STRATEGIC FORESIGHT PLAYBOOK

PROMOTIONAL PRODUCTS ASSOCIATION INTERNATIONAL

By Seth Kahan, for and in conjunction with the volunteers, staff, and Board of the Promotional Products Association International
STRATEGIC FORESIGHT PLAYBOOK

PROMOTIONAL PRODUCTS ASSOCIATION INTERNATIONAL

By Seth Kahan, for and in conjunction with the volunteers, staff, and Board of the Promotional Products Association International
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>V</td>
<td>PPAI Strategic Foresight Readiness Profile</td>
</tr>
<tr>
<td>IX</td>
<td>Preface</td>
</tr>
<tr>
<td>XI</td>
<td>Introduction</td>
</tr>
<tr>
<td>01</td>
<td>Part 1. Background</td>
</tr>
<tr>
<td>07</td>
<td>Part 2. Steps</td>
</tr>
<tr>
<td>17</td>
<td>PART 3. The Plays</td>
</tr>
<tr>
<td>19</td>
<td>1. Engaging Strategists</td>
</tr>
<tr>
<td>27</td>
<td>2. Scanning the Environment</td>
</tr>
<tr>
<td>43</td>
<td>3. Connecting the Dots</td>
</tr>
<tr>
<td>53</td>
<td>4. Taking Action</td>
</tr>
<tr>
<td>61</td>
<td>5. Measuring Results</td>
</tr>
<tr>
<td>69</td>
<td>Conclusion</td>
</tr>
</tbody>
</table>
PPAI STRATEGIC FORESIGHT READINESS PROFILE

Strategic foresight and operational excellence are mutually reinforcing activities. Your organization must perform well in both to successfully influence or respond to evolving markets. Respond to the following “health check” questions to assess your readiness to execute.

For each of the questions below, circle the response that best characterizes how you feel about the statement, where

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

CAPACITY FOR OPERATIONAL EXCELLENCE

My organization...

<table>
<thead>
<tr>
<th>STRONGLY DISAGREE</th>
<th>STRONGLY AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2 3</td>
<td>4 5</td>
</tr>
<tr>
<td>has been profitable for the last three years.</td>
<td></td>
</tr>
<tr>
<td>1 2 3</td>
<td>4 5</td>
</tr>
<tr>
<td>can identify a range of potential customers.</td>
<td></td>
</tr>
<tr>
<td>1 2 3</td>
<td>4 5</td>
</tr>
<tr>
<td>has grown in recent years as measured by sales, employee count, and/or customers served.</td>
<td></td>
</tr>
<tr>
<td>1 2 3</td>
<td>4 5</td>
</tr>
<tr>
<td>has access to the resources we need to scale our growth.</td>
<td></td>
</tr>
<tr>
<td>1 2 3</td>
<td>4 5</td>
</tr>
<tr>
<td>understands how it generates profits (its business model) including which offerings generate the best income.</td>
<td></td>
</tr>
<tr>
<td>1 2 3</td>
<td>4 5</td>
</tr>
<tr>
<td>observes trends among competitors’ business models.</td>
<td></td>
</tr>
</tbody>
</table>
# CAPACITY FOR STRATEGIC FORESIGHT

My organization...  

<table>
<thead>
<tr>
<th>STRONGLY DISAGREE</th>
<th>STRONGLY AGREE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>can describe our target market in specific terms regarding customer segments, traits, goals, and needs.</td>
</tr>
<tr>
<td></td>
<td>is able to identify our closest three competitors by name and source of competitive advantage.</td>
</tr>
<tr>
<td></td>
<td>can describe our position relative to market leadership in our industry—number 1, number 2, etc.</td>
</tr>
<tr>
<td></td>
<td>has developed several viable business strategies for evaluation.</td>
</tr>
<tr>
<td></td>
<td>can detect trends reshaping our industry, including faint signals of emerging trends.</td>
</tr>
<tr>
<td></td>
<td>has insight into the business environment affecting our customers, including sociocultural, technological, ecological, political, and legal factors.</td>
</tr>
<tr>
<td></td>
<td>is cognizant of global trends and factors affecting our customers and/or supply chain.</td>
</tr>
</tbody>
</table>

To calculate your score, add the numbers you have circled.
RECOMMENDATIONS

• **Score below 25:** Given your organization’s constraints, we recommend you start with the plays that help you map your business environment and understand your internal operations better. Try Customer Comments, Internet Inspections, or Qualitative ROI—Stories that Tell. If your score is lower on Operational Excellence than Strategic Foresight, try the plays Shifting Perspectives and IdentifyingWeaknesses.

• **Score between 26 and 49:** Your organization has access to the market intelligence it needs, but may need to improve in execution. Where is your score lower: Operational Excellence or Strategic Foresight? If lower in Strategic Foresight, you would benefit from focusing on scanning the environment and taking action, to fuel rapid growth of your capacity for strategic foresight. Try these plays: Judo for Disruptions, and Agile Efforts. If your score was lower in Operational Excellence, add these plays: Shifting Perspectives and Identifying Weaknesses.

• **Score above 50:** Yours is a high-performing organization. By adopting this playbook, you are about to raise the bar on an organization that has potential to go to scale. You need strategies that take you beyond your current modus operandi. We recommend you start with the play Corporate Thinktank, then move on to Agile Efforts, and After Action Reviews or P.L.O.W.S.. If your score was lower in Operational Excellence, add Risk and Risk Mitigation and Shifting Perspectives. If your score was lower on Strategic Foresight, add Expert Examinations or Multiverse Charts.
Preface

Strategic Foresight offers the promise of continued business growth in a world of uncertainty.

Through Strategic Foresight, we peer through our customers’ eyes into their world, identify their unmet needs, and see new solutions we can provide.

Whether yours is a small shop looking to grow beyond your current set of customers or increase your sales by understanding unmet needs, or a larger organization faced with ever-increasing demands for growth, Strategic Foresight can help. This approach brings you the answers you need straight from the front lines of your business, where the rubber meets the road and the salesperson meets the customer.

We all know that we have to keep our eyes on what’s next, whether it comes to us from the newspaper, a cocktail conversation, a thought leader’s analysis, Internet news sources, social media, or even our own brain putting together new information in a moment of insight. But, how exactly do we do that?

Just like we can never stop marketing, we can never stop learning about our customers and their emerging unmet needs. The best of us have systems for making that learning happen. That’s where the idea for this playbook was born. As I have worked with over 100 CEOs and leaders of companies large and small, I have had the chance to see up close and personal what makes the difference between those whose businesses go up and down, rocked by trends, and those who are able to take any wind and turn it to their advantage.

It all comes down to regularly talking to smart people, scanning the environment, connecting the dots, trying new things, and learning from both successes and failures. And that’s what this book is about, providing you with easy-to-execute plays to make that happen.

You might ask, can you really take any change in the environment and use it to your advantage? The answer is always, Yes! In fact, when things change for the worse, a window opens that I call The Opportunity Window.
Every time your customers are dissatisfied, no matter what the reason, there is a short time when you can help them before others start generating solutions—that is your opportunity window. I have seen it happen often.

When customers are disgruntled, they desperately want things to be better—that is the definition of being disgruntled. This desire of theirs is a force you can harness. That is why I call it the Opportunity Window.

If you see the window coming, you can be ready for it and it can take your business forward in leaps and bounds. That’s where Strategic Foresight comes in. The plays in this book all lead to the same place: the territory of advantage for you and your business’s growth.

I wish you the very best when it comes to your success in the world. The plays in The Strategic Foresight Playbook are for you.

SETH KAHAN
Strategy & Innovation Specialist
Washington, D.C.
March 2018
INTRODUCTION

What Is This Playbook?

This book introduces the concept of Strategic Foresight and its application. It has been carefully designed to explain Strategic Foresight and provide plays, or activities, you can carry out to get the benefits of Strategic Foresight for yourself. Within these pages are a collection of activities for use in varying situations to help your company get ahead.

When we say strategic foresight, we mean the capacity to look at the future and spot emerging trends so you can proactively address them, either by preparing for the disruptions they will bring or by orienting yourself to be in the best possible position to take advantage of these trends. Either way, it’s guaranteed that the clearer you are about what’s coming, the more prepared you are to succeed in the days ahead.

How Does This Playbook Work?

In the first few chapters, we lay out some basic explanations so you get an idea of the territory of strategic foresight. Then comes the section marked Plays. Flip through them to find the strategies you believe are best suited to your organization—those most likely to catalyze, accelerate, or increase your likelihood of success. Then read the overviews. They are purposefully kept brief so you can quickly scan and choose plays that seem best for you. At this stage, your goal is to follow the recipe. Just adhere to the instructions and experience the benefits they’ll bring to you and your organization.

The plays vary in application for different kinds of organizations. Sprinkled throughout are examples for three types of organizations. These examples are just a handful of ways to apply the plays. They are provided to make it easier to see how application might happen, not to limit your imagination.
PART 1
BACKGROUND

Strategic Foresight and Operational Excellence

Strategic foresight and operational excellence are two mutually reinforcing capabilities that every organization has at its disposal. It is worth investigating your organization’s synthesis of these two attributes. Imagine strategic foresight and operational excellence in a yin-yang relationship.

Your organization must be high-performing in its operations for you to find value in making strategic foresight a priority. Likewise, mastery of strategic foresight will increase your organization’s operational excellence.

How would you evaluate your operational excellence today? Do you have a solid foundation from which to seek opportunities for innovation? Here are a few questions you can ask yourself to gauge your strength:

- Is your organization able to sustain itself?
- Are you maintaining your profitability?
- Are you growing?
- Is your organization pooling together more and more resources?

Perpetuating this kind of operational excellence allows you to branch out and set your sights on the future. At this stage of productivity, operational excellence transforms into more than simple sustainability. It becomes your vehicle for strategic foresight—proactively innovating to influence or respond to an evolving market.
Because the two build on one another, it is important to gauge how you and your team are performing on both. What does it look like to be strong in one area and not the other?

A team or business with powerful strategic foresight but no operational excellence can be idealistic, unproductive, and lacking in financial reward. A high-performing group with operational excellence but no strategic foresight can grow stagnant, and will begin to flounder as the market evolves. An organization lacking in operational excellence and strategic foresight is likely to be a train wreck. A team or organization that is strong in both areas has the potential to do great things.

Strategic foresight must be balanced with operational excellence. This balance ensures you are at least able to keep up in your own market.

There’s always the possibility that your team or organization can be put in a tight spot as it attempts to grow and innovate. Resources can be stretched thin, productivity can decline, and unforeseen events can influence your success. You may have a great plan, but without the right resources, leadership, and ability to execute, your great plan won’t matter.

