

IT'S TIME TO STEP UP

**Unlocking sustainable
growth through
hyper-relevance**



WELCOME TO THE ERA OF HYPER-RELEVANCE

Businesses now operate in an environment in which consumer relevance is the key competitive advantage. High performers - companies that achieve sustained growth - know that customer expectations aren't just defined within their own industry, they're shaped by the most relevant, real-time, dynamic experiences found in any industry.

The impact? Consumers are switching in numbers to the brands that can deliver hyper-relevance in the moments that matter to them. It's this relevance, delivered through adaptive, distinctive, customer-centric experiences, that's the key to unlocking sustainable growth today.

In the UK and Ireland



of the instances when customers switch from one brand to another are driven by a lack of relevance



of customers say that they'd quit doing business altogether with a company that wasn't relevant



more likely that a company perceived as relevant by its customers will be recommended to friends and family

£119
billion

of revenue at stake that companies are losing to competitors because they're not relevant enough in the moment.

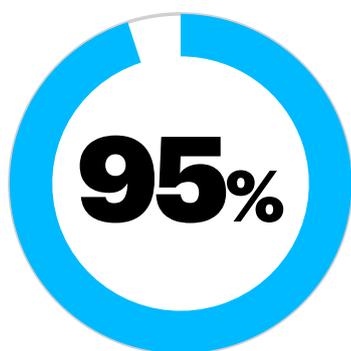
To achieve sustainable growth, businesses need more than just the best technology, the highest-quality data, or cutting-edge capabilities and skills. They need to bring it all together to enable continuous adaptation to the evolving needs of their customers and market conditions. They need a strong personality – a guiding North Star – to underpin everything they do. And they need to act with speed and at scale to achieve total relevance.

They need to become Living Businesses.

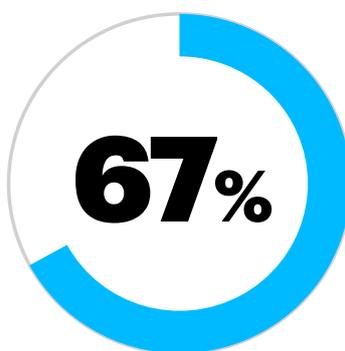
The State of Play

This year, Accenture conducted a major research initiative to discover exactly what constitutes a Living Business – and what’s driving the companies who are ahead of the pack.

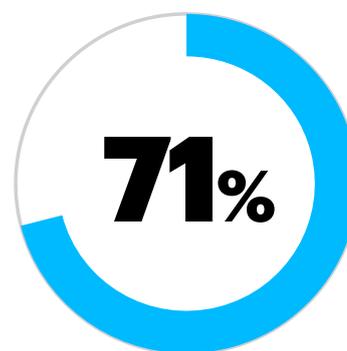
Our findings? With a huge 95% of UK and Ireland CEOs interviewed agreeing that yesterday’s growth agenda is obsolete (compared to a global average of 72%) it’s clear businesses in the UK and Ireland recognise the need for change. However this means the gap between understanding the nature of the challenge and taking effective action to meet it is that much bigger. They know the journey to achieve relevance is an essential one but actioning the changes to get there is another matter.



of UK and Ireland
CEOs agree
yesterday’s growth
agenda is obsolete



agree the pressure
is on to find new
approaches



agree disruption is
required to survive

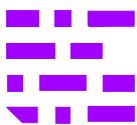
How do Living Businesses achieve total relevance?

Living Businesses are fast and agile, continuously adapting to consumers' evolving needs. These high-performers have five independent sets of capabilities which represent the keys to growth in the future. In order to bridge the gap between comprehension and action, and become a Living Business it helps to consider each of these capability sets as a pathway to transformation:



Target new opportunities

They balance core and disruptive growth initiatives to fuel responsive innovation



Design for customers

They create products and services as hyper-relevant platforms



Build engagement

They build intelligent and innovative customer experiences



Scale with partners

They scale with a broader set of ecosystem alliances

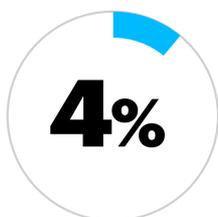


Rewire culture

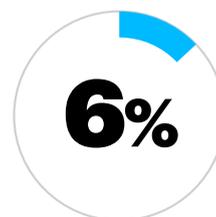
They rewire their workforces with a customer-first mindset.

