

# Accelerating growth through innovation



# Innovation is the driving force behind successful businesses

Enterprises have always needed to change – to sustain what they have, evolve into new areas, and disrupt the market. Whether incremental or radical, change is always driven by innovation.

Innovation is not an art. And it is not accidental. It is the deliberate creation of new sources of growth and prosperity.

Most importantly, innovation is not a choice. It is happening all around us. Those who can keep pace, or better still drive disruptive models beyond the status quo, are the businesses that stand to gain the most.



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The Game-Changer, Lafley & Charan

**84% of CEOs** believe digital disruption is imminent.

Almost half think their business model will soon be obsolete.

But just 47% say their organisation has a formal business strategy for the digital future\*.

For more disruptive innovation to succeed, it must be closely managed, to maximise return and ensure that it does not distract from the present goals of your business.

This is not easy. But with the right strategy, support, and technology, it has the power to transform your entire organisation.



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Theodore Levitt, economist

### Innovative businesses creates more value

Delivering higher returns for shareholders, and proven benefits for customers, partners, and employees.

0.5

Relative Total Return

Operating Income Growth

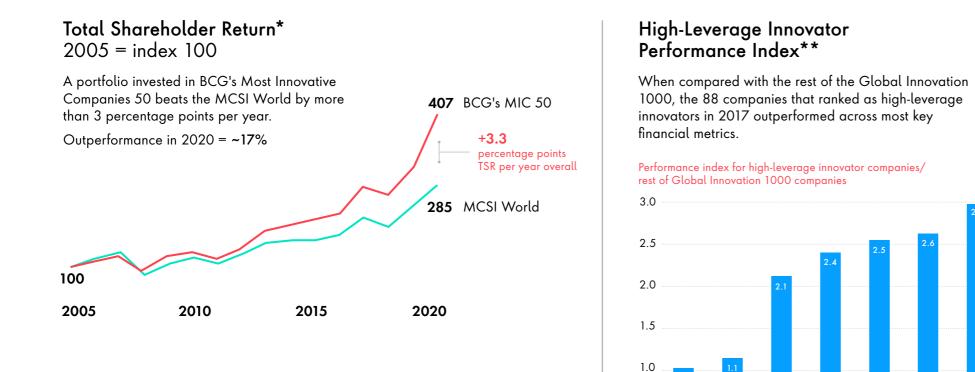
Gross Profit Growth

Source: Bloomberg data, Capital IQ data, Strategy & analysis

Average Gross Margin

Market Cap Growth

Sales Growth



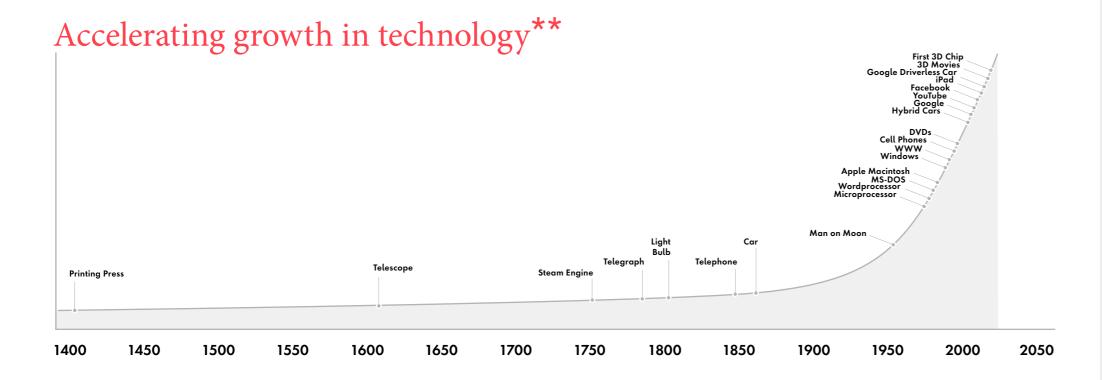




# Those who fail to innovate fade away

Only 12% of 1955 Fortune 500 companies are still on the list today.\*

From Blackberry and Kodak to Pan Am and Toys "R" Us, history is littered with precautionary tales of companies that failed to stay ahead of the pace of change. And today, that pace of change is faster than ever.



\*\*Source: Gartner

\*Source: aei.org/carpe-diem



## 

Justin Trudeau, Prime Minister of Canada



"We won't experience 100 years of progress in the 21st Century – it will be more like 20,000 years of progress."

Ray Kurzweil, inventor, and futurist

### Driving this change is an explosion of new technologies coupled with the rapid adoption of disruptive business models. For every Blockbuster, there is a Netflix. For every Tower Records, a Spotify. And these companies, along with Airbnb, Uber, and others like them, have transformed customer expectations across all markets, not just their own.

The "unreasonable consumer" now expects much more from their service providers. If you can't provide exactly what your customers want, when they want it, and how they want it, you can be sure someone else will.

Meeting the expectations of this new market requires technical capabilities and a deep understanding of your target audience. Combining broad strategic expertise, a vast digital ecosystem, and unparalleled transformation experience, Publicis Sapient and Microsoft deliver engaging, digital services to your customers on demand. And bring empathy and customer intimacy needed to meet their sometimes unarticulated needs – solving their problems before they arise.



