



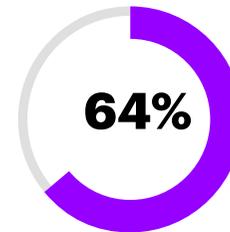
RELEVANCE: THE BEATING HEART OF A LIVING BUSINESS

**Achieving Sustainable Growth
Through Hyper-Relevance**

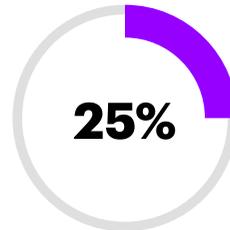
A NEW ERA OF HYPER- RELEVANCE

\$1 trillion

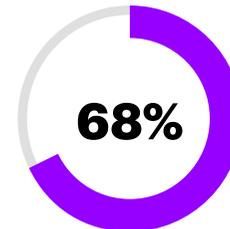
lost in potential revenue in
2017 due to brand
switching **in the US alone.**



of brand switches driven
by lack of relevance.

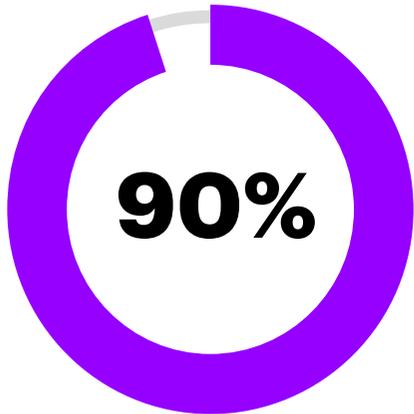


of customers would cease
doing business with
irrelevant companies.



more likely for relevant
companies to be
recommended to friends
and family.

High performers are more likely to understand and act on these changes.

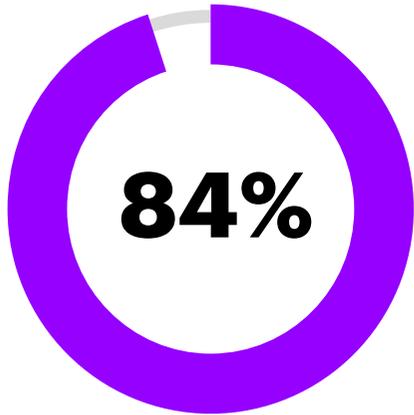


of executives representing the highest-performing organizations agree **“customer expectations are increasingly shaped by the most relevant, real-time, and dynamic experiences.”**

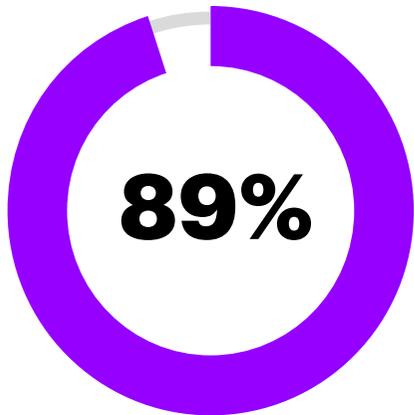


Those at lower performing companies were **20% less likely to agree.**





of high performers believe their business needs a **“much more iterative, dynamic, agile approach to doing business compared to three years ago.”**



agreed that **“business reinvention is required to be successful in today’s context.”**



Among lower-performing organizations, **67% agreed.**

High performers were far more adept at bridging the gap between knowledge of what is needed to succeed and achieving it. The knowledge-achievement gap among other companies was up to seven times greater.

Living Businesses unlock sustained growth by continuously adapting to the evolving needs of their customers to achieve total relevance.

To identify a clear path forward for today's large organizations, Accenture undertook a major research initiative in 2018 to determine how leaders in sustainable growth are different from their peers. We found that these companies are agile, moving nimbly and continuously to accommodate customers' ever evolving needs with speed and scale. They are pivoting their growth strategies to profitable areas beyond the core – and they are funding new growth by optimizing costs elsewhere.

Our findings indicate that these companies have developed five interdependent sets of capabilities which represent the keys to growth in the future. We call these the characteristics of a “Living Business”.

TRANSFORMATION PATHWAYS TO BECOMING A LIVING BUSINESS

The Five Capability Sets



Target New Opportunities

Target core and disruptive growth initiatives to fuel responsive innovation.



Design for Customers

Design products and services as hyper-relevant platforms.



Build Engagement

Build intelligent marketing and sales experiences.



Scale with Partners

Scale with a broad and new set of ecosystem alliances.