So which comes first? Operational excellence must be assured before strategic foresight can take priority. If operational excellence stumbles, take time to reestablish your footing before you look ahead.
Innovation Is Necessary

But wait a minute. What’s wrong with maintaining your current situation? Why can’t an organization coast at its current level of success? Or just continue to grow by repeating what’s worked in the past to expand its customer base or member count? What kind of necessity is innovation? The answer might surprise you.

Innovation is truly a matter of survival. The nature of market growth implies that businesses will become obsolete if they don’t actively change along with their customers and industries. This kind of change can be reactive or proactive:

- **Reactive:** You observe your competitors innovating by creating new products, services, branding, or business practices that cater to a new and unprecedented demand in the market. Your response is to jump on the bandwagon and pray you aren’t too far behind the crowd.

- **Proactive:** You analyze the market and pinpoint trends. As markets grow, you’re the first to know and the first to grow with them. You even anticipate market trends before they happen, innovating just in time for demand to reach critical mass. You position yourself as a pioneer of your industry.

Being reactive means you’re late to the game, scrambling to respond to shifts in the market that your competitors have already recognized and prepared for. There’s no innovation, only emulation. Now you’re racing against time and your competitors. Suddenly your organization is under threat.

Being proactive allows room for preparation. Your organization has the opportunity to gather the right resources and be the first in its field to address a new need. This is innovation. And it is critical to minimizing risk.

Of course, innovation requires that you do your homework. Identifying and analyzing market trends is a discipline in itself. Innovations of any kind can flop, as we often see in the real world. You’ll need to be able to gauge where the market is today and where it’s heading, with great accuracy and accountability. But that’s why you are interested in strategic foresight.

Strategic foresight is not only a luxury of a flourishing organization; it’s an indispensable tactic to stay relevant and succeed.
Speed and Change Are Not Slowing Down

The shifts in the market that make innovation imperative are happening at a faster and faster rate.

It’s easy to buy into the mentality that your industry niche is growing or changing in a linear fashion, with each major shift proportional to the last. But we’re living at a time in which our experience of innovation skews our perception of its rate of change. The last 50–60 years have produced monumental changes in computing, global politics, agriculture, and every other branch of human endeavor. These shifts were happening, but were comfortably spread out, creating a false sense of stability in the rate at which civilization was changing. Most people fail to realize that these changes are not linear. They are not occurring in increments proportional to one another. It only seems that way from a particular perspective.

The data shows that the speed at which civilization is changing is exponential*. This means that both the intensity and periodicity of innovation across all markets, all industries, and all cultures are increasing with each increment. This is the difference between climbing 30 equidistant steps versus climbing 30 steps, with each step doubling in distance from the previous step. The first scenario is linear, and you arrive 30 units beyond where you started. The second scenario is exponential, and you arrive about 1 billion units beyond where you started. The difference is beyond dramatic.

Take a look at where we came from: we developed language, established agriculture, organized commerce, created the industrial revolution, invented the computer—each stage not only occurred in a shorter period than the stage before it, it also synthesized each of the previous stages, allowing society to grow more complex and capable.

Analysis of the data reveals that this combination of speed and change is everywhere. Compare computer processing power to the size of the circuitry. Graph it and you get an exponential curve. How about America’s GDP? It’s been growing exponentially, too. Private manufacturing? Exponential curve. Human life expectancy? Exponential.

Exponential trends can appear linear when seen from the perspective of the early stages, like driving toward mountains. As you approach the mountain you’re barely gaining elevation, if at all. But suddenly you reach a point where the terrain around you begins to climb steeply. Suddenly you’re halfway, or more, up the side of the mountain.

What we’re experiencing, and have been experiencing for the last 80 years, is the “knee of the curve.” Relative to the progress occurring over our lifetime, everything seems to be moving linearly. But not for long, and there’s only one direction we can go, call it what you will—up, out, further, more, beyond. We’re already seeing many innovations that appear to be exponential in nature. Artificial intelligence that drives “the Internet of Things” is one example. Many futurists predict this “explosive phase” will be in full swing between 2035 and 2050.

Strategic Foresight Is for Businesses of Every Scale

We want to encourage you to use these plays no matter the scale of your operation. Every strategy mentioned here has applications across the continuum of business ventures, from small mom-and-pop shops to the largest firms.

If your scale is small, there are many ways to downsize the plays in this text. If, for example, we suggest polling your customer base as one way to gather market intelligence, this could mean a simple conversation with several customers. It could also mean sending a short questionnaire to a large group of customers via social media—whatever seems realistic, yet actionable for your operational scale.

If you lead a larger venture—a multimillion- or multibillion-dollar organization that’s ready to up the ante—conducting strategic foresight is your most powerful investment. You can scale the plays up a couple notches. Ask yourself what your accumulated resources can accomplish (while still maintaining your operational excellence, of course). If we recommend you poll customers, distribute an online survey through your listserv tailored to specific demographics. Use your network to gain access to larger pools of data. The larger the scale of your plays, the larger your rewards will be.

Regardless of your scale, if you’re able to develop a capacity for strategic foresight and continually anticipate emerging trends, you’ve acquired an enormous asset.

Serving Your Industry

In closing, let me remind you that you are part of something bigger. As you help your team and your organization, you help PPAI. Your market intelligence, your lessons learned, your success as a business—they can all be a valuable contribution to PPAI and the Association’s commitment to fostering large-scale and long-term growth for promotional product organizations. No matter how big or small your business is, when you share, you serve your industry.
PART 2
STEPS

Finding Your Scope: Competitive Advantage and Market Leadership
Where do you begin? How do you analyze an industry to discover your niche? Use this four-step process.

1. Filter out all irrelevant information.
This first step is the easiest. Cast aside markets that don’t belong to you, sectors of commerce you have no business or interest in. Get as specific as possible about the hearts and minds of your audience, customers, or members: who they are, what they’re after. Filtering out the irrelevant helps you avoid chasing someone else’s goals.

2. Focus on competitive advantage.
Next, pinpoint potential strategies, focusing on their competitive advantage. What effect will this or that strategy have on you relative to your competitors? As your organization transitions from focusing on present sustainability to future sustainability, your focus should continually come back how your competitive advantage is being affected.

3. Focus on market leadership.
Take your potential strategies a step further. Focus on market leadership. How can your organization become number one in its field? In what ways could you leverage your competitive advantage, not only to excel, but to push you to the top?
4. Discern viable strategies.

Up to this point, your strategies are only hypotheses. To find your way forward, ask yourself:

1. Will this strategy help or hinder our organization in creating a competitive advantage (CA)?
2. Will this strategy help or hinder our organization in attaining market leadership (ML)?

If you answer “no” to both questions, discard the strategy. If you answer “yes” to one but not both, keep probing. If you can answer “yes” to both questions, you now have a viable strategy. This exercise in finding your scope should result in a handful of strategies to concentrate on.
Focus on Three Core Areas

As you seek viable strategies, focus on their application in one or more of these three core areas: your business model, your industry, and your customer base.

1. Your business model, or how you make your money

As you identify emerging trends in your market, you may observe that the way in which you grow your revenue needs to be reworked, or even redesigned completely. Are there going to be shifts in your market that would change your mechanism for profit? This is independent of what you produce. To ensure you’re not left in the dust by competitors who are innovating how they make their money, you should pursue strategic foresight around where your business model is and where it’s going.

2. Your industry, or the space you do business in

If you lease apartments, your industry is real estate. If you’re a car mechanic, your space is the automobile industry. If you run a promotional products business, you operate in the communications industry. What trends are reshaping your industry now? Can you sense faint signals of new trends on the horizon?

3. Your customer base, or the businesses and individuals you serve

You need to know what your customers are going through. What environmental, political, or personal factors might be affecting customers and their eagerness to engage with you? What can you learn about them that will help you meet their needs?

For this step, in which you focus on your business model, industry, and customer base, do your research—then put what you learn in context. You can have an industry that’s tanking with customers that are flourishing, or vice versa. Established industry spaces can be more vulnerable to disruption than they seem: Airbnb (hospitality) and Uber (transportation) are well-known disruptors.
The Strategic Foresight Cycle

The Strategic Foresight Cycle is at the core of this Playbook’s approach.

What does it take to identify emergent trends related to your business model, industry, and/or customer base? We have developed a five-step cycle for conducting the strategic foresight process. Because it’s a cycle, it keeps repeating, each time improving upon itself. The order is important. To follow the five-step cycle correctly you must:

1. **ENGAGE STRATEGISTS**
   - a. CEO and senior team
   - b. Board
   - c. Forward-thinking Volunteers
   - d. Staff who scan and collect
   - e. Thought Leaders

2. **SCAN THE ENVIRONMENT**
   - Scan the environment and collect emerging trends in three areas: the trade association model, the industry (promotional products) and members’ lives. Do this by:
     - a. Engaging the strategists above
     - b. Conducting focus groups and surveys
     - c. Building a resource pool from others sources including the strategists listed above and online.

3. **CONNECT THE DOTS**
   - Connect the dots, analyze
     - a. Timeline to maturity
       - i. Now
       - ii. Imminent – within current planning cycle
       - iii. Upcoming – next planning cycle
       - iv. Long-term
     - b. Likelihood
       - i. Certain
       - ii. High
       - iii. Possible
       - iv. Remote
     - c. Identify Secondary Impacts
     - d. Identify Key Indicators

4. **TAKE ACTION**
   - a. Resource Allocation
   - b. Strategy

5. **MEASURE THE RESULTS**
   - a. After action review
     - i. What did we think was going to happen?
     - ii. What happened?
     - iii. What did we learn?
   - b. ROI
     - i. Quantitative
     - ii. Qualitative

Let’s take a close look at each.
ENGAGE STRATEGISTS

Start by interacting with all the best minds in your field: the people who know what you do inside and out and can point you toward trends before they happen. Strategists could include your CEO, board of directors, senior team, staff, volunteers, or thought leaders within your field. We need to stress that this isn’t a passive opinion survey. This step should be pursued actively, with the intention of genuinely engaging with these strategists.

What we mean by that isn’t just sitting down to exchange ideas. You need to invite them to participate in a dialogue with you. Allow them to see your perspective and try on theirs. Make room for disagreement and elaboration. The conversation should be lively, authentic, and fruitful.

SCAN THE ENVIRONMENT

Next comes intel gathering. You must probe for emergent trends in your business model, your industry, and your customer base. This can be done by engaging with strategists, by conducting focus groups and customer surveys, or by building a resource pool from various sources, including but not limited to everyone we’ve already mentioned.

