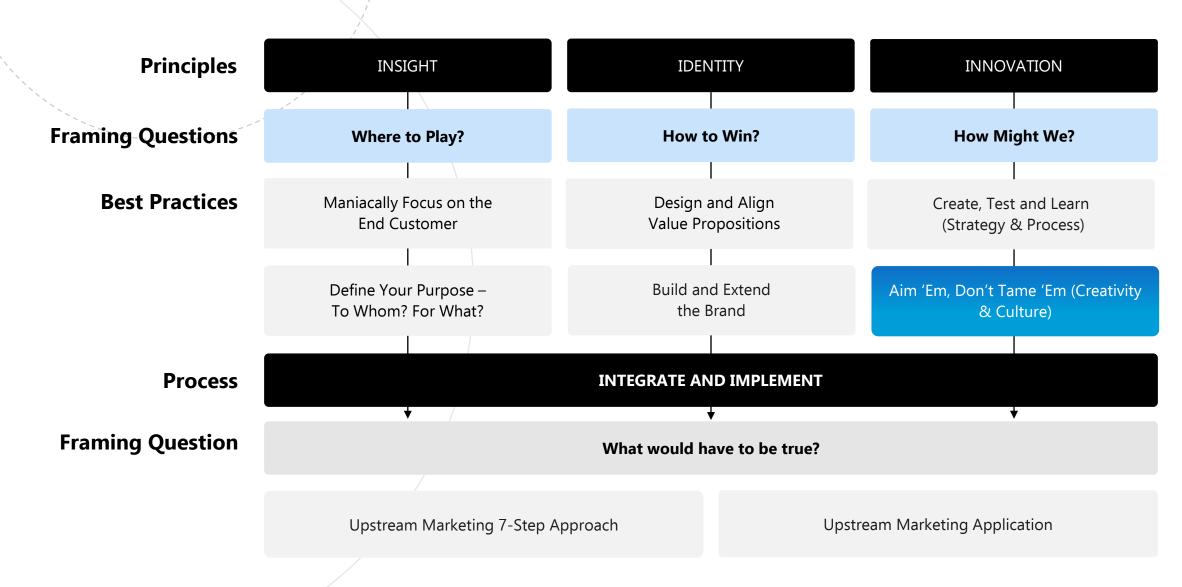


# Aim 'Em, Don't Tame 'Em (Creativity & Culture)



# Successful innovation requires balancing two things:



# Create, Test and Learn (Strategy & Process)

- Describes the need for structure and iteration
- Uses a planned, systematic approach infused with experimentation

# Aim 'Em, Don't Tame 'Em (Creativity & Culture)

- Stresses the social side of upstream marketing
- The right people and a stimulating, supportive environment are vital



Strategy and Culture Feed One Another



# Aim 'em, don't tame 'em (Creativity & Culture)

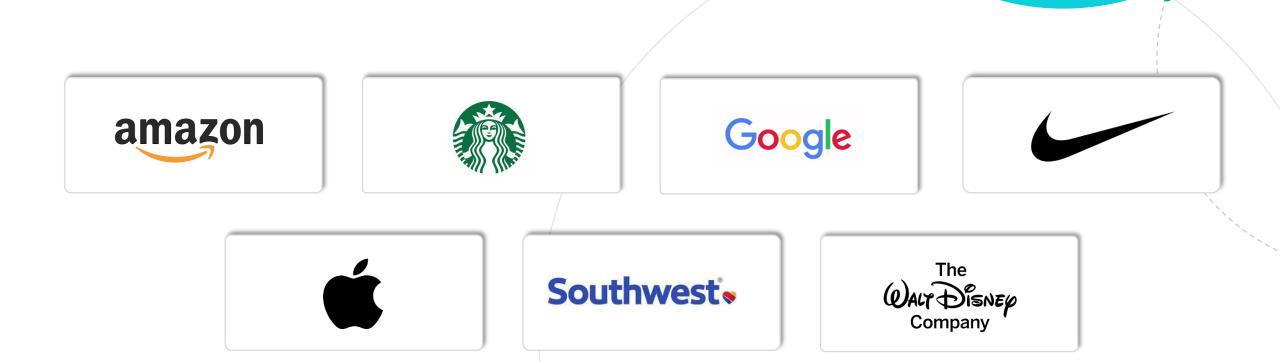
"The fun and easy-to-like aspects of innovation need to be counter-balanced by some tougher and frankly less fun behaviors. A tolerance for failure requires an intolerance for incompetence. A willingness to experiment requires rigorous discipline. Psychological safety requires comfort with brutal candor. Collaboration must be balanced with individual accountability. And flatness requires strong leadership."

"When it comes to innovation, the candid organization will outperform the nice one every time."

—Gary Pisano, Professor, Harvard Business School

# Profile company cultures are surprisingly similar

When you think about marketing excellence... who comes to mind?



