

An abstract sculpture of a hat, possibly a fedora, composed of several overlapping, curved layers of different colors: a light green layer at the top, a tan layer, a pink layer, and a grey layer at the bottom. A wide, black, glossy band is wrapped diagonally around the hat. The sculpture is set against a solid blue background.

RADICAL

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EVERYTHING

A MODEL FOR BETTER BUSINESS

Over two years, in partnership with [CitizenMe](#), we've spoken to 7,000 people in 5 markets about the role of business in the world today. Last year, in [Radical Everyone](#), they told us they want fundamental change, and they want businesses to drive it – ahead of governments, charities and activists.

This year, that feeling continues. Only 6% of people think businesses should carry on with existing methods. Everyone else, regardless of age, seniority and geography, believes they should challenge convention and create new ways of doing things.

But how, exactly, can businesses do this? Our respondents believe they should focus their attention around four areas, and we've sourced examples of them in action from practitioners across the Omnicom network, all over the world. Read on to find out more.



FORGET

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CONTROL

FORGET SCALE: SHARE SPEED

Rather than making decisions on behalf of employees and customers behind closed doors, offer them opportunities to assert influence and ultimately have a level of control.

The 2018 Global Risks report from the World Economic Forum suggests that power constructs are shifting because regional, national and global governments are failing to keep up with the pace of change in the world.

“Our accelerating pace of change is testing the absorptive capacities of institutions”

Global Risks Report 2018, World Economic Forum

In light of this, people are increasingly seeking opportunities to assert their influence and have some control over decisions that affect them.

It's no surprise, then, that people are looking for a shift in power in their workplaces. The idea of employees having more control came out strongly in our research. When people were asked about the most important aspects of business strategy, they said they wanted management to feel like a shared process that involves everyone. Similarly, they put 'making employees feel like an owner' – another manifestation of this same idea – at the very top of their list of priorities.

There was a similar pattern in terms of customer behaviour, with people wanting more influence over the brands they're buying. When asked how businesses should interact with their users, 'giving the community control' (by, for example, allowing them to influence new products and service changes) was a top priority for our respondents.

In part as a result of this shift, they think businesses should move away from a hyper-competitive mentality. The majority of our respondents were in favour of them sharing methods and collaborating.

How would you rank the following principles, based on how important they are to a radically better business' strategy?	
01	Make employees feel like an owner
02	Challenge common workplace practices
03	Make management involving all employees
04	Promote employee autonomy
05	Collaborate rather than compete
06	Time for innovation for everyone
07	Challenge traditional hierarchies
08	Drive scale to benefit the customer
09	Have no set formula

[A]

Google

GOOGLE

To create a culture where its employees have the power to do what they think is best, Google famously “hires the smartest people” and trusts that “they’ll figure out the right thing to do.” They have a huge amount of power over the future direction of the business. The autonomy that people are given has enabled Google to grow by attracting top talent who are free to explore less conventional business opportunities. Loon, for example, began as a moonshot project by Google X. It uses high-altitude balloons placed in the stratosphere at an altitude of approximately 18 km to create an aerial wireless network with up to 4G-LTE speeds. It expands Internet connectivity in parts of the world where it doesn’t exist, and provides expedient coverage after natural disasters. It became a separate company in July 2018, which is in itself an indication of its commercial potential.

RADICAL

FORGET CONTROL

WILKIN & SONS

Wilkin & Sons is another example, albeit at a very different scale. It’s a small company that’s been making Jams in the Essex village of Tiptree since 1885, and the family who own it have long felt that employees should have a say in company affairs. Twenty-five years ago, the business changed its structure and now its 240 employees hold just under 50% of it via an employee benefit trust, giving them an active say over the future of the business. The company distributes shares annually according to length of service to everyone from the director to the assistants on the shopfloor. When workers retire, Wilkin buys their shares back and redistributes them among the rest of the employees. Peter Wilkin says there’s good evidence employees are more motivated and committed as a result.

[B]



SHARE POWER

EVERYTHING

[C]



LEGO

Lego has a long history of active collaboration with its user community. [Lego Ideas](#), launched in 2008, invites fans from around the world to submit concepts for future Lego products and vote on their favourites. It selects and manufactures the most successful ones, giving royalties to the designer. (The Star Wars Millenium Falcon set was selected through the platform and is one of the most popular sets in the company's history.) In recent years, this method has become particularly popular among tech-lead start ups and scale ups. The [Monzo community](#), for example, has a huge amount of influence over the decisions the fintech business makes, including its current policy on foreign [ATM withdrawal fees](#).

RADICAL

FORGET CONTROL

SHARE POWER

EVERYTHING

FORGET

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SCALE

FORGET SCALE: CHOOSE BETTER

Rather than proliferating choice, reduce the options to help people consume in smarter, more ethical ways.

