges when companies master the critical skills of operating in uncomfortable places. Brands and shopping become experiences that will create and convert demand, giving companies the confidence and rationale to continue seeing, reaching, affording and doing what it takes to succeed in uncomfortable places.

UNCOMFORTABLE STATE #5
PRIMERICA

Winning in Uncomfortable Places sometimes means that a company must reframe its whole view of consumers or shoppers to understand how their experiences and expectations are being reframed. No business is doing this more relentlessly than Amazon, and this has created one of the largest and most distinctive uncomfortable states know as **Primerica**.
At the end of 2017, 45 percent of American Households were Amazon Prime members, and it will probably be in the mid- to high 50's by the end of 2018. Globally, Amazon has announced that it has 100 million Prime members. Prime membership is reshaping markets as diverse as the U.K., Germany and Japan. Kantar estimates that these 100 million people constitute the single largest consumer economy in the world in terms of purchasing power, larger than both non-Primerica or China. Being an Amazon Prime Member defines how consumers shop and live in very specific ways. Companies winning in Uncomfortable Places will have to know as much about how Amazon Prime members behave as any other major cluster of consumers, and not just how they shop, but how they search, decide and live.

HOW ARE COMPANIES SUCCEEDING?

If you are looking to uncover growth,
contact our experts today.

FOOTNOTES

1 https://wir2018.wid.world

2 http://documents.worldbank.org/curated/en/959251468176687085/pdf/wps6259.pdf

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6 https://medium.com/dealspotr/influencer-marketing-tips-millennials-trust-da946f0bce18

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11 https://www.researchgate.net/publication/242562463_How_Much_Information_2009_Report_on_American_Consumers

12 https://ucsdnews.ucsd.edu/pressrelease/u.s._media_consumption_to_rise_to_15.5_hours_a_day_per_person_by_2015

13 https://vimeo.com/504973889

14 Consumer attitudes toward advertising and shopping are often misunderstood. Sweeping generalizations about resistance and dissatisfaction misconstrue what consumers really think and want. The 2016 Kantar Media Dimensions study found that 68 percent like or tolerate advertising, which reflects a widespread openness to engaging with brands and retailers that do it right. The problem is bad advertising and disagreeable shopping, not advertising and shopping per se. This is the point made here about recognizing that the challenge is one of facilitating opting in, not one of battling opting out.

Kantar is the world's leading data, insights and consulting company. We understand more about how people think, feel, shop, share, vote and view than anyone else. Combining our expertise in human understanding with advanced technologies, Kantar's 30,000 people help the world's leading organizations succeed and grow.

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