Most companies must do more to stand out from the crowd

The truth is that Living Businesses are a rare thing. In fact, of the companies Accenture spoke to in the UK and Ireland, just:



scored highly on "Vitality"
(level of proficiency across
the 5 capabilities)



of respondents
scoring low

This means the vast majority of businesses today sit somewhere in the middle.

Indeed, with an average "Vitality" score of 70, businesses globally are lagging high performers (who score an average 86) across all five Living Business capabilities. This gap is particularly stark in areas like targeting new opportunities and rewiring culture (see figure opposite).

VITALITY BY CAPABILITY

TARGET
NEW
OPPORTUNITIES

Understand changing digital need of customers
Pivot growth strategies to profitable areas beyond the core
Fund new growth by optimising costs elsewhere

DESIGN
FOR
CUSTOMERS

Innovate compelling new experiences
Maximise relevance of products, services, and expenses
Act on sights derived from advance customer analytics

BUILD
ENGAGEMENT

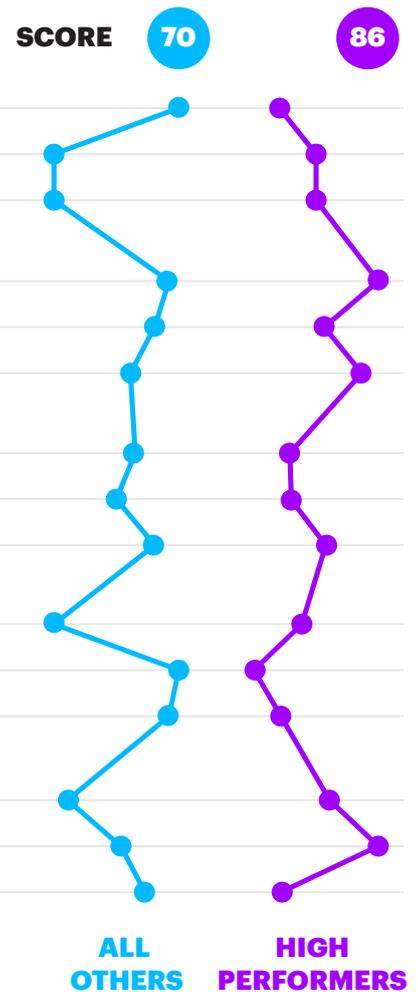
Use agile tech platforms and prototyping for new experiences
Rapidly scale execution of new growth initiative
Optimise operations for a dynamic execution across channels

SCALE
WITH
PARTNERS

Collaborate with partners beyond traditional boundaries
connect employee/partner with customer data via cloud
Ensure customer data moves fast, seamlessly and securely

REWIRE
CULTURE

Foster a culture that continually seeks better customer relevance
Rewire organisation structures around customer focus
Augment workforce with flexible tools to enhance relationships



Source: 2018 Accenture Living Business Research. 1099 companies (cross-industry B2C, B2B2C and B2B)

This is important because vitality links to stronger growth. Living Businesses are three times more likely to achieve above average revenue and profit growth.

On top of this they are 50% more likely to be well prepared for industry disruption. In fact, compared to their peers in the UK and Ireland, Living Businesses are more likely to have entered a new market segment (41% vs. 6% UK and Ireland average), engaged with new alliance partners (40% vs. 10%), and enhanced their core products or services (25% to 10%).

The average UK and Ireland business is also less likely than global Living Businesses to think they have the right execution, tracking, and focus for their growth strategy – and more likely to think they lack the resources, support, and balance they need.

THE TIME TO TAKE ACTION IS NOW

Accenture's research shows UK and Ireland Executives see the value of becoming a Living Business. It also exposes some anxiety about making it happen. But there's no time to waste. A track record of past success no longer guarantees future growth, if it ever did. So, it's time to turn theory into practice and inject relevance and customer-centricity into your business.

That's how to stand out from the crowd and meet the demands of customers who choose relevance every time.

Visit [Accenture.com/livingbusiness](https://www.accenture.com/livingbusiness) to find out more.



About Accenture

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