The International Telecommunication Union estimates that 48% of people are connected to the Internet meaning that people can buy and learn more things from more places than ever before. On top of this, the World Economic Forum predicts a rise in geographic mobility in its 2018 Global Risks Report. This means that alongside digital access, people are expected to have greater physical access to goods, services and information too.

But more doesn't always mean better. Barry Schwartz, author of the Paradox of Choice, suggests that having more choice hinders instead of helps.

“Learning to choose is hard. Learning to choose well is harder. And learning to choose well in a world of unlimited possibilities is harder still, perhaps too hard”

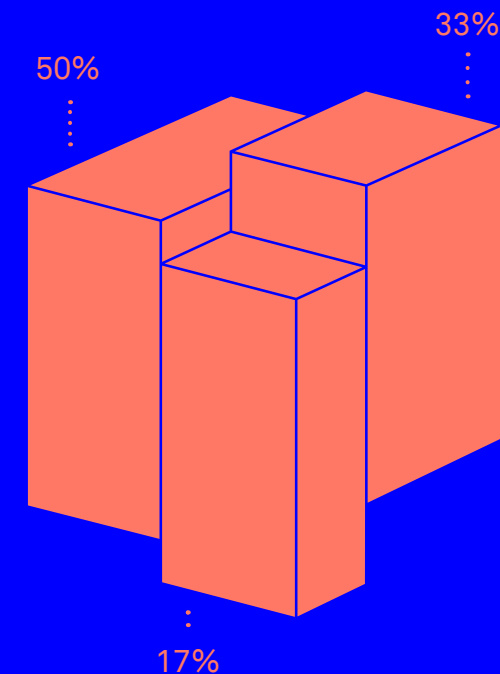
Barry Schwartz,
The Paradox of Choice: Why More Is Less

Our respondents agree with this sentiment. Though businesses have focused on making more things available to the consumer, 50% of the people we spoke to think they should have a different focus – one that's more curatorial and pastoral. Rather than simply proliferate cheap, convenient options, they should actively help consumers make better, more conscientious purchase decisions.

In fact, ethics more generally were high on the agenda, with the majority of people thinking of businesses as a vehicle for social change. They believe organizations have a responsibility to galvanise customers to act on societal causes, and this was especially pronounced in the US. Almost half of the respondents strongly agreed with this idea.

For a business to be radically better, should it actively help consumers to make conscious choices, or focus purely on convenience and speed?

EXAMPLE



50% Actively encourage and steer positive behavior

33% Undecided

17% Play a more passive role, just making product

[A]



JACK'S

In recent years, 'discounter' entrants have disrupted the value end of the retail market. Now that they've matured, Tesco, the UK's biggest retailer, recently set out to shake things up. It launched Jack's, which stocks about 2600 products - considerably less than the typical 25,000 products found in a large Tesco store. 70% of them are branded as 'Jack's' and in 8 in 10 have been sourced locally. Chief Exec Dave Lewis said the concept was a response to consumer desire for a "smaller, simpler range at shops". It plans to open up to 15 Jack's branches over the next year, and while the City will be keen to hear how the first two stores have been trading, analysts predict the grocery giant to report its 11th consecutive quarter of like-for-like sales growth. and the first two stores have been trading well, with the retailer reporting its 11th consecutive quarter of like-for-like sales growth in October 2018.

RADICAL

FORGET SCALE

EVERLANE

With a strong belief in radical transparency, [Everlane](#) promises to produce clothing that's made ethically from beginning to end, and this story is woven throughout the customer experience. It's just announced ReNew, a collection of outerwear made entirely from discarded plastic bottles, which marks its commitment to eliminate all virgin plastic from its supply chain by 2021 – which includes products, warehouses, offices and stores. Starting as an online-only retailer for the US in 2010, it hit \$100 million in revenue just six years later. It's now operating internationally, has expanded into brick-and-mortar retail and is ranked No. 40 Fast Company's 2018 World's Most Innovative Companies list. It's arguably helped drive new, on-for-one retail models too, like [Tom's](#) and [this from Warby Parker](#).

[B]



CHOOSE BETTER

EVERYTHING

[C]

energimine

ENERGI MINE

Beyond retail, there are really exciting things happening in the energy space, all based around the idea of brands driving ethical, more socially responsible behaviour. Energi Mine is a business started by two entrepreneurs, whose blockchain solution will create a platform to reward energy efficiency through EnergiToken. The token incentivises actions like taking low-carbon transport and buying energy-efficient appliances. It can then be converted in to cash or used to pay energy bills or charge electric vehicles.