But there’s more in this environment. Other important sources to scour include the media, industry thought leaders, and competitors. When we say media, we mean the popular press, news outlets, and the internet. (Seeking out the thought leaders in your field is always a good idea.) Likewise, study your competitors to see where they’re focusing their energy. Where are they investing? What precautions are they taking? Examine how they’re approaching the future.

You might create a table like this one to tie what you learn about trends from scanning the environment to the three focus areas discussed previously.
CONNECT THE DOTS

As you note various trends, either on the far horizon or nearer to the present, begin to analyze and categorize them for a more informed understanding of what’s worthy of your attention. This will help you see patterns among the chaos.

Tag each trend with factors influencing it:

- **Timeline to maturity**: Is a trend manifesting even as you read this? So soon that you need to prepare now? Or do you have time to prepare? Perhaps this is a trend that won’t begin to appear until much further down the road.

- **Likelihood**: How certain are you that a particular trend will emerge at all? Is its likelihood undeniable, very high, possible, or unlikely? Note all trends accordingly so it’s easy to home in on what is demanding your immediate attention.

- **Secondary impacts**: These are possible ways to leverage a combination of emerging trends. In what ways can you streamline efficiency and innovate to kill two, three, or four birds with one stone? Imagine a company that relies on 3D modeling software. If you introduce 3D printing into their business practices, that provides an improved way to prototype designs and allow clients to interact with a physical object, rather than hoping they can understand a computer model.

- **Key indicators**: These are ways of gauging whether a trend is dissipating or reaching critical mass. In other words, look for signs that a trend is becoming more likely or less likely. For example, track whether a product drops below a certain price, indicating that it’s now become more widely accessible to all consumers.

Timeline, likelihood, secondary impacts, key indicators—these influences in your environment interact with each other in myriad ways. Connect those dots to see further ahead and develop appropriate strategies to leverage them to your benefit. You may discover other relevant factors not on this list.

TAKE ACTION

You’ve collected your intel; now you are ready to put your findings into action. This usually takes the form of a pilot program or a prototype. Use what you’ve learned to plan it out, design it, do a test run, and watch how your market receives it.

You may want to try several of these projects with varying degrees of investment. This is where resource allocation is essential. Looking at the trends you’ve identified, what’s relevant now and how likely each is, you must decide how much time, money, and labor
you’re willing to dedicate. One trend may require nothing more than your time as you measure its approach, while another may invite you to set up an entire program with a team of employees and financial risks.

What you cannot forget is your own engagement with the process. You must actively engage with your pilot program or prototype as it’s developed and released into the market. As tactics succeed or fail, you must make adjustments in real time. Failing to do this can result in an attractive idea falling flat.

**MEASURE RESULTS**

Now your pilot program or prototype has either evolved into a legitimate growth for your business, however large or small, or you’re wondering what went wrong. It’s time to reconvene for an after-action review. Meet with your strategists, talk through what you thought would happen, what actually happened, and what you learned. Your goal is to accelerate your learning curve by fostering an intentional and real understanding of what needs to continue and what needs to change.

Part of this process involves investigating your return on investment. In this situation, there are two kind of ROIs: quantitative returns and qualitative returns. A *quantitative return* is straightforward. Did you make money? Save money? Lose money? A *qualitative return* begs the question, if we didn’t earn anything, then what did we learn? Both ROIs are equally valuable, and neither should be neglected.

You’ve now arrived at the end of the five-step cycle, so it’s time to circle back to the beginning. This time you’re arriving at the start of the process with a new depth of understanding. You’ve had a chance to put theory into practice and see exactly where it got you. You now know what information you could have used more of, where you could have invested less or more, whom you can or can’t trust, and more. Integrating these experiences as you repeat the cycle can only lead to greater and broader success.
Choose Your Plays

Now you’ve arrived at the big moment—you’re the coach, stepping up to the blackboard to show your team how you’ll use strategic foresight to win the competition and become a market leader, harnessing innovation and operational excellence in a world of exponential speed of change. Use the chart below to find your way to the best plays for your situation.
We will reference five hypothetical organizations throughout the plays:

**Small Distributors:** A small operation run by one person with a little part-time help for bookkeeping and other office tasks. This organization grosses $250,000–500,000 per year.

**Medium Distributors:** A medium-sized operation that includes three salespeople and four assistants. This organization grosses $3–3.5 million per year.

**Large Distributors:** An operation that includes seven salespeople, four support staff, and three operational staff. This organization grosses $6–7 million per year.

**Medium Suppliers:** This organization is run by seven people, including front- and back-end work. It grosses $1.5 million per year.

**Large Suppliers:** With 22 front- and back-end employees, this organization grosses $5–6 million per year.
PART 3
THE PLAYS

Some plays are useful at more than one step in the Strategic Foresight cycle, and some address more than one focus. Many of these plays are structured in this format:

______________________________
WHEN TO DO IT
______________________________
WHAT TO DO
______________________________
WHAT TO ASK
______________________________
EXAMPLES FROM OUR HYPOTHETICAL COMPANIES
ENGAGING STRATEGISTS

This is your Square One. You need to do your homework before you can take action. The plays in this section will discuss how best to begin assembling information. As you collect data, it will be up to you and your team to review and pluck out the most valuable points. This kind of group review and evaluation comes in many forms, each having their own benefits for gathering and assessing information.
Expert on The Fly

**Benefit:** The unique opportunity to discuss the future of your space with someone in a knowledgeable position. This can open doors for understanding and leveraging possible disruptions in your market. It can help you arrive at a clearer, more robust strategy for dealing with change.

**When to do it:** When you encounter an expert in an informal setting and want to query them on what the future holds and how it will affect your organization.

What kind of experts might you come across on the fly? This list is long and flexible, and it will vary depending on the scale and division of your operation. Common experts include CEOs, senior leaders, and members of the board of directors of either your organization or a competitor’s. Forward-thinking customers, suppliers, or distributors can also function as experts. Remember, we define *experts* as anyone with their sights set on the future, anyone who is genuinely interested in charting relevant and approaching change in your field. And then, of course, there are genuine thought leaders: dedicated people who invest their time and money to understand your space.

**What to do:** These situations can manifest differently, but we’re specifically referring to spontaneous interactions. You might run into experts at the PPAI Expo, you might be at a conference hall, you might be running between events, you might be in an elevator with them. The encounter will arise unexpectedly, so be prepared with questions. There are several core questions you should be prepared to ask.

**What to ask:**

1. What do you see coming on the horizon that will most impact our business, for better or worse?
2. What can be done to exploit that opportunity or mitigate that problem?
3. Given that emerging trend, what would you do if you were in my situation?
Small Distributors, with almost no budget to spare, might work the floor of the PPAI Expo to find experts. They could invite an expert to lunch to pick their brain. Or just buy them coffee on the show floor.

Medium Suppliers, on the other hand, because they are a larger operation and have deeper pockets, might identify several experts at Expo and fly them to their facility for a senior management presentation.

TRY THIS...

Everyone, including experts, like to talk about their interests. Pay attention to the expert’s area of focus and ask questions directly related to it. For example, if someone is a social media expert, ask:

1. How did you first get involved in social media?
2. What is your favorite social media platform, and why?
3. What is one of your favorite social media success stories?

Take the time to notice what gets someone passionate and zero in on that as an icebreaker to start your conversation.
Outsider in The Mix

**Benefit:** Bolstering your strategy’s likelihood for success by expanding your outlook and accounting for varying ideas, experiences, and opinions. This is a chance to either corroborate what you know to be true or uncover what you must do to adjust your approach.

**When to do it:** When you need to shake things up and get a new perspective, especially a customer perspective. This is useful when looking to bring in someone who’s not part of the usual team of brainstormers—someone with a contrarian, contrasting, or fresh perspective.

**What to do:** Invite someone to sit down with you and your team, and ask the same core questions listed in *Expert On The Fly*. After you discuss those questions, initiate a conversation with the outsider’s perspective as your focus. Set the stage by clarifying that this is a time for you and your team to listen. Your objective isn’t to argue with the outsider, or even reach a consensus. The purpose of the interaction is to receive the outsider’s opinions, thoughts, and reactions.

This kind of exercise can range in scope. It can be as simple as taking someone to lunch, or as formal as organizing an extended retreat to analyze and understand an outsider’s contrasting perspective.

**What to ask:**

1. What do you see coming on the horizon that will most impact our business, for better or worse?
2. What can be done to exploit that opportunity or mitigate that problem?
3. Given that emerging trend, what would you do if you were in my situation?
Medium Distributors might conduct a short questionnaire with their customers as an employee takes an order. This could easily be done over the course of several days, weeks, or months at little to no expense.

Large Distributors could carry out a comprehensive research exercise. They might seek out people who have not chosen to do business with the company from varying demographics, conduct intensive interviews, and aggregate and analyze the results. The questions listed above can be asked, but the process is more rigorous. What’s more, the outsider status (choosing people who don’t do business with Large Distributors) could provide some provocative insights.

TRY THIS...

1. Why is this person an expert? What kind of background do they have? What ideologies do they subscribe do? How has their attitude brought them success?

2. What do you expect their perspective will be? Bring this up during the meeting. Be prepared for them to hold a surprisingly different opinion than you assumed.

3. Probe further and more deeply to ensure you understand their thinking. Why do they have the perspective they do?
Corporate Think Tank

**Benefit:** Bring together a synergistic group of thinkers to discuss strategies for confronting market disruption. This is a powerful tool for identifying and analyzing emerging trends. Mine as much value as you can.

**When to do it:** This can be helpful at several stages of the strategic planning process, including the preliminary research stage as your organization gathers as much useful data as possible, the analysis stage as your team convenes to identify and understand what trends are approaching, and the planning stage as your team synthesizes its findings to determine the best courses of action.

**What to do:** Bring a group of thinkers together to explicitly brainstorm ideas about the future and what it might hold. This kind of gathering can be formal or informal. It could be done with your partner, a couple of your customers, and a representative from your supplier in your living room. It could also be a three-day retreat that includes the leaders of your organization.

The most successful think tank sessions are those for which materials have been prepared in advance. Gather data and analytics on the topics you plan to discuss and scan the internet for relevant articles. Anticipate what questions will be asked in the meeting and gather resources that will allow the discussion to be informed and grounded in specifics. Organize the pertinent information related to the topics you’ll be discussing. Be sure to package this information so it’s accessible to all participants and deliver it early enough to be reviewed by participants prior to the meeting.

Convene the meeting and discuss what intel you have that should inform how your organization will proceed. Below is an outline of a sample agenda created for a day of group discussion and interaction.

