

CHAPTER 12

Be Fresh

In the highly competitive, fragmented world in which we now live, being fresh is a necessity. Innovation is a must. The ability to innovate is what keeps your organization at the top of its field. The faster and better you innovate, the more likely you are to remain a leader and set the standard that the others will follow.

Being fresh is important to almost every aspect of what you do—the delivery of information (is it updated regularly?), the creation of experiences (is it the same ride with new characters?), or the development and marketing of good stuff (is that a new color?). There are so many opportunities for your audience to look elsewhere to have their questions answered or their needs met. Perhaps even more than being able to demonstrate expertise or quality service at the start, organizations must ensure that the information, experiences, and stuff they deliver are relevant and timely.

Most people think that to stay fresh you have to introduce something new. It does not. Fresh does not mean new. Being fresh may be about surprise or change. Freshness can come from improving on, leveraging, and extending old and still-popular elements of what you do, or from producing new ideas. Sameness has its place. The role of familiarity should not be underestimated as a way to get attention. Nostalgia is an important tool—it draws on the memories people have of (hopefully good) experiences from the past and allows them to associate those (hopefully good) feelings within the present context.

To remain fresh, you should have a schedule and make updating your offering a regular event. You should make a commitment,

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to promise your audience that you will not take your relationship with them for granted by allowing it to grow stale. In other words, make freshness an inherent quality of your operation. Relevance and timeliness are the critical factors in a fragmented world, and that standard can be met in a number of ways. The notion of *new* has changed. Fresh is what you need to be.

Am I Getting Stale?

The United States is in the midst of the most entrepreneurial era in its history, with more than 500,000 Americans involved in launching their own companies each year and an estimated 10 to 15 percent of all working adults engaged in some kind of entrepreneurial activity.¹ Among these entrepreneurs, it is the innovators who matter most. Innovators spot gaps in the marketplace, whether it is a product, service, or idea, and are quick to fill them with their own initiatives and efforts. There is often a focus on research and development, building a strong team, and leveraging investment for long-term good. You may be one of them, and if you are—congratulations.

It is equally important to have innovators within an existing organization—people who constantly push their colleagues and the boundaries of what is possible. Innovation can be about adding a little additional creativity and focus into the work—and coming out with bigger and better ideas. It is about experimenting and testing. Again, you may be one of them, in this case an innovator within an existing organization. If you are—congratulations and consider your organization very lucky.

How do you know when you need to innovate? The answer is, you don't ever know for sure. You should be constantly reviewing and evolving what you do to improve and learn while balancing this with continued delivery of consistently high quality products and services at the same time. In most organizations constant evolution is a major challenge, both organizationally and in terms of available talent and resources. And continuing to provide high value to your audience while pushing new boundaries, as an additional challenge. If you aren't able to push the boundaries all the time, you should position your organization to respond quickly as new innovation occurs so that you are never caught flat-footed.

The March of Dimes was founded in 1938 to raise money for polio research and to care for those suffering from the disease.

Originally named the National Foundation for Infantile Paralysis, the group was launched by President Franklin D. Roosevelt, whose resolve to prevent the disease from limiting his ability to govern the nation helped to grow the group into one of the most influential charities in the country.

In 1955, University of Pittsburgh researcher Dr. Jonas Salk announced to the world that a polio vaccine had been developed, in no small measure because of the support that March of Dimes had advocated for and helped to secure. Having successfully completed its mission, March of Dimes decided in 1958 to use its charitable infrastructure to serve mothers and babies with a new mission: to prevent premature birth, birth defects and infant mortality. The organization accomplishes this with programs of research, community services, education, and advocacy. It is now one of the few charitable organizations in the world that achieved its original mission and has gone on to reinvent itself.

The March of Dimes had a clear mission, and the discovery of a vaccine to prevent polio was a clear sign that its mission had to change. It had the option of closing—and for many organizations that is the best option, instead of continuing to push a mission that has lost its core purpose. Unfortunately, few organizations acknowledge that the best option is sometimes to change or close. However, the most effective way to learn if or when your efforts need to change is to listen—to your audience, to the space you operate in, and to yourself.