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FORGET SCALE

CHOOSE BETTER

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FORGET

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SPEED

FORGET SPEED: GO LONG

Instead of focussing on the near term, also imagine the distant future and the impression you leave on future generations.

People are looking for a focus on long-term change because they're so convinced that the status quo isn't adequate. Of the major global risks the World Economic Forum has identified, many of them hinge on the failure of a critical system, from urban planning and infrastructure, to governance and climate change mitigation.

“As the pace of change accelerates, signs of strain are evident in many of the systems on which we rely. We cannot discount the possibility that one or more of these systems will collapse.”

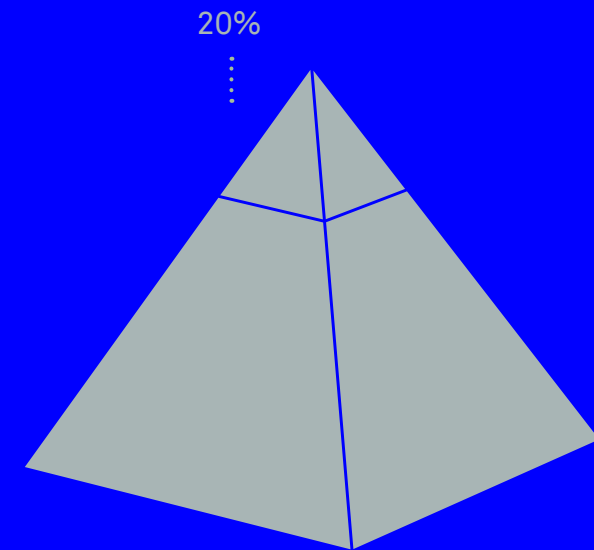
Global Risks Report 2018, World Economic Forum

Business is another one of society's complex and fundamental systems, and our respondents are tired of short-term attitudes within it. They don't want to see profit-chasing from one quarter to the next. Just 20% believe businesses should be focusing on immediate short term improvements over slower but longer term ones.

When we asked people to think about how they'd design a radically better business, focusing on future strategy was deemed the second most important principle. Promoting sustainable living over profits was number one, which links to a similar thought. Interestingly, leaders were even more in favour of this than the general public, and this finding was especially pronounced in the US.

To be a radically better business, should organisations focus more on small, immediate improvements, or on slower but bigger long- term improvements?

EXAMPLE



20% Immediate improvements over longer term on

[A]

The Patagonia logo, featuring the word "patagonia" in a bold, lowercase, sans-serif font. A registered trademark symbol (®) is located at the top right of the letter "a".

PATAGONIA

Patagonia is well-known for its commitment to long-term environmental sustainability. From encouraging people to repair what they already have rather than buy new through WornWear (giving rise to similar initiatives like this one from Rei), to pledging a percentage of their sales to environmental groups, they're making an effort to actively improve the world we live in today and in the future. In 2016 Patagonia gave 100% of its Black Friday Sales to grassroots environmental organisations raising \$10 million and signing up 24,000 new customers in one day. In 2017, it ignored it completely, paving the way for other retailers to do the same.

AIRBNB

A company that's changed the way the world experiences places around the world, Airbnb released a letter earlier this year from founder Brian Chesky that affirmed the company's commitment to the ongoing improvement of society. He announced that the company operate within an "infinite time horizon", which means people at the company "can be more audacious, take more responsibility for what they make, and create more lasting change". There was evidence of long term thinking in the announcements on February 22nd, which followed this letter, all designed to position the business as a 'passport to a new travel lifestyle'. It's also found renewed confidence in its political beliefs, directly criticizing Trump's travel ban in its Superbowl ad, for example, despite a rumoured IPO in 2019.

[B]



RADICAL

FORGET SPEED

GO LONG

EVERYTHING

[C]



arabesque

ARABESQUE

Over the past few years, there has been a surge in environmental, social and governance (ESG) data. Corporate disclosure on ESG issues has steadily improved since the launch of the Global Reporting Initiative (GRI) in 2000. Today, 80% of the world's largest corporations use GRI standards, driving one of the most significant trends in the financial markets for decades – responsible investing that's directly linked to a company's long-term sustainability. Founded in 2013, [Arabesque](#) has pioneered a new approach to asset management by integrating ESG big data with quantitative investment strategies. Its approach is based on evidence, and shows that long-term responsibility and profitability are wholly complimentary.

RADICAL

FORGET SPEED

GO LONG

EVERYTHING

FORGET CUSTOMERS: THINK PEOPLE

Rather than designing solely around a limited number of customer groups, consider all the people your business touches - from marginalized employees and underserved consumers to members of the local community.