1. Welcome and introductions.

2. Presentations by 3–4 of the most advanced thinkers in the room around areas of high impact. This should last several hours. Allow 10–15 minutes for each presentation, with 20–45 minutes of discussion on each topic. The timeframe for discussion should be generous, because it is critical for the participants in the room to gel as a collective. You want to allow the time and space for those in the room to develop a rapport that will not only expedite productivity, but also allow the quality of discussion to jump leaps and bounds. Your goal is to create a collective that can collaborate with ease, authenticity, and passion.
3. Share meals. Having this kind of relaxation time is always important. It’s also important to foster a space for people to mingle and have informal conversations.

4. Analyze the implications of your discussions. What can the group infer from their findings? What feels certain? Uncertain? What does the group believe it is prudent to act on?

5. Discuss the game plan. Where does the group go from here? What actions can the participants commit to, individually and together?

Small Distributors might travel to a local university that has a business department. They could arrange lunch with a professor who specializes in market research. The company could also bring in one of their customers to participate in the conversation.

Large Suppliers might organize a formal leadership retreat, lining up speakers who are visionary distributors and bringing in contrarian or provocative viewpoints.

TRY THIS...

1. Write down some ideas for a setting and timeframe that would be conducive to productivity.

2. Consider those who will attend. How would the group dynamic compare to one-on-one interactions? Of the settings you listed, which would best suit the group’s personality? Where might people feel most comfortable? In what ways could you ensure the environment supports collaboration?

3. Going above and beyond in these events is a surefire way to ensure people walk away happy rather than drained. How might you make the event not only engaging, but fun? Remember, whatever you put into this will be what you get out of it.
SCANNING THE ENVIRONMENT

It’s time to survey, interview, scan, research, and gather. These plays are for accumulating all you can about the space you’re operating in. Not only will the plays help you identify and understand emerging trends, they will also allow you to contextualize these trends for your organization, taking into account your operation’s strengths and weaknesses. The following exercises offer efficient techniques for gathering data, as well as investigating the likelihood of success with each potential course of action.
Benefit: Understanding your customers and their experiences is critical to success. This applies not only to organizations attempting to innovate within their industry, but to those simply trying to stay afloat. Gauging customer satisfaction is especially necessary when launching pilot programs or prototypes.

When to do it: As an organization, you should consistently and systematically strive to understand your customers’ experiences. This allows you to continually update your business practices to more effectively serve your customers. This should be a regular practice.

What to do: Ask a representative cross-section of your customers. Solicit feedback from the specific demographics that your organization caters to. This can manifest formally, where you pull customers together to form a focus group. Here, you can query the group with several important questions listed below, allowing time for genuine discussion.

You can also approach this informally, such as engaging in impromptu conversation with customers.

What to ask:

1. What do you see on the horizon?
2. What are you worried about?
3. What are you excited about?
4. If you could wave a magic wand, what would be your wish for the near-term future? How about the next 6–12 months?
5. What do you want from me?

Share examples that seem obvious and doable, but also include ideas that seem far-fetched and unrealistic. This will ensure you gather the widest possible spectrum of responses. You can sort through everything later to determine what is most valuable to you and your organization.
Medium Distributors could do an annual survey of their customers, offering a discount on their next purchase as a reward. This could become an annual event that is publicized and used to both express gratitude to clients and gather customer insights.

Large Suppliers might ask their distributors to respond to a survey in exchange for sharing the aggregated information with all respondents. After all, it’s in Large Suppliers’ best interest to inform their distributors about what they’ve learned. Large Suppliers might bring some of their distributors together after compiling the survey data and host a customer appreciation day, where, together, they identify key trends and talk about the implications.

TRY THIS...

To add another dimension to your input, reach far outside your traditional customers. Here are some out-of-the-box ideas for others to ask the same questions:

1. Family members—your family knows you better than anyone and has a unique perspective on your work.

2. Friends—again, here is a group with specialized knowledge of you. These people see your work from a one-of-a-kind perspective.

3. Business leaders and entrepreneurs completely outside the promotional products field. Every leader has a valuable point of view that can be mined.

Even though your customers are number one when it comes to input, reach out to others who have a special and important way of looking at you, your work, and the bigger market.
Customer Lures

**Benefit:** Test a pilot program or prototype without substantial risk. Look further into the potential success of investing in specific emerging trends.

**When to do it:** Once you’ve identified several emerging trends that you’ve deemed worthy of an investment, take this precautionary step to more accurately gauge the success rate of a proposed pilot program or prototype.

**What to do:** A fisherman uses a lure to coax fish to bite. For a business, a *lure* is a prototype that is showcased before a small customer segment to see how they respond before the business invests in a large-scale program or widely distributed product. Design the minimum viable product (for more on minimum viable products see page 56) and place it in front of your customers. Be sure to actively and meticulously record their reactions. An easy and efficient technique is to create a poll for customers to complete in their own time. Here are three important questions to ask:

1. What did you like about the program/product?
2. What did you dislike about the program/product?
3. How would you improve the program/product?

*Small Distributors* might test their lure on a handful of customers to see if they’re interested. *Pick a week to make this offer, giving free samples to whoever responds.*

*Large Distributors* might invite customers from several demographics to a retreat where they will get to experience the prototype and share their feedback. Large would pay to fly 10–20 customers to the retreat center, either convening one large group or several smaller groups.

**TRY THIS...**

1. Brainstorm some ideas for how to best present your lure to customers. Choose the environment best suited to the session, depending on the product.
2. List some techniques for how you can record the responses. Video camera? Microphone? Questionnaire? Interview?
3. Think about how you’re presenting your lure to your customers. What might influence a customer to give a biased answer? How might you avoid creating bias?
Customer Focus Groups

**Benefit:** Gathering intel on individual customers’ experiences is vital. Using a group to facilitate that kind of data mining can be just as fruitful, while also allowing your organization to save time and money by “batching” the intel-gathering effort. These group interactions can provide a broader and more inclusive range of information.

**When to do it:** Focus groups are perfect for gaining insight from a cross-section of customers who are able to think aloud and react together. This play is helpful if your organization is short on time, trying to collect information fast, and unable to afford to interview customers individually.

**What to do:** Invite 5–25 customers to an appropriate location for an hour. It’s customary to provide refreshments—coffee, soda, and snacks. Video-record the entire meeting so your attention isn’t divided between engagement and note taking. This allows you to pay close attention to what’s being said and ask critical questions. While a free-ranging conversation is valuable, we recommend you come to the meeting prepared with questions. This helps you jumpstart conversation when necessary.

Be ready to ask participants to elaborate and share more of their perspectives. Investigate topics in detail with them. Encourage them to speculate together on the future. When the meeting ends, thank everyone for their time. To pull everything you can from the meeting, review your video and transcribe your notes immediately to pluck out the most salient points.

**What to ask:**

1. What trends do you see in the market today?
2. What do you expect to be most important in the months ahead?
3. What interesting developments do you see that could change the way business is done?
Medium Distributors could go with less rather than more here, calling together five or fewer customers. Perhaps they offer a special incentive in exchange for attendance, inviting the selected customers for a meal and letting the conversation fluctuate between casual conversation and guided discussion. This will allow ample time for intentional listening as well as stimulating conversation on particular topics of interest.

Similar to the play “Customer Lures,” Large Suppliers could easily schedule a formal retreat, covering as many costs for the attendees as possible to ensure they feel cared for and respected. This will only enhance the quality of the experience for them and, in turn, encourage more open and honest sharing during the discussion.

TRY THIS…

1. List all the perspectives you anticipate will be offered, just as you did for “Outsider in The Mix.” During the meeting make sure you ask attendees if your assumptions reflect their opinions, perspectives, and experiences. Don’t be surprised if your assumptions are wrong. Encourage this kind of discussion.

2. Create a separate list of prompts or questions you can ask the group when the conversation wanes. Sometimes there are pressing issues that don’t immediately rise to the surface in a group discussion. How might you stimulate group members to think aloud until they arrive at these key points?
Internet Inspections

**Benefit:** Accumulate or survey a wide range of views and ideas from many expert sources.

**When to do it:** An internet search is done in almost every situation as a supplement to other activities. Its level of accessibility and ability to corroborate information make it an invaluable tool.

**What to do:** Monitor the internet for breaking news on key companies and leaders. The easiest and most effective way to do this is by using Google Alerts. You also might want to visit trend sites, where you can search by product or interest.

- Trend Watching’s free publication: [www.trendwatching.com/freepublications/](http://www.trendwatching.com/freepublications/)

Small Distributors could dedicate some time to in-depth research across a variety of online sources. They could scour the internet for relevant forums, thought leaders, and news outlets. They could contact an expert in their market and schedule a short phone conversation.

Large Distributors can cover a much wider field. The staff could be directed to research particular topics, reaching out to a variety of experts. In turn, the CEO and senior leadership could tap helpful connections among their networks.

---

**TRY THIS…**

Visit Google Alerts ([www.google.com/alerts](http://www.google.com/alerts)) and create alerts for:

1. Company names of your best customers, their CEOs, and the name of your contacts there.
2. Company names of your competitors and their CEOs.
3. Your favorite product manufacturers.
4. PPAI, the CEO, and your favorite staff members.

These alerts will do more than keep you informed. They will provide you with useful background information next time you meet these people, and great sources of conversation-starters!
Judo for Disruptions

**Benefit:** Most people see disruption as bad news. But choosing to see disruption or a major change as a force to be harnessed actually opens up opportunities. Rather than being forced into a corner, leverage the disruption for your organization’s growth. You can and must become an expert in exploiting disruptions.

*Judo* is a martial art that achieves its goal when the practitioner does not fight the oncoming force, but uses its energy to outmaneuver and neutralize the opponent. This places the practitioner in the superior position, safe from harm. When it comes to disruption, you must be a Judo master.

**When to do it:** Some aspect of your business has been turned on its head. You’re feeling some branch of your operation is threatened by change. Maybe there’s risk of becoming obsolete. Maybe you’re seeing a subtle, but important shift in business practices.

**What to do:** Identify the disruption and look for counter forces. Figure out how you can exploit it. There are four categories of possible disruptions. Recognizing each as it arises can help you circumvent risks and leverage the change.

1. **Customers are facing challenges.**
   Economic disturbances impact everyone, including your clients. Many businesses don’t pay attention to this. They only focus on their own wellbeing, rather than on their customer base. The irony here is that when businesses care for their customers in a time of economic upheaval, those businesses are actually investing in themselves. Cutting costs or changing practices for your customers can create loyalty in times of hardship and expand the number of people who pay you for your products or services.