Some key indicators:

- ***You wake up one day and find yourself competing with groups you have never heard of before.*** The growth of technology has made the cost and hassle of starting and promoting a new organization much more manageable. Almost anyone can start a company, their own nonprofit, or similar group. *Time* magazine estimated that there are more than 1 million 501c(3) charities in the United States, up nearly 70 percent from the 614,000 that existed a decade ago, tackling everything from education to disaster relief, job development, the environment, and AIDS.² The growth is fueled by the growing influence of baby boomers with a social entrepreneurship mind-set who have time to give back to their communities; by the learnings from September 11 and Hurricane Katrina that government needs

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help solving our nation's problems; and by the greater numbers of wealthy individuals with the funds to launch their own nonprofits.

Everyone has an idea and most of them think they can take the world by storm. If new organizations are coming into your space and you haven't heard of them, watch out. They have found a way to jump into your space with a new idea, a different application of technology, or something that has attracted some interest in the audience. There might not be anything wrong with what you are doing, but rather someone has brought innovation to your doorstep. You earn no points for status quo thinking, no matter how successful you are.

- ***You are under increasing pressure to lower your prices.*** Chris Anderson wrote in *The Long Tail* that the new technology and the flattening of our society would give consumers control of the market and lower costs within niche product areas. He used the music business as an example, writing: "Imagine if prices declined the further you went down the tail, with popularity (the market) effectively dictating pricing. All it would take is for the labels to lower the wholesale price for the vast majority of their content not in heavy rotation; even a two- or three-tiered pricing structure could work wonders. And because so much of that content is not available in record stores, the risk of channel conflict is greatly diminished.

The lesson: Pull consumers down the tail with lower prices."³ Consumers expect to get their information, experiences, and stuff at lower or no cost. Competing organizations often feed into that, lowering prices to undercut another seller. But no one likes to compete strictly on price, particularly when you offer the best item or service for your audience. But more players in each space will mean more battles on cost. It will be necessary to realign your offering, not just to compete on dollars, but to exceed expectations and capitalize where others fall short.

- ***Your audience asks for changes you cannot or do not want to make.*** When your audience moves forward without you, take that as a not-so-subtle sign that what you are doing may no longer be relevant or competitive. It happens all the time. Your audience says, "I want it this way," or "You need to be doing this or I won't support you" and you have to decide whether to honor

that demand or let your competitor have their support. Your instinct is to say no because you doubt you could ever recover the costs of the change, or the shift in focus to your mission. But when your competitors have leapt ahead of you in features and benefits, or offer a service that you hadn't conceived of, you must either catch up or leap ahead of them with innovations of your own. If not, you will fall behind.

- ***Your competitors are leaving the market.*** In the short term, this sounds great. Your competitors drop out, and you pick up the audience that they leave behind. But movement in today's fractured world is so quick that market opportunities, no matter the space, disappear and change so rapidly that what you are picking up may not be the right audience, but instead the audience that hasn't caught on quite yet. When your competitors change their focus or begin to highlight other aspects of their work and you don't, you will quickly feel like the last person standing on a sinking ship without access to a life preserver. Nobody walks away from an opportunity to grow and expand their business or mission. Vibrant markets encourage competition, now more than ever.

Nobody wants to admit that their organization has lost momentum or that the changing times have put them in a position where they can no longer be effective. It can sometimes take months, even years, for the signs to clearly develop and the lessons to be learned. Waiting that long, however, can spell disaster for your organization. The only recourse is to focus on innovation to do things to remain fresh.

Getting to Fresh

Tom Kelley, co-author of *The Art of Innovation* (New York: Currency, 2001) and a principal at IDEO, a Silicon valley-based design firm, tells this story about how innovation unfolds, often quickly:

[A] crew from ABC News came in and said, "We want to see innovation happen." They gave us four days to reinvent a product category that turned out to be grocery-shopping carts.

