

COLUMNS

How to prepare your brand for 2017

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By **Dan Hodges**

In 1984, Apple introduced the world to Macintosh. It was designed to be easy to use.

In 2007, Apple introduced the world to the iPhone. It was designed to be easy to use.

The iPhone will celebrate its tenth birthday in 2017.

I believe we are in the midst of a ten-year disruption cycle which started with the launch of the iPhone in 2007.

This cycle is made up of three factors: 1) the increasing computing power of smartphones, 2) the explosive distribution growth and rapid adoption of smartphones, and 3) the ever-increasing amount of time spent with smartphones.

If you want your company to weather the storm of this disruption cycle, it is essential to understand how the facts on the ground are changing for consumers.

Understanding impact of the mobile wave is the place to start

The popularity of the iPhone created a whole new category of mobile phones.

In the United States, smartphone users will increase from 140 million in 2013 to 207 million by 2017, and to 3 billion users worldwide.

The growth in distribution, coupled with continuous innovation within the smartphone industry, will continue to disrupt the marketplace.

This global trend is unmatched by any other innovation. The Mobile Wave is here to stay and it is better to ride the wave than to resist its force.

Most industries will be affected

Retail is already experiencing the impact of mobile and its leaders are rapidly investing in technology and human capital to provide valuable customer experiences.

Retailers that miss this trend may not be around in 2017.

An estimated \$700 billion will be influenced and transacted on smartphones alone by 2016, according to a Deloitte Study.

Advertising is struggling to keep up with the disruptions caused by audiences shifting to mobile and rapidly changing consumer media consumption habits.

Agencies' historical planning and modeling tools are becoming less relevant in reaching today's multiscreen consumers.

Data management platforms are being deployed to manage the complexity and explosive growth of media impressions on multiple screens.

Education is going through a period of change with innovative companies such as Amplify, The Khan Academy, Coursera, Udacity, Duolingo and Nokia Life Tools.

Education companies built on paper textbooks are rapidly shifting to tablets and smartphones.

The paid-for knowledge market is being challenged by the free model of The Khan Academy.

Today, consumers at the bottom of the economic pyramid are benefiting from mobile learning. Nokia Life Tools gives consumers in emerging markets the equipment to learn English on feature phones for pennies a day.

Health innovation is fueled by the development and use of wearable sensor technology and smart clothing.

The connection of API's into integrated sensors and communication between sensors is the next way of innovation.

Imagine that you are trying to lose weight after the holidays as your New Year's resolution.

Today's health apps can monitor your progress and help suggest the right amount of calories consumed, exercise and sleep that will help you reach your goals.

Integrated transport is another area in transformation.

We are quickly moving from a world of one billion cars to four billion cars by 2050. The current infrastructure was built for a world of one billion cars.

The powerful combination of an integrated transport systems and connected cars will help optimize a world of four billion cars.

There will be machine-to-machine (M2M) interaction built into this connected transport grid that will help you find both the best route to take and the best place to park when you get there.

Predictive analytics at scale will grow rapidly from the mash-up of Big Data and analytics.

IT departments now live in a world where 2.5 quintillion bytes per day (18 zeros)** are produced every day but there are not enough data scientists and data analysts to process meaningful insights that drive decision-making and investments.

What can the company do?

Training: Organizations will need to train their employees for the new ways of doing business with and reaching consumers.

Alvin Toffler, author of "Future Shock," said it well when he remarked that "the illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn."

Consumer research: Companies should understand how consumers are using mobile and social to find out about their products.

Marketers will need to master the use of mobile and social and its impact on brand perception, customer service, sales and retention to understand new market and product opportunities.

Reward innovation: While it is important to deliver bottom-line results, it is important to reap the rewards of innovation.

It is estimated that the majority of a company's 2018 revenues will likely come from products and services that do not exist today, according to Gerd Leonhard, CEO of The Future's Agency.

THE COMBINATION of training, research and innovation is the best way to prepare your company for 2017.

Apple cofounder Steve Jobs offered this advice: "You can't connect the dots looking forward; you can only connect them looking backwards. So you have to trust that the dots will somehow connect in your future."

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