2. **Industries are being upended.**
   With the advent of sophisticated technology, change has become the only constant. It is increasingly common for entire businesses to become irrelevant with the advent of an innovation in hardware or software. As technological advances erupt into the marketplace, your organization should aim to embrace the changes, looking to understand them inside and out. Acquire new talent and educate employees so you can leverage the new capabilities.

3. **Competition is fierce.**
   Economists everywhere are prophesizing the death of the monolithic corporation. The flip side of these prophesies tells us organizations that understand the evolving marketplace will rise to prominence more rapidly and on a grander scale than their predecessors. Some of today’s top innovators acquired their market dominance in a
matter of months, compared to earlier businesses that took years. When your industry is confronted by intense competition, you must act faster than ever before.

4. New business models are proliferating.
New products, services, technologies, and business practices are reinventing the way businesses make their money. We continue to see traditional methods of revenue generation growing outdated and defunct. Staying on the forefront of new business models not only affords you the opportunity to be a pioneer in your market, it can also create new marketing strategies, increased trust in brand, lower retail operation costs, and an accelerated transaction speed.

Small Distributors could suddenly confront intense competition from a much larger organization that’s recently established a customer base in their area. It would be wise for them to visit the new distributor’s website and/or showroom and attempt to order their products, taking note of their strengths and weaknesses. How do they handle customer service? What is the quality of the new distributor’s products? Small Distributors could work to stand out through more personalized transactions or partner with a vendor that offers higher-quality products at a similar price.

Medium Suppliers might run into a major disruption in the local, national, or global economy. A large-scale recession might put pressure on their customers to be more frugal, in which case cutting the prices of their most popular products could be in everyone’s best interest. This kind of response will not only increase customer loyalty, but offer the potential to move ahead of competitors who fail to see the broader context.

TRY THIS...
1. Identify a disruption and why it’s causing stress for your organization. Identify in specific terms the ways it’s threatening how you conduct business.

2. Note other factors that might influence the disruption. This could include competition, technological innovations, legal issues, etc.

3. Step back from the situation and pretend you’re watching another business deal with the disruption. Try to imagine a happy ending where the business creates an ingenious solution that not only remedies the issue, but allows the business’ growth to accelerate.

4. Play out scenarios in your head. Imagine the impossible. Cycle through ideas until you arrive at some that are achievable. Write these down and begin to flesh out the implementation.
**Expert Examinations**

**Benefit:** Deep insight into specific information, whether it be an emerging trend or intimidating disruption. Consult someone who knows what they’re talking about.

**When to do it:** You’ve gathered substantial intel on your space and its emerging trends, but your information is either too vague or gives you mixed messages. If you’d like to get more specific with your information or need to decide which sources to believe, consulting an expert is key to moving forward.

**What to do:** Identify an expert who’s knowledgeable in the space you’re researching. If it’s a particular element of business (e.g., 3D printers, new service models, supply chain business models), you may want to search the internet for people worth reaching out to. Be sure to also check your professional network for relevant contacts.

A warm introduction goes a long way and can sometimes open new doors. Next, propose a short phone interview to determine if they have information of value to you. Be accommodating of the expert’s schedule. If you run a small operation and are gracious, they may be willing to supply some information free of charge. If you decide their expertise is relevant to you and your space, ask them if they’d be willing to analyze the information you have on your market sector and the emerging trends you’ve identified. Be sure to ask how much their time will cost.

**What to ask:**

1. What do you see on the horizon?
2. Which trends are game changers?
3. Which trends are incremental?
4. What do you think is certain over the next 5–12 months?
5. What’s possible, but not certain?
6. What is unlikely, but possible?
7. How would the expert exploit these trends if they ran a shop like yours? How would they hedge their bets?
Suppose the local government has passed a tax bill that could affect Small Distributors’ business. The owners—a married couple—know they may experience some financial turbulence, but they’re having a hard time understanding what to expect. This would be a great time to contact an expert well-versed in the economic implications of the legislation and hire the expert to help the owners contextualize what the change will mean for their business.

Perhaps one of Large Distributor’s competitors has completely redesigned their online store to offer more product customization. This may warrant calling in a technology expert and asking them what digital tools could be deployed to make Large Distributors’ products more customizable. For example, the organization could adopt an intuitive online interface that allows a sample to be priority shipped for free.

**TRY THIS...**

Building your knowledge of literally anything makes you a more interesting conversationalist. Find experts in the areas of life that give you personal joy. For example, locate experts in these areas for fun:

1. Your favorite alcoholic beverage, including world-class brands, distilleries, and of course appreciating the intricacies of partaking!
2. Your favorite sport including athletes, team owners, media pundits, and announcers.
3. Musicians, bands, and orchestras you love to listen to, and the instruments they play.
4. Travel destinations including local knowledge, places of special interest, and getaways.

Developing your personal taste will increase your awareness of life’s nuances, expand your knowledge, give you more to talk about with others who share your interests, and expand your appreciation for life in general. You will often be able to use this knowledge to enhance the conversations you have with experts in your work world.
**Shifting Perspectives**

**Benefit:** Break through your predisposed biases. This is harder than it sounds, and more valuable than you imagine. We all suffer from a predefined set of assumptions. To really prepare for the future, you have to get out of your own way.

**When to do it:** Doing this once a year is highly recommended. This is often enough to continually gauge how relevant you and your organization are compared to competition and other disruptive forces. It gives you an opportunity to adequately and systematically check your blind spots.

**What to do:** It’s time for some practice. Schedule a day to meet with your senior leadership team and imagine you’re a competitor of your own organization. Your goal: to sink your business. Pick out points of organizational weakness. Spend serious time investigating where your faults are. Next, kick the exercise up a notch. Pretend everyone present is your most threatening competitor’s senior strategy team. Discuss your organization’s weaknesses from the vantage point of your competitor and their strengths. Things might get uncomfortable, but value the brutal honesty as it will lead to valuable insights.

As you work through this exercise, pay attention to shifts in the group’s tone. When do people begin to relax, and how does the discussion change as a result? Significant facts and perspectives are likely to be voiced. We suggest you record the event to ensure everything is captured.

Once these perspectives have been spoken aloud, take a step back and consider them as legitimate intentions or ideas of your competitors. Ask the group how they might alter or redesign your organization to respond to these threats. Knowing that these strategies might be in the heads of those who are interested in taking over your space, how might you change your practices? This one question can lead to successful innovations and breakthroughs that have the potential to secure market share and fortify leading positions in your field. Allowing you and your team to voice these perspectives may be unconventional and discombobulating, but when approached with the proper mindset, they can yield tremendous results.
For Small Distributors this could look like a simple 1- to 3-hour discussion, taking a close look at their prices, customer satisfaction, partner-vendors, and how Small Distributors compares to their competitors.

Large Suppliers might step back even further, considering their weaknesses from a nationwide vantage point. Conversation might lead to a critical but uncomfortable realization—the organization doesn’t offer expedited shipping on orders, but all its competitors do.

TRY THIS...

1. Think back to the last time you shifted your thinking. What did it take to recalibrate? Was it physically getting up and moving around? Listening to music? Taking the day off? Experiment with how you and your team might change your mental state to get a fresh perspective.

2. Explain your circumstances to someone completely removed from the situation, someone who works in a completely different industry. Ask them to identify any rigidity in your thinking after you explain the situation. What might be hidden to you may be glaringly obvious to them.
Identifying Weaknesses

**Benefit:** Locate and pick apart taboo topics about your organization’s shortcomings. This play is an opportunity to actively fine-tune your business to become stronger and more robust in your market.

**When to do it:** Are the people in your business feeling uninspired? Do your practices seem stale? Perhaps it’s time to recalibrate. When your organization starts to lose steam compared to the competition and market growth, it’s time for this play.

**What to do:** Be prepared to examine what is never examined. Rather than inhabiting your competitor’s point of view, go broader. Study your organization for all potential weaknesses. There are four main points of weakness to look for:

1. **Train wrecks**
   These are issues that balloon into catastrophe. Imagine you’re developing an innovative business model and your competitor suddenly releases a near duplicate of what you were in the process of designing. Chances are you’ll want to go back to the drawing board. Or perhaps you’re partnering with another business to launch a new product when news breaks that your partner is being investigated for fraud. Both of these are instances of what we would call a train wreck.

2. **Danger signs**
   Danger signs are exactly that: indications of trouble ahead. You’ve discovered there’s a high likelihood of having to deal with a difficult situation. Maybe unfavorable media coverage is taking a major toll on your customer loyalty. This a warning that launching a new initiative may not be well received.

3. **Educational deficiencies**
   An education deficiency is a threat to your success because of poor understanding, whether by you or your clientele. Say you’re releasing a smartphone app that lets people more easily browse your inventory, but your customer demographic is elderly and isn’t familiar with smartphone capabilities. This educational deficiency is going to greatly limit your likelihood of success.

4. **Superstitions**
   This kind of weakness is one that does not observe rational standards. Sometimes there are outside influences that don’t originate from a place of reason. Maybe there’s a cultural stigma around where you’re trying to innovate. Perhaps the current political climate is causing people to pigeonhole your organization on one side of the political spectrum or the other as a means of deciding if they’ll continue to do business with you. Superstitions can thwart your ultimate success if you don’t pay attention to them.
Medium Distributors could be launching a small-scale PR campaign for their new online store. A popular news outlet decides to highlight the website’s debut, but a local political scandal gets top billing in the news the day Medium Distributors’ story is published. Suddenly, their customer base is distracted by current events and forgets all about the new store. The business might decide to offer an ongoing promotion in the weeks that follow to attract their customers’ attention, cleverly leveraging the narrative of current events for their promotional material.

Large Distributors could be partnering with a new vendor for cheaper prices on their products when management discovers staff members are being paid to leak this information to competitors. Rather than losing their competitive advantage, the organization might approach their vendor, explain the situation, and offer a more appealing new contract in exchange for even lower prices.

**TRY THIS...**

1. Think back on all the meetings you’ve had over the last year. When did conversations falter? When did everyone go quiet? When did someone have to redirect the discussion? Ask yourself why these moments arose, and what might have caused them.

2. Consider if the underlying causes of these moments are worth looking at. Which are worth addressing with your team?

3. Consider bringing this question to the team, too. There might be lapses in the discussion that others have noticed, but you’ve overlooked.
CONNECTING THE DOTS

The following plays are designed to help you digest all the intel you’ve gathered, to synthesize everything to arrive at some concrete conclusions. These insights will allow you to see the connections, relationships, and dependencies that are alive in your market. This is where you bring your strategists together to leverage their creativity, deep knowledge, and intuition. Here, we don’t include the “When to do this” section as these options always follow “Scanning the Environment.” Instead, we point out the benefits, so you can select the results you are most interested in now.
Multiverse Charts

**Benefit:** Make visible the wide spectrum of trends you’ve identified. This visualization stimulates thinking, making it easier to see competing and complementary circumstances that would otherwise be difficult to imagine.