We went through all the steps that we normally go through in a real project, but we did them incredibly quickly. So we went

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through the “understand” phase figuring out what the current market is in the first day. We then went through the “observe” phase, which involved getting away from our desks, and getting out into the real world to watch people grocery shopping.

Then we went into the “visualize” phase, where we started prototyping. Some of those first prototype carts really looked pretty messy, and even a little ugly because they were all done in a day. We’re talking about foam core and wire, the cheapest, quickest materials we could find.

The next step was to evaluate and refine. We had a pretty broad range of prototypes. In the “refine” stage, we said, “Okay, let’s narrow it down to the stuff that we think people are interested in.” In the “implement” stage, we built a finished model good enough to clearly communicate the ideas of the new shopping cart.⁴

Everyone talks about innovation, but few organizations are able to truly pull it off. Some people associate it with age—only the young can innovate. Salon.com noted that “Steve Jobs and Steve Wozniak were in their 20s when they pieced together the forerunner of the Apple computer. So was Tim Berners-Lee when he created the first hyperlinked structures that led to the World Wide Web. By their late 20s, Jerry Yang and David Filo had created the Yahoo! search engine and left the Ph.D. program at Stanford to run the company. Jeff Bezos—who was a little slower to get into the game—founded Amazon.com at age 31.”⁵ But age is not what drives innovation. Think about it. Facebook founder Mark Zuckerberg is still only 23 years old. It’s a state of mind and an acceptance of the challenge at hand.

What does it take to truly innovate? No fear, for starters. Many of the limitations that organizations have are put there by the organization itself. Ever hear one of your colleagues say “We have never done it that way” or “Can you give me some examples of how this has worked before?” as a way to buy time or provide an easy escape from trying something new? There are obviously risks for falling short, but the risks of not innovating, particularly as technology continues to advance and expectations among audiences continue to rise, are even greater.

We are surrounded by examples of the need to iterate and grow and develop, from the auto industry in America whose business model has come to an end, to the oil industry where British Petroleum (BP)

is saying they are “beyond petroleum.” BP has not figured out how to do that yet but they have identified where they have to go to remain competitive, and that will serve to drive innovation internally, and across their industry, in response. In some ways organizations need to have some foundational beliefs to drive that long-term change. You need to believe that things are going to keep changing, and that what worked yesterday doesn’t tell you anything about what will work tomorrow.

Look at your product portfolio. Do you think anything you are selling today you will still be selling in the same way three to five years from now? Look at your programs and initiatives. Will your audience and impact be the same in a year, let alone 10 years? Whatever packaging you are using won’t be right in the future. Whatever ingredients define your success today will have changed in the future. Jeffrey Hollender adds:

One of the biggest changes that we look at is, for twenty years our business has been selling products that were not as bad as everyone else’s products. We’re good because we’re less bad. That’s no longer good enough. We now need to define what is really good. We can—the whole paradigm that has defined product development for us for twenty years is no longer valid going forward. And the challenge for businesses is deciding what system you put in place to detect that, and then how do you redesign what you’re doing to change as the world changes?

So what can you do? Here are a few suggestions:

Be a Part of Your Own Audience

When you launched your organization, you were probably one of the few, if not the only person who believed that you could make an impact with your work. You were your first investor and first customer—and you should always be your best.

Over time your audience will grow, your team will expand, and your offering will evolve and change. Your focus will shift to serving that audience and away from being a part of it. But you must remain a member of your own audience and demand innovation the same way a customer would or you won’t be able to keep fresh.