There is an inside joke at The Walt Disney Company that goes like this:

**Question:** How many Disney Imagineers does it take to screw in a light bulb?

**Answer:** Does it have to be a light bulb?



The WALT DISNEP Company

# Mickey's 10 Commandments

- 1. Know your audience
- Wear your guests' shoes (don't forget the human factors; try to experience the parks from the guests' point of view)
- 3. Organize the flow of people and ideas (ensure experiences tell a story that is organized and logically laid out)
- 4. Create a "visual magnet"
- 5. Communicate with visual literacy (use a dominant color or shape or building to reinforce a theme)

- 6. Avoid overload—create turn-ons (do not offer too much detailed information)
- 7. Tell one story at a time (put one "big idea" in each show)
- 8. Avoid contradictions—maintain identity (make sure the audience has a clear idea of what is being said)
- 9. For every ounce of treatment, provide a ton of treat
- 10. Keep it up (do not become complacent or allow things to run down)

Insight, Identity and Innovation are foundational to Disney's culture

# Amazon's Leadership Principles (abridged)

#### **Customer Obsession**

Leaders **start with the customer and work backwards**. Although leaders pay attention to competitors, they obsess over customers.

### **Ownership**

Leaders are owners. They **think long term** and don't sacrifice long-term value for short-term results.

### **Invent and Simplify**

Leaders **expect and require innovation** and invention from their teams and always find ways to simplify. As we do new things, we accept that we may be misunderstood for long periods of time.

#### **Learn and Be Curious**

Leaders are never done learning. They **are curious about new possibilities** and act to explore them.

### **Think Big**

Thinking small is a self-fulfilling prophecy. They think differently and look around corners for ways to **serve customers**.

#### **Bias for Action**

Speed matters in business. Many **decisions and actions are reversible** and do not need extensive study. We value calculated risk taking.

### **Frugality**

Accomplish more with less. **Constraints breed resourcefulness**, self-sufficiency and invention.

#### **Dive Deep**

Leaders operate at all levels, stay connected to the details, audit frequently, and are skeptical when metrics and anecdote differ.

### **Have Backbone**; Disagree and Commit

Leaders are obligated to **respectfully challenge** decisions when they disagree. Once a decision is determined, they **commit wholly**.

#### **Deliver Results**

Leaders focus on the **key inputs** for their business and deliver them with the right quality and in a timely fashion. Despite setbacks, they rise to the occasion and **never settle**.

## Starbuck's Mission and Values

Starbucks' mission is to inspire and nurture the human spirit—one person, one cup, and one neighborhood at a time.

With our partners, our coffee, and our customers at our core, we live these values:

- Creating a culture of warmth and belonging, where everyone is welcome.
- Acting with courage, challenging the status quo, and finding new ways to grow our company and each other.
- Being present, connecting with transparency, dignity, and respect.
- Delivering our very best in all we do, holding ourselves accountable for results.

We are performance-driven, through the lens of humanity.

## Five common cultural themes

Many companies have a culture that supports innovation. Far fewer have innovation embedded in their corporate culture.

- 1. Create an aspirational identity to guide the organization
- 2. Establish cultural values that support innovation
- 3. Hire the right people and the right mix of people
- 4. Establish practices to support innovation
- 5. Organize and commit to innovation

# **Create an aspirational identity**

A defining trait of each profile company is an aspirational purpose and brand to guide the organization







Amazon set out to be earth's most customer-centric company

Google seeks to organize the world's information and make it universally accessible and usable

Starbucks wants to inspire and nurture the human spirit—one person, one cup, and one neighborhood at a time.

## Value 1: Focus on and obsess about the customer

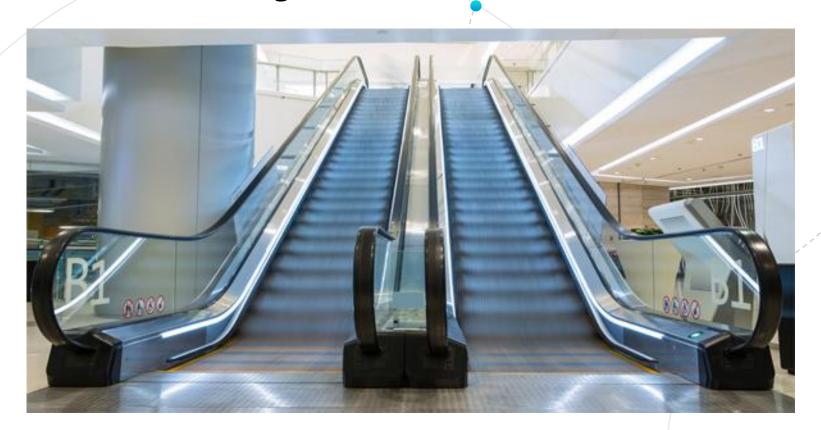
- "Leaders start with the customer and work backward," is Amazon's first leadership principle.
- Topping the list of Google's "Ten things we know to be true" is "Focus on the user, and all else will follow."
- "Everything we do starts with the consumer," says former Nike CEO, Mark Parker. "It's our obsession with serving the consumer that sharpens our focus and drives our growth."