**What to do:** The term *multiverse* comes from the scientific proposition that our universe is just one of an infinite number of universes. *A multiverse chart* is a diagram that shows the full continuum of possibilities for trends that could significantly impact your business. Identify 3–5 emerging trends you’ve decided have the greatest potential to affect your organization. Fill out the chart below for each trend with help from your strategists.

<table>
<thead>
<tr>
<th>TREND</th>
<th>NO CHANGE</th>
<th>MILD CHANGE</th>
<th>SIGNIFICANT CHANGE</th>
<th>RADICAL INCREASE</th>
<th>RADICAL DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Take a close look at the completed chart. Look for unique opportunities and challenges by combining any of the cells; for example, Trend 1’s Mild Change with Trend 4’s Radical Increase. Exploring these combinations can lead you to more complex and nuanced ways to leverage disruption.

**Example**

<table>
<thead>
<tr>
<th>TREND</th>
<th>NO CHANGE</th>
<th>MILD CHANGE</th>
<th>SIGNIFICANT CHANGE</th>
<th>RADICAL INCREASE</th>
<th>RADICAL DECREASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MOBILE APPS FOR ORDERING PRODUCTS &amp; SERVICES DECLINE PRECIPITOUSLY</td>
<td>Amateurish apps that don’t add significant value</td>
<td>Apps improve and become a legitimate source of business for customers</td>
<td>Apps ubiquitous every supplier has to have one to enter the market</td>
<td>Apps take over all other channels</td>
<td>Apps disappear</td>
</tr>
</tbody>
</table>
Filling out their multiverse chart, Small Distributors could realize their online store is missing several payment options, including PayPal and Apple Pay, which have grown in popularity.

Medium Suppliers might see in their chart an emerging market for their products in a certain city, as well as a new method for leasing space that allows businesses to inexpensively set up shop in a new location. If they combine these two trends, expanding to another location might be an opportunity to pounce on.

TRY THIS...

Choose trends that reach far into the future. The speed of change is always accelerating. You will be amazed to see how fast new developments come around. Here are some things to try out:

1. Artificial intelligence and its impact on customer interaction, product manufacturing, and choosing the best products for your customers.

2. Smart manufacturing and smart products, including promotional products that utilize the Internet of Things (the network of physical devices, vehicles, home appliances, and other items embedded with electronics).

3. Robots, including how they are being used to interact with customers, deliver products and services, manufacture products, and change the world of your customers.
Secondary Impacts

**Benefit:** Take your strategic foresight to a highly nuanced level that most organizations don’t consider. While almost everyone can identify emerging trends, that’s not what will provide you with significant competitive advantage. Zooming in on secondary impacts will open the door to unique and fruitful territory. This can be the competitive advantage that will propel you to the forefront of your field.

**What to do:** A secondary impact occurs when two or more emerging trends are combined to create an entirely new advantage. The way to exploit these situations is to list your most pronounced emerging trends vertically, working with your strategists to combine two or more trends into unique opportunities.

For example,

<table>
<thead>
<tr>
<th>TRENDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Modularization of manufacturing</td>
</tr>
<tr>
<td>2. Just-in-time manufacturing</td>
</tr>
<tr>
<td>3. Disappearance of loyalty, commoditization</td>
</tr>
<tr>
<td>4. Mobile apps in customers’ hands</td>
</tr>
<tr>
<td>5. 3D printers in every customer’s office</td>
</tr>
<tr>
<td>6. Thousands of distributors in the developing world</td>
</tr>
</tbody>
</table>

**Secondary Impact:** Combining modularization of manufacturing (Trend 1) with 3D printers in every customer’s office (Trend 5) will result in customization of printer types for a wide variety of customers.

After collecting the proper intel, Medium Distributors could pinpoint a growing social movement that encourages a company’s customer base to contribute to charities. Medium Distributors also might pinpoint an increase in the number of charities that ride on the back of retailer transactions, asking for a donation as the customer pays. Medium Distributors could redesign their online store to ask customers to donate to a charity of their choice. At the same time, the company could launch a campaign that promotes the business as philanthropic.

Large Distributors might be able to switch to a new ecofriendly material their supplier is using in many of their products. Simultaneously, a market is emerging in a country concerned with environmental stewardship. Large Distributors could pull together a marketing team to grab the attention of their customers. While their competitors may advertise similar products, Large Distributors will be offering the same products, but with a sociopolitical advantage.
TRY THIS...

Learn more about mash-ups. These are software apps that use content from more than one source to create a single new service displayed in a single interface. For example, you can combine the addresses and photographs of your library branches with a Google map to create a map mash-up.

Mash-ups describe speedy and easy integration. They often refer to ad hoc combinations that consumers make, not the originally intentions of application developers. It’s like when you give a child a present and they have more fun playing with the box then what was in it. It’s important to notice that behavior because it gives you clues about the child’s genuine interests.

If you have customers that are using your products for things you had not anticipated, learn more about it. You may find unmet customer needs that you could leverage to open a new line or service.
Risk and Risk Mitigation

**Benefit:** Diagnose the downside to every trend and establish ways to circumvent anticipated disruption to fortify your organization for the future.

**What to do:** List the trends your organization is considering taking advantage of. Then convene with your strategists to assess all possible causes of failure—everything that could go wrong. Ask what the chances are of each possible cause of disruption and assign each a level of probability. Assign a second attribute that designates how much disruption it would create for your organization. This could be as simple as

- **0** = Nothing
- **1** = Minor
- **2** = Addressable
- **3** = Significant retooling required
- **4** = Dramatic retooling required
- **5** = Death

Trends with a disruption value of 2 or greater warrant discussion. Identify what can be done to mitigate the disruption and identify the scale of resources that will be required. From there, talk through appropriate action plans.

*Small Distributors might want to update their online infrastructure to create a more intuitive user interface. However, many customer surveys show that everyone is overwhelmed by all the user interface updates happening across all devices. This might be a good time to either build on the current interface or shift focus to a different growth opportunity.*

*With only 25 employees, Large Suppliers might not have enough staff to expand to another city, despite the existence of an emerging market to tap into. An opportunity that doesn’t deliver clear competitive advantage and a chance for market leadership is a distraction, not a strategy.*
TRY THIS...

1. Take a stab at creating a brief list of emerging trends. Assign potential pros and cons to each trend, assuming each will become fact. When listing what disruptions these trends might bring to your organization, it’s a good rule of thumb to be liberal with the downsides and conservative with the upsides. This way you’ll always be over-prepared or pleasantly surprised. Continue to practice this kind of exercise.

2. Step back from your list. See if you can envision ways in which any of the trends can be leveraged to save time or money. Think out loud to force yourself to fully describe the trend. How might you transform at least one of the trends from an obstacle into a constructive opportunity?
Scenario Planning

**Benefit:** Simplify massive and complex change through a simple visualization technique. This technique allows you to quickly and effectively articulate the impacts of certain trends working together. It also helps you envision scenarios for trends becoming fact and those fading from sight.

**What to do:** Prioritize the trends you have gathered to identify the two most significant. Create a 2x2-cell matrix to identify the most likely outcomes for each trend. Work with your strategists to create a scenario for all four cells in your matrix. Thoroughly develop each storyline to consider all possible ramifications.

For example, you’ve identified that (a) customized 3D printers are ubiquitous and (b) customers are outsourcing the purchase of their promotional products. These combined trends have the potential to erase any prior relationship they had with you as their distributor.

<table>
<thead>
<tr>
<th>&gt;50% of customers outsource</th>
<th>Most customers do not outsource</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ubiquitous 3D printers</strong></td>
<td>3D printers are ubiquitous and more than half your customers outsource</td>
</tr>
<tr>
<td>3D printers are not adopted and more than half your customers outsource</td>
<td>3D printers are not adopted and most customers do not outsource</td>
</tr>
</tbody>
</table>

With their matrix, Medium Distributors could see the benefits of offering a free sample to be priority shipped to customers. But they also could anticipate the major costs of that offer if customers seem uninterested.

Large Distributors might be interested in adopting a new hiring process that includes Skype interviews of candidates. However, Large Distributors may see from the matrix the possibility of introducing Skype interviewing and yet having a negative response. A possible scenario here is that Skype interviewing could backfire by turning away job seekers who are intimidated by technological advances.
TRY THIS...

Write out a strategy for making the most of each of the four scenarios in your 2x2 table. This way you will have a plan of action no matter what the future holds. In each case, imagine that you are able to make the best of the circumstances. Identify what you would do before and during the change. Ask: How would you change your business strategy in advance of the change so that you best position yourself for success, and then how would you capitalize on the trend once it emerges?
Assigning Key Indicators and Continuous Monitoring

**Benefit:** Stay on top of trends as they evolve. This will influence where you invest resources if you choose to create a pilot program or prototype in response to specific disruptions. This play will also provide an early warning system as trends grow or dissipate.

**What to do:** List the most important trends you see and tag each with characteristics from several continuums. The labels below should be a good starting point. Update these characteristics quarterly, sending the new version to your strategists. We recommend convening your team and your strategists every six months to discuss the implications of these trends, their attributes, and how you might want to leverage them going forward.

- The *likelihood* of realization: Certain, High, Medium, Low, Remote
- The *speed* of realization: Now, Imminent, Within our current planning cycle, Outside our current planning cycle, Distant
- The *risk to your customer base:* Profound, Incremental and increasing, Incremental but minor
- The *risk to your business model:* Profound, Incremental and increasing, Incremental but minor

While 3D printing might be projected to have a major impact on their market, Small Distributors might also note that the speed of realization could be 3–5 years. Thus, they may want to shift their focus to a more immediate emerging trend.

Medium Suppliers have identified both promotional videos and cold-calling as successful new tactics for garnering business. Medium Suppliers’ senior leadership team may be debating whether to focus on promotional marketing videos or building their sales force. After assigning key indicators to the two trends, it becomes clear that cold-calling has only proven successful in specific circumstances, which the organization does not align with.

**TRY THIS...**

1. Make these strategies a deliberate part of your calendar. To prevent the exercise from becoming overwhelming and tedious, it’s a good idea to make it an intentional routine. See how you can keep up with this, while spending your time most effectively.

2. Consider how you might be able to hand off certain responsibilities to other workers. How might you integrate a strategy like this, while committing as few resources as possible?
Taking Action

The following plays function differently from those previous. While the previous plays work well when several or all are executed simultaneously, the plays here do not all have to be followed. Choose only those that work well in your circumstances.