Rewire Culture

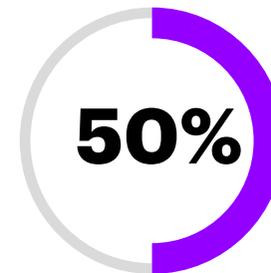
Rewire your workforce with a customer-first mindset.

Our research of over 1,000 companies finds that Living Businesses that excel at these five capability sets are:

3

TIMES

as likely to achieve above-average revenue and profitable growth.

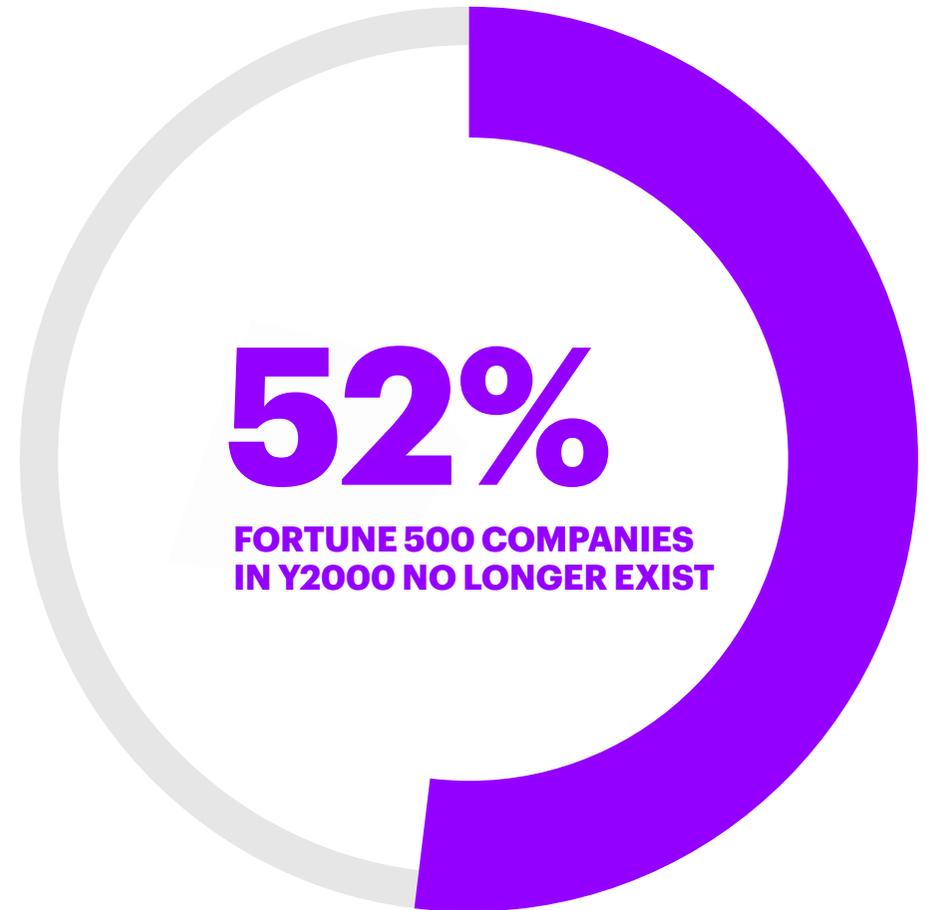


more likely to report a strong readiness to weather business cycles and disruptions than other companies in their industry.

NO TIME TO WASTE

A track record of sustained success is no longer a reliable predictor of future growth, or even survival. 52% of the companies that were included in the Fortune 500 in the year 2000 no longer exist.

That's why Living Businesses are focused on creating new advantages before their current strengths fade. The contrast between their continuously highly relevant offerings, and those of companies hanging onto outdated "best practices," will be stark. And we are seeing that today's consumers choose relevance every time.



About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions – underpinned by the world’s largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With 459,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives.

Visit us at www.accenture.com

About the Research

In 2017 and 2018, Accenture Research surveyed over 1,000 top executives, including 195 CEOs, at companies spanning more than 10 industries, and with headquarters in 28 different countries. The survey asked about the extent to which customer relevance is driving their company’s growth outcomes, and, also asked respondents to assess their company’s capabilities in terms of becoming and staying hyper-relevant to customers. We used this information to assign each company a “Vitality Score”, and, using both self-reported performance data and public financial data, we developed a model that links vitality with firm performance.

Separately, as part of Accenture’s annual Global Consumer Pulse Survey, we asked over 23,000 consumers, representing 33 countries, and commenting on more than eight different industries, about what makes companies and brands relevant to them. We also found out how their perception of a brand’s relevance drives their purchasing behaviors.

Read more at

www.accenture.com/livingbusiness