Consider how Steve Jobs, the co-founder and CEO of Apple computer and visionary leader, lives his brand. Like all technologists, Job believes that Apple products are better than the competitions. But he takes it to another level. He keeps Apple's management structure unusually flat, especially for a company its size. He leads, or provides input on, the development of all new projects. In fact, there is just one committee in the whole of Apple responsible for setting prices. "I can't think of a comparable company that does no-zero-market research with its customers before releasing a product," wrote Lev Grossman in *Time* Magazine. "Ironically, Jobs' personal style could not be more at odds with the brand he has created. If the motto for Apple's consumers is "think different," the motto for Apple employees is "think like Steve."⁶

Steve Jobs wears an iPod, carries an iPhone, and demands the same of his team that every Apple customer does—and he gets it. You should be able to as well.

Understand What Role Technology Really Plays

Technology plays such a big role in the distribution of information and creation of experiences—for both organizations and their audience—that it is easy to give it more than its share of the credit for the success of a project.

Many of Brian's clients call to ask how they can be just like the most innovative organization from another space—how they can emulate Howard Dean's dynamic online fundraising and mass audience engagement from the 2004 presidential campaign, only in a consumer package goods setting, for example. When Howard Dean ran for President during the 2004 cycle, the Internet was widely credited by the media and many political observers as being the key factor in his success as a candidate. The Dean campaign did raise tens of millions of dollars online, recruit and send e-mails to hundreds of thousands of supporters, and host a vibrant and engaging discussion on its blog. But the technology that powered all of those activities—a database, a content management system, an enterprise server, and the like—were not the keys to his success. His campaign had a message that resonated with Americans and a media clamoring for a juicy political story. Yes, his use of the Internet was fresh and new to the political space but it was not the sole reason he flourished.

Others want to build platforms that feature the same capabilities as MySpace or Facebook, hoping that they will be able to attract the

same energy and enthusiasm that those networks have enjoyed. Most organizations, however, fail to realize how those networks align their functionality with a certain audience, or a particular area of interest, like music or college life, which doesn't easily apply to others. The technology is innovative, for sure, but the success of these organizations is driven by far more. So instead of looking at technology alone as the reason that an organization grows its size and influence, look at the factors that technology helped to elevate.

Always Be Curious

There is a famous line in the David Mamet play *Glengarry Glen Ross* when a character says, "Only one thing counts in this life—get them to sign on the line which is dotted!" adding "A-B-C. A—Always, B—Be, C—Closing. Always be closing." Today, the A-B-C should be redefined to read "A—Always, B—Be, C—Curious." Your organization's ability to innovate should be driven by the curiosity to continue exploring your audience's changing expectations, not the satisfaction that you can expand your offering or monetize your relationship with them.

You have to acknowledge that you may not completely understand the impact you have on your space all the time and be curious about what your competitors are doing, what it means to your offering, and how your audience is responding. Looking at what your competition is doing will help you to innovate and stay fresh. Keeping on top of what your competitors are doing means you'll find out when they make a move into a certain area. If they get to the audience before you do, there's a good chance you'll end up the loser. Organize some sort of competitive-intelligence-gathering system that will help you keep track of what they're doing. Find something that another organization is doing successfully and finds their own spin on how to do it as well, or better. Bookmark all of your competitors' Web sites and load them a few times per week. It is important to know what they are up to and when.

Listen to Your Audience

Many organizations think they know better than their audience and choose to talk instead of listening. But that is a mistake. The opportunity for you and your organization to monitor and engage your audience is, and will always be, important.

The toymakers at Hasbro observe thousands of children and adults playing games in a lab they call GameWorks at the division's headquarters and also talk with prospective customers about how they want to spend leisure time—to understand better where games might fit into their lives. And now, as new technologies become available, they also do online surveys of customers. In the fashion world, trend spotters still track fashion shows in New York, Paris, and Milan, but also comb through style Web sites, from Style.com to *New York Magazine's* nymag.com, to see the trends in real time. Monitoring runway trends has become increasingly important for mass retailers, according to the *Wall Street Journal*, because consumers have become more fashion savvy and demanding. Retailers compete to grab a bigger slice of the . . . fashion market with “cheap chic” looks.⁷

It will take some time and effort to figure out how to harness the millions of opinions and ideas that come in through the Internet, but recognizing the importance of listening is key.