"The characteristic of great innovators and great companies is they see a space that others do not. They don't just listen to what people tell them; they actually invent some- thing new, something that you didn't know you needed, but the moment you see it you say, I must have it."

Eric Schmidt, Google's former CEO,

## Value 3: Think big (but start small and learn fast)



Upstream marketing affords the opportunity to be "roughly right"

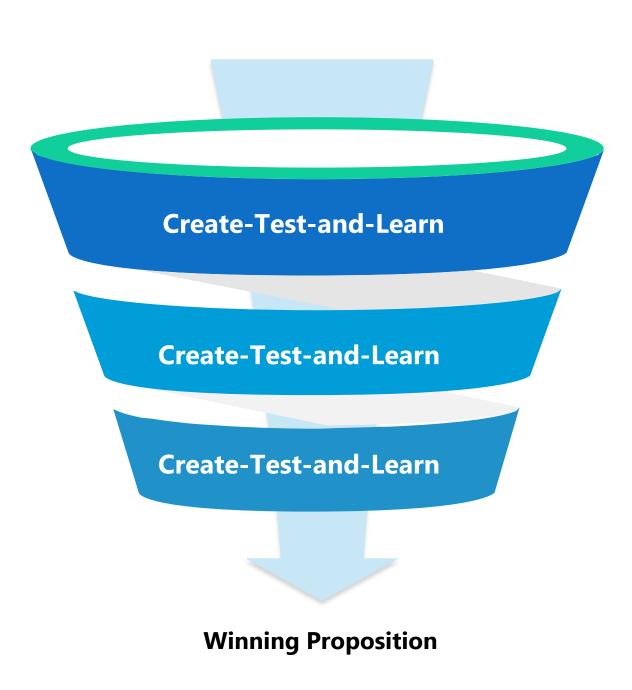
Many business decisions are reversible.

Use **test- and-learn** to minimize the cost of failure

Value 4: Ensure the best ideas win

Survival of the fittest.

Everyone's thoughts should be heard, with the best ideas rewarded



## **Value 5: Recognize productive failures**



"Failure comes part and parcel with invention. It's not optional.

We understand that and believe in failing early and iterating until we get it right.

When this process works, it means our failures are relatively small in size (most experiments can start small), and when we hit on something that is really working for customers, we double down on it with hopes to turn it into an even bigger success.

However, it's not always as clean as that. Inventing is messy, and over time, it's certain that we'll fail at some big bets too."



## The right people . . .

- 1. Project leaders
- 2. Smart, creative thinkers and doers
- 3. Diverse individuals

## The right mix . . .

"My model for business is the Beatles. They were four guys who kept each other's negative tendencies in check. They balanced each other, and the total was greater than the sum parts. And that's how I see business. Great things in business are never done by one person; they are done by a team of people."

- Steve Jobs, Apple



"An accountant sitting next to a poet is a really good idea."

- Peter Rummell, former chairman of Disney Imagineering

## **Establish Practices to Support Innovation**

Cultural values are of little importance unless they are embedded in how a company operates

If a company is going to say it's customer-driven, it should be investing in obtaining insight



Similarly, other aspects of upstream marketing need to be operationalized



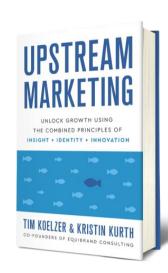
Communicate the growth strategy



Develop "idea finding" programs



Codify and train on upstream marketing



# Organize and commit to innovation

- Consider dedicated innovation teams
   (Amazon Lab 126, Imagineers, Nike Explore Team Sports Research Lab)
- Organize like a lean start-up (i.e., "Two-Pizza Teams)
- Get close to the customer the decision arbiters
- Determine whether to physically separate
- Recognize the need for independence from the status quo



# Recap of Innovation Culture Themes

- 1. Create an aspirational identity to guide the organization
- 2. Establish cultural values that support innovation
- 3. Hire the right people and the right mix of people
- 4. Establish practices to support innovation
- 5. Organize and commit to innovation

Aim 'em, don't tame 'em represents the paradox of innovation culture. Companies need to embrace strategy and process with an innovative mindset and a culture that is less linear.

# Aim 'Em, Don't Tame 'Em (Creativity & Culture) 2.

**Questions to consider** 

- 1. Does the leadership team understand the paradoxical nature of innovation culture and the need to aim 'em, but not tame 'em in driving growth?
- 2. Are the values that support innovation embedded into the organization, and if not, what needs to change?
- 3. Does the organization have the right practices and structure to facilitate innovation?