Increasingly, people want to be recognised for who they are as individuals: where they've come from, what they believe in and who they want to be. Organisations need to listen and understand different points of view in order to survive, and thrive. Again, this is an issue identified in The World Economic Forum's 2018 Global Risks Report.

“When members of a decision-making group are too homogeneous it can hamper their ability to recognize and react appropriately to risk. Among other things, too little diversity can heighten confirmation bias and make it more difficult for individuals to speak out about risks for fear of disrupting consensus.”

Global Risks Report 2018, World Economic Forum

To deepen the impact organisations have and break the echo chambers they can create, business must build for a broader and more representative set of people. Firstly, rather than thinking only of groups of customers, employers should be thinking about how they design and personalize the employee experience. When asked about business priorities, people said the way an organization treats its employees should be the top consideration.

The research offered some insight into what that employee experience should look like too. Workplace wellbeing is high on the agenda across all levels

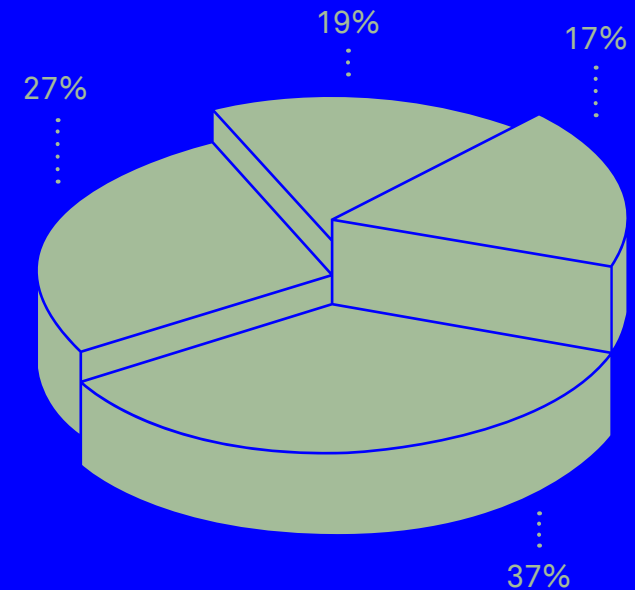
RADICAL

FORGET CUSTOMERS

of seniority. The majority believe employers should actively promote the importance of work-life balance and make wellbeing a right for employees by, for example, offering cash rewards for healthy habits. Equality was also front of mind, with respondents agreeing that employers should put marginalised groups of employees first. They also want businesses to bring in external voices by better integrating with local communities. When people were asked to think about how a business makes its impact on the world, this came top of the list of priorities.

What is most important in creating a radically better business?

EXAMPLE



37% The way they treat their employees

27% The way they treat their customers

19% The impact they have on the wider world

17% Their business strategy and operations

CHOOSE BETTER

EVERYTHING

[A]

F E N T Y B E A U T Y

FENTY BEAUTY

Rihanna's beauty line, Fenty Beauty, is known for its inclusivity across skin tones and gender. Going beyond cosmetics, the brand's expansion into fashion at NYFW made a conscious effort to be more inclusive by representing different body types. This push to reflect the diversity of its broad customer base has paid dividends. When Fenty Beauty launched at Harvey Nichols in September 2017, fans waited in line outside the store for up to three hours, while 8,500 online customers queued to shop before 8am on launch day.

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WEGMANS

A supermarket chain based in New York, Wegman's is known for the way it treats employees. It's been on Fortune's list of the best places to work since the list started in 1998. The company is obsessed with training (coming from a management philosophy based on employee autonomy), offers generous health benefits, and pays out nearly \$5 million a year in tuition assistance for employees. Fortune puts Wegmans' turnover rate at about 17% for all employees including part-time, hourly workers and as low as 4% for full-time employees. Compare that to Walmart, America's largest grocery retailer, where the turnover rate is closer to 40%. It's also famous for excellent customer service and is committed to improving this for minority groups. It recently became the first Aira-enabled supermarket chain in the US, meaning it delivers real-time visual description for people who are blind or have low vision using a smartphone or a pair of smart glasses.

[B]



THINK PEOPLE

EVERYTHING

[C]



THE PHLUID PROJECT

In a smaller example of building a business around a broader definition of people, in March 2018 [The Phluid Project](#), the world's first gender-neutral store opened in Manhattan. The store doubles as a community centre and online platform to create an inclusive space for non-binary customers. In its second quarter of trading sales figures doubled and it reported a 33% conversion rate - approximately 3% above average. Commentators are calling it a demonstration of fashion opening itself up to a plurality that makes no insistence on [“being a woman or a man when you can be everything and anything in between.”](#)

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FORGET CUSTOMERS

THINK PEOPLE

EVERYTHING