There's no substitute for keeping your eyes and ears open to improve your awareness of the environment around you. But if you want your audience to keep coming back, you have to let them know you are listening and will be there to fulfill their changing requirements. The audience knows what it wants, so ask them. You see your work from one point of view and your audience sees it from a different one. Your perspective is important. Their experience is more important. You should take feedback very seriously and try to incorporate suggestions into your plans. Dig deeper into what drives customers' actions, and thus find rich opportunities for innovation. Market researchers can use many tools, from metaphor elicitation to product attribute evaluations, to get at the whys of customer behavior.

Cycles Are Important

Our society and the technology that powers it change regularly and rapidly. The assumption made by many people is that new ideas fuel change. In reality, much of what is considered new is simply an improvement on something that has already existed. Sometimes the original idea or tool wasn't as well formulated. Other times it was ahead of where the audience was at the time. New ideas, and innovative thinking, comes in waves, so understanding and building on the lessons of the past is a key component to staying fresh. Cycles are important.

A big part of managing cycles, of course, is keeping a schedule. Schedules don't mean you can't do things differently. Newspapers have schedules and their stories are different every day. Sports teams have a schedule but the outcomes change constantly. The movie industry pays attention to the seasons, as do fashion designers and retailers, but that doesn't limit their creativity or experimentation. So, you should have a schedule, too. Your goal should be to focus on what drives new thinking for your organization so that you can align the expectations of your internal production and your audiences with the need to remain fresh. Keep yourself fresh by creating a schedule and building in time to drive change.

To the audience, cycles just happen. A style of fashion that you wore a decade ago is all of a sudden interesting again. A game that you played as a child is updated with modern characters or functionalities. The process we once went through to complete a task becomes simpler, seemingly overnight. But we know that doesn't just happen—in fact, as organizations, we control it.

Take the game Monopoly as an example. When the original game was released in 1935, the board featured streets in Atlantic City, which was a glamorous tourist destination at the time—but today Atlantic City is far from the top tourist destination it once was. Last year, designers and marketers selected destinations in 22 U.S. cities and asked customers to cast online votes on which they preferred. In three weeks, Hasbro received three million votes, which were used to design a Monopoly Here and Now board. Times Square in New York received the largest number of votes, so it replaced Boardwalk. Las Vegas Boulevard replaced Pacific Avenue. On a recent visit to FAO Schwartz, Brian noticed that there were close to thirty different versions of the Monopoly game on sale—the Here and Now Version, but also editions branded with movie and television characters (like *Star Wars* and *The Simpsons*), and sports franchises (Yankees, Mets, the NBA, and NASCAR all had versions) to cite just a few.

According to the *Wall Street Journal*, this innovation is part of the strategy that Hasbro uses to keep the company competitive.

Every Friday at lunch, game designers, marketing managers and other employees at Hasbro's games division gather in the cafeteria to play board games. Some compete over Scrabble, Sorry, Clue or more than a dozen other famous games invented

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decades ago and still manufactured at a factory here. Others play games sold by competitors, or they enjoy their own childhood favorites no longer on store shelves. . . . These lunchtime games have a business purpose. They are part of Hasbro's efforts to find ways to update classics and create new games.⁸

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So, as games have taken on a renewed importance in family life—driven partly by the desire to spend time disconnected from many of the technology-driven distractions of daily life—Hasbro has innovated and kept its games fresh. And being fresh has worked: Sales in Hasbro's games unit rose 11 percent last year.

Staying fresh is a matter of keeping knowledge of your ideas, designs, processes, techniques, or any other unique component of your creation moving and changing at all times. Tom Peters, said that “Nearly 100 percent of innovation . . . is inspired not by ‘market analysis’ but by people who are supremely pissed off at the way things are. I happen to believe that only pissed-off people change the world, either in small ways or large ways.”⁹

So get pissed off, and stay relevant. Keep things fresh.