*Agile* is a tested methodology, found to be extraordinarily successful in business environments and is quickly spreading to many industries. *Prototypes* are small, working offerings (prototypes are also known as *minimal viable products*, or *MVPs*—we use these terms interchangeably). *Pilots* are the processes for testing your pilot programs.

**Involving Customers:** When your innovative efforts are holistically and powerfully aligned with what your customers value, their loyalty will soar and they will be eager to embrace your new offerings. They will be hungry to get their hands on what you provide; they will talk to one another in earnest; they will create new opportunities for you to succeed in unforeseen ways. This is why it is crucial that you find ways to involve your customers in your strategic foresight.

On the pages ahead we look at three kinds of action you can take. Each play offers roles you can assign to your customers. Engage them fully. Listen to their comments and reactions carefully, even their passing remarks. Your goal is to decipher all their proclivities, preferences, and opinions so you can pinpoint what they find compelling. A new idea in business is worth nothing if it doesn’t generate customer delight!
**Agile Efforts**

**Benefits:** Creating customer delight is the number one benefit. This is a unique way to get your customers involved from the get-go. This ensures that your new offerings will be welcomed and eliminates the risk that they will be dead on arrival at your customer’s door.

*Agile* is a new business practice developed by software engineers who were sick of putting hours upon hours into developing code that would eventually flop in front of customers. They developed the *Agile Manifesto* in response.

**Manifesto for Agile Software Development***

We are uncovering better ways of developing software by doing it and helping others do it. Through this work we have come to value:

- **Individuals and interactions** over processes and tools
- **Working software** over comprehensive documentation
- **Customer collaboration** over contract negotiation
- **Responding to change** over following a plan

That is, while there is value in the items on the right, we value the items on the left more.

How can you put agile efforts to work as your own organization takes action? The principles below should serve as a guide. Adhering to these principles will make success more likely.

1. Focus more on the people taking action and the customers’ response, rather than the processes and tools you use to create your actions. Customer delight and collaboration should be your focal point.

2. Focus on getting something that works, something your market responds to with enthusiasm. Don’t attempt to document every aspect of what you’re doing until after your customers have expressed interest and excitement.

3. Getting your customers involved from the start leads to greater success compared to negotiating an arrangement after the fact. Especially in the Strategic Foresight Cycle, you want everyone to be investigating how your pilot programs and prototypes can achieve more. Not seeking customer input at this stage is the biggest mistake you can make.

*Agile Manifesto Copyright 2001: Kent Beck, Mike Beedle, Arie van Bennekum, Alistair Cockburn, Ward Cunningham, Martin Fowler, James Grenning, Jim Highsmith, Andrew Hunt, Ron Jeffries, Jon Kern, Brian Marick, Robert C. Martin, Steve Mellor, Ken Schwaber, Jeff Sutherland, Dave Thomas. This declaration may be freely copied in any form, but only in its entirety through this notice.*
4. Make the necessary changes to your pilot programs and prototypes to garner more customer support, regardless of your initial game plan.

While the owners of Medium Distributors may be excited about implementing a state-of-the-art business model for new customers, a large section of their customer base has expressed frustration with it. Listening to this kind of feedback will ultimately lead to more success for Medium Distributors, even if it runs counter to current trends.

Large Distributors is beginning the design process for a new product line. Before launching large-scale manufacturing, it would be wise to bring in a customer think tank to get initial reactions.

TRY THIS...

The 90-day Sprint is a great way to try something new and make as much progress as possible in a short, defined time period. A 90-day sprint is 3-month intensive where you push forward a new idea as far as you can with an intensive effort to determine if it’s sound. Here are important elements of such a sprint:

1. Identify goals for each week: What outcomes are you going for?
2. Create milestones: What are the major achievements you must realize for the sprint to succeed?
3. Identify your metrics: What measurements will you use to determine if you are succeeding or not?
4. Partners: Who do you need to collaborate with to realize your goals?
5. Customer delight: How will your sprint result in the most important metric? How will you test this?
Prototypes

**Benefit:** Prototypes allow you to try out new products and services before you over-invest in them. This is what is sometimes called a *Minimum Viable Product*, or MVP. An MVP is a product with just enough features to satisfy early customers while providing the proper feedback for future product development. But to succeed, your MVP must sell.

Here’s how to create an MVP:

1. Develop a set of product or service ideas based on your findings from your strategists, environment scans, and dot connecting.

2. Share these ideas with customers to see where the most enthusiasm occurs. Be ready to make changes based on their responses. You’re going for maximum uptake, so pay attention to their input.

3. Be as clear as possible about which features you are providing to your customers with your MVP. Identify the features that cause them to exclaim, “I’ve got to have this!” Make a comprehensive list of these features.

4. Sort the features on your list into two categories. First, identify which features you must get right for your product to sell. Second, identify what innovations you are testing. In other words, what features are you betting your MVP on? These two categories can overlap.

5. Put together the minimum amount of features that will give your early adopters satisfaction. You must go above and beyond to ensure these features are fully functional and deliver results. That said, this isn’t the time to polish things or add bells and whistles.

6. You are now ready for your pilot!

---

**Small Distributors** could develop an MVP to appeal to a subsection of their customer base that values highly durable products. Adding features beyond this would be premature if the reaction is already positive.

**Large Suppliers** might design a new breathable waterproof jacket as their MVP. This distinguishing feature may be all they need to begin appealing to distributors looking for a competitive advantage.
TRY THIS...

1. Why limit it to your customers? Make a list of trustworthy and reliable contacts who aren’t necessarily part of your customer base, but would be available and open to checking out your prototype.

2. Consider informal ways you might get feedback on the prototype. Giving the prototype to a colleague can trigger as valuable a conversation as interviewing someone in a formal environment.

3. How might you make the prototype more accessible to gather feedback from varying demographics? List some ways in which technology might help you accelerate your progress.
Benefits: A pilot allows you to test your prototype in a small way, where you can control many of the variables that go into success. Then, you can make changes to improve your delivery. Pilots are small, controlled roll-outs. This is where you send your prototype into the market to see how it performs.

Here’s how to conduct a pilot:

1. Track customer interaction with marketing, sales, and support of the MVP.
   - Marketing is how you’ll communicate your new offering to your customers.
   - Sales is how you’ll consummate the deal with the customer; everything that’s required for the transaction.
   - Support includes everything your customer will need from you to succeed with your prototype. Identify the infrastructure and back-office processes necessary to market and sell the prototype, and support the customers’ success with it. Remember, you’ll be changing the prototype based on what you learn, so don’t go overboard. Think minimal.

2. Put the offering together and do trials as if you were the customer. Learn from the trials and upgrade the prototypes until you consistently get the customer experience right.

3. Provide your prototype to a select group of customers. This is usually a minimum of 8–10 for a small business, 20–40 for a medium-sized business, or 50–100 for a large business.

4. Watch the behavior of your customers. Notice...
   - How fast they grasp what you’re offering
   - How fast they put it to use
   - Their success with the new offering
   - How enthusiastic they are about continuing to use it

5. Now you’re left with two potential scenarios.

Scenario 1: If your MVP tanks, find out why. Study your customers’ behavior and interview them to see what went wrong. Then determine if the MVP is salvageable. Don’t be afraid to fail. Failing fast speeds up your learning.

Scenario 2: If your MVP succeeds, find out what can be improved. Get to work on prototype number 2!
Medium Distributors might offer their new super-durable MVP to a small group of customers—some loyal, some not. As Medium Distributors begins to market and sell the new product, they could follow up with customers to gauge their understanding of the new offering, their satisfaction, and likelihood they’ll buy it again. As Medium Distributors collects more impressions, they’ll learn how radically different prototype #2 will need to be.

When Large Distributors rolls out their new prototype, they might send a mass email follow-up survey to customers after they’ve received the product. Large Distributors might even call together a group of customers to share their opinions, pointing out any defects of the MVP or aspects the distributor got right.

TRY THIS...

1. Imagine getting excited about your pilot flopping. If something isn’t right, you’ll know it immediately. And that’s concrete feedback. Experiment with what it feels like to embrace the learning curve.

2. Brainstorm ways to remind yourself that the market is harsh and sometimes circumstances are out of your control. Pilots will fail because of minor details. Aspects of the pilot you overlooked will be blown out of proportion by critics. This is valuable input for your next iteration. Just make sure you don’t take the failure personally. You can’t be successful without being resilient.

3. List the ways you could expedite the process to fix the pilot or release an updated iteration. How can you optimize how your business responds?
MEASURING RESULTS

The following plays will help you accelerate your learning curve by fostering an intentional and real understanding of what needs to continue and what needs to change. Part of measuring results is ascertaining your return on investment in both quantitative and qualitative returns. Both these ROIs are valuable, and neither should be neglected.
After-Action Reviews

**Benefit:** Explicitly and effectively reviewing your organization’s successes and failures to deepen your knowledge of what works and what doesn’t. This allows you to cycle back through the strategic foresight process and implement your next innovation with a much higher chance of success.

**When to do it:** Once you have identified emergent trends, determined which were worthy of investment, created a game plan to launch a pilot program or prototype to leverage these trends, and executed your game plan.

**What to do:** In the military, there’s a protocol carried out immediately after an operation called an after-action review. During this review, all participants in the operation are asked to convene, relinquish all hierarchical power dynamics, and respond openly and uninhibitedly to four critical questions. These questions are designed to accelerate what was learned from the operation, particularly by superiors and subordinates, temporarily dropping all ranks to speak freely.

As you can imagine, this is entirely applicable to a business setting—especially when an organization has just launched a pilot program or prototype and would like to deeply understand why their investments did or did not pay off.

There are several important tactics to keep in mind while conducting an after-action review. One is to involve as many persons as possible involved in executing the game plan. Because it may be difficult to gather everyone in one room, it may be more realistic to include representatives from lower-level staff, several managers, the senior leadership team, the board of directors, and the CEO. Be sure that everyone participates.

Have someone function as the meeting facilitator. The meeting should be prefaced by an “instruction” that respectful disagreement is encouraged. Rather than discussing whose fault it was in the case of a failure, focus the discussion on what went wrong and why.

Finally, it’s always invigorating to conclude the review on a positive note, so participants walk away feeling more capable and prepared than they did when they entered the room.
What to ask:

1. What was supposed to happen?
2. What actually happened?
3. Why was there a difference between the two, if any?
4. What can we learn from this?

Once Small Distributors’ new online store has been live for 1–3 months, it may be time to conduct an after-action review. Were they expecting an increase in site traffic? Is that what happened? If so, do they know what features customers most appreciated? If not, what caused their disinterest? Did Small Distributors do a poor job of understanding their customers’ relationship to technology? Did they choose an interface that was intuitive?

After launching the new breathable waterproof jacket, Medium Suppliers might see a massive spike in sales. Were they expecting such a large response? Was it for the same reasons they anticipated? Perhaps a long stretch of inclement weather aligned with the product release. Knowing this, they might choose to consult a meteorologist before releasing their next prototype.

TRY THIS...

1. List some of the ways you might make everyone involved feel comfortable. Remember that an exercise like this relies on participants feeling safe, secure, and heard. This may not be a given for everyone in the room.
2. Consider how you or the other authority figures could set a positive tone for the meeting. What strategies do you have for encouraging people to speak their mind?
3. Do you have any shy participants who always have something valuable to contribute? How might you intentionally involve them?
Benefit: Developing a keen and precise understanding of your strategy execution and results. This will also increase your likelihood of success as you approach your next strategy.

When to do it: This play is great for strengthening your and your organization’s understanding of how the pilot program or prototype fared, why it fared as it did, and what improvements can be made next time. While this play is similar to the after-action review, P.L.O.W.S. is best used when your organization wants to concentrate on the specifics of a situation.

What to do: Created by the Ruby Mountain Hotshots in response to Nevada’s raging wildfires of 2011, P.L.O.W.S. (Plan, Leadership, Obstacles, Weaknesses, Strengths) is an augmented version of the after-action review. It is designed to create more clarity, homing in on the specifics of a situation.

Like the after-action review, P.L.O.W.S. is applicable to an organization looking to understand what succeeded, what failed, what caused these outcomes, and what can be done similarly or differently in the future. P.L.O.W.S. should also include a meeting of all staff levels within the organization where observations can be expressed without fear of penalty. Before concluding the meeting, always allow time to for questions.

What to ask:

**PLAN:** State the initial game plan. Follow up with relevant questions.

1. Did everyone understand what the plan was?
2. Was the plan sufficient to accomplish the objectives?

**LEADERSHIP:** State the chain of command. Follow up with relevant questions.

1. What leadership was in place?
2. Was the chain of command clear?
3. Were the leaders’ intentions communicated sufficiently?

**OBSTACLES.**

1. What obstacles were encountered?
2. How were they mitigated?

*P.L.O.W.S. was developed by Craig Cunningham. Reprinted from Two More Chains, Vol 3. Issue 3, Fall 2013, a publication of the Wildland Fire Lessons Learned Center. For more information, visit wildfirelessons.net.*
WEAKNESSES.

1. What weaknesses must be addressed?
2. How will they be improved?
3. Is follow-up action required?

STRENGTHS.

1. Which strengths must be sustained?
2. How will they be sustained?

Medium Distributors orchestrated a PR campaign in the wake of a political election, attempting to leverage their customer’s political enthusiasm. Medium Distributors’ campaign backfired because their customers felt the ads were insensitive and exploitative. Reviewing what happened, did Medium’s owners gather representative feedback on the campaign before going forward? Was this task highlighted as important during the design process? Should the business publicly address their campaign’s failure? What opportunities or risks does that pose?

Large Distributors launched a new website with several unaddressed bugs. Was the staff in charge of fixing malfunctions prepared for the launch? What was the communication throughout the chain of command like? Are any departments out of sync with any others? Should the organization announce that they’ve fixed the website? Would it be wiser to update the website quietly and not draw attention to the repairs?

TRY THIS...

P.L.O.W.S. was designed with continuous improvement in mind. This means that it was created to make it possible to systematically get better where the impact is most valuable. Try instituting P.L.O.W.S. after every major event of consequence. This includes:

1. After every major deal is struck, to best understand the factors that made the biggest difference.
2. After every major order is delivered, to discern everything that was learned so it can be integrated into future similar orders.
3. After each inflection point in your business; in other words, after each period of major growth, to identify what went into generating your successes.
Quantitative ROI – Meaningful Metrics

**Benefit:** Measure the results of your pilot. Quantify your return on investment (ROI).

**When to do it:** Begin your measurements as soon as the pilot launches, noting the date and time so you can track developments as they occur. Create subtotals at meaningful milestones. Total the quantifiable ROI when the pilot concludes.

**What to do:** Gather numeric information to document customer behavior. Below are suggestions for your metrics, each of which has its own specific measurements. Identify which metrics will be most useful in determining the success of your pilot or prototype.

**What to measure:**

1. **Marketing effectiveness:** How often and in what capacity did the customer interact with the promotional material to learn about the offering or review the information?

2. **Sales results:** How many transactions were there, and how large or small was each?

3. **Recurring sales:** Were there requests for continued transactions or attempts to repeat the transactions?

As soon as they launch their prototype, Small Distributors should begin to measure site traffic: what drove customers to the site, how long they stayed, how many customers completed the survey, how large the orders were, how many customers placed multiple orders, and what distinguished these customers from others.

Large Suppliers might ensure that any promotional material their customers interact with will collect data on these interactions. How many customers opened the promotional email? Did they click a link they found on social media? Was the prototype bought mostly by returning customers or new customers? The hyper-specificity of this data will provide more nuanced and proven marketing tactics for the next prototype.

**TRY THIS...**

1. Here’s another example of an activity that can be easily outsourced or handed off to someone with more time for the activity. List the ways you could conserve resources while ensuring this gets done.

2. Be sure you don’t make this inaccessible. Those making the decisions will need an easy way to retrieve what’s going to influence their strategies. Brainstorm ideas for optimizing communication.
Qualitative ROI – Stories That Tell

Benefit: Capture the customer experience and corresponding lessons learned.

When to do it: Throughout the pilot.

What to do: Record the narrative of the entire pilot or prototype, as well as the individual customers. Identify individual customers’ circumstances and experiences. Understand and track the context in which you’ve released your pilot or prototype. Include any distinguishing features that represent learnings on your part or that have the potential to be mined for future learning. Note behaviors, customer comments, and possible interpretations. Be sure to break these into those three categories to avoid any confusion in comprehension.

What to ask:

1. Who was involved?
2. What happened?
3. Where did it take place?
4. When did it take place?
5. Why did it happen?
6. What were the circumstances or context of the experience?

Large Distributors rolled out a new service that involved placing 3D printers in their customers’ offices to create the promotional products they wanted in their shop. Six major customers participated over a seven-month period. Four of the customers placed orders: two of them once, one of them three times, and one 16 times. All product creation took place in the customers’ offices. The orders were created through telephone calls for the pilot, and the requirements were transferred to the printers from Large Distributors’ office via the internet. Only one customer was very enthusiastic, the one who placed 16 orders. Large believes that customer had an ideal situation for local printing of promotional products, and the other five did not “get” the value.
Two customers declined to place an order. They believed they were too busy, unable to give the pilot their attention, and did not understand how much money could be saved by printing the order locally. The two customers who placed one order each seemed to be participating in the pilot as a favor to Large Distributors, not because they had a real need. They both ordered within the first 30 days of the pilot and did not correspond with Large Distributors unless the distributor initiated it. Even after multiple outreach calls, the customers did not follow up. The customer who placed three orders had a need, but not a strong one. They placed their orders approximately 45 days apart and expressed enthusiasm. They produced the same products repeatedly in small quantities. Large Distributors believes those customers represent a sample of their customer base that will make use of this new service.

The customer who placed 16 orders was very enthused. They began using the service immediately and requested new products every two weeks until the pilot was complete. They produced five types of products, with orders ranging from 10 products to over 300. Large Distributors believes this customer represents a small, but potentially highly profitable segment of their customer base. The margin on their orders made the entire pilot profitable.

TRY THIS...

1. This tactic is not as easy as collecting data. Consider who might be the best person to help you understand the situation and create a rich narrative for all the varied factors. This should be someone you can count on to deliver high-quality results.

2. Always be sure you consider “hidden narratives”—the subtext within the situation that you might not readily see. Consider external factors or unforeseen sources of disruption.
CONCLUSION

This playbook introduced the idea of strategic foresight and provided several plays to help with its application. The Playbook was carefully designed to be useful to you; however, the real test is in the utility it provides to you. It’s our hope that this collection of activities will help your company get ahead. Please send all suggestions for improvement, ideas for future use, or new plays that you have developed to playbook@ppai.org.

Special thanks to the hundreds of promotional products distributors and suppliers who made this playbook possible. This includes those who participated in focus groups and person-on-the-street interviews; volunteer leaders such as the Board of Directors, who took the time to vet and develop the core ideas that made this material possible, and who gave time and attention to polish and improve its content.
About Seth Kahan

Seth is a recognized expert in innovation and strategy.

He has served as a trusted advisor to over 100 CEOs, and has worked closely with the president of the World Bank, the director of the Peace Corps, and 100+ trade associations and professional societies.

Seth has intensively studied strategic foresight. He helps leaders examine the future and provides them with expert guidance to help their organizations grow in today’s tumultuous business environment.

Seth’s proven results in helping CEOs execute strategies for large-scale change, innovation, and growth have earned him the designation of Thought-leader and Exemplar in Change Leadership from the Society for Advancement of Consulting® and the title of Visionary from the Center for Association Leadership. He has served as a member of the board of directors for the American Geophysical Union, the Columbia Lighthouse for the Blind, and the Council of Better Business Bureaus. He founded Visionary Leadership® as the umbrella organization through which he works with forward-thinking executives.

Contact: Seth@VisionaryLeadership.com · www.VisionaryLeadership.com
The playbook is an integral part of how promotional products businesses can use engagement strategies, competitive intelligence, and measurement when making decisions today while supporting and shaping our industry’s future for tomorrow. We expect this book to be an essential resource for promotional products companies in achieving their strategic goals. It includes not only an introductory overview of strategic foresight but also discusses many complex business issues and provides practical ‘plays’ for future success.

—Paul Bellantone, CAE, PPAI president and CEO

ABOUT PPAI

Founded in 1903, the Promotional Products Association International (PPAI; ppai.org) is the world’s largest and oldest not-for-profit association serving more than 15,000 corporate members of the $21-plus billion promotional products industry which is comprised of more than 40,500 businesses and a workforce of more than 500,000 professionals. PPAI represents the industry in Washington, D.C., and advocates on its behalf. PPAI operates The PPAI Expo, the industry’s largest trade show; provides the leading promotional products safety and compliance program, a prestigious professional development and certification program; and publishes industrytrade journals and publications. The multibillion-dollar industry includes wearables, writing instruments, calendars, drinkware and many other items, usually imprinted with a company’s name, logo or message. For more information, visit PPAI.org and find us on Twitter @PPAI_HQ, Facebook, Instagram, YouTube and Pinterest.