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"Empathy is not just something nice to have. It is core to the innovation agenda. Microsoft's core business is about being able to meet the unmet and unarticulated needs of customers. There is no way we are going to do that if we don't have that deep sense of empathy." Satya Nadella, CEO, Microsoft

### case study

## Anglo-Gulf Trade Bank (AGTB)

#### **REVOLUTIONISING TRADE BANKING TO BRIDGE** THE TRADE FINANCE GAP

AGTB happily took on the challenge of becoming the world's first fully digital trade finance bank to serve the needs of businesses in a digitalfirst world. And with Publicis Sapient and Microsoft, it delivered truly disruptive innovation, at speed - from concept to live in a matter of months.

Publicis Sapient provided the expertise, agile program management and systems integration. Microsoft provided the powerful technology to deliver our shared vision.

By leveraging the Microsoft Azure cloud environment, we gained the cyber security and infrastructure resilience AGTB needed to instil customer confidence and meet the company's high security and performance requirements.

In close collaboration with Microsoft cloud architects, we brought the architectural design to life - working through 288 connection points, logical and business workflows, as well setting up the appropriate infrastructure environments to support it.

Strategy & Consulting

Customer Experience & Design

Technology & Engineering

**Innovation & Digital** Product Management

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#### Services:



# Pandemic propulsion

### The COVID-19 pandemic has accelerated the already rapid pace of transformation.

It is not unusual for innovative business models to emerge from crises. As market conditions change almost overnight, businesses scramble to adapt to their new environments – and take advantage of opportunities that arise.

CONSUMER IMPACT Leading to	EMERGING NEEDS All met by	NEW PRODUCTS/SERVICES
High-unemployment	New income streams	放 airbnb Uber
Distrust in financial institutions	Transparent, low-fee banking	omint 👌
Discretionary thriftiness	Affordable and high-quality products	WARBY PARKER

2008 Economic Recession



## • "We've seen two years' worth of digital transformation in two months."

Satya Nadella, CEO, Microsoft

### Like many events before it, the pandemic has changed the way consumers behave. And redrawn the way we do business. There is no way to put the genie back in the bottle. Business owners, customers, employees, and vendors have now seen what is possible when companies are forced to innovate.

Old excuses have been wiped away. Time and time again we have seen the resilience, ingenuity and adaptability of our colleagues and our businesses. We have never been in a better position to reimagine the future.

The challenge now lies in closing that gap between aspiration and reality. Working with technology providers, digital consultants, and the best creative and strategic minds to maximise IT investments and equip your workforce to meet new demands and exceed new expectations.

But only 20% feel fully ready to achieve their innovations aspirations\*



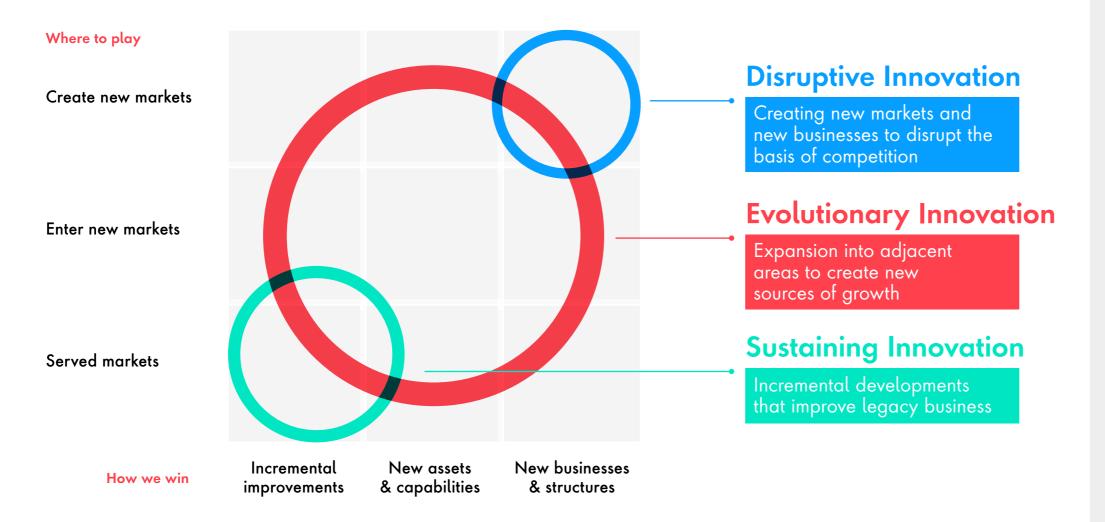
### **75%** of CEOs list innovation as a top-three issue. Up 10% on

2020

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# Balanced innovation is the future of your business

Innovation can be considered in three spheres – **Sustaining, Evolutionary, Disruptive.** This approach allows you to identify new opportunities while continuing to optimise today's business.





### • "The value of an idea lies in the using of it."

Thomas Edison, Inventor

For maximum impact, you must strive to nurture a portfolio of innovative projects across all three spheres, to drive transformation while balancing risk and reward. We know you recognise the value of innovation. Like many businesses, you are continually pursuing change in core areas. You likely offer some digital services and have moved parts of your business infrastructure to the cloud.

# **99% of businesses** now make some use of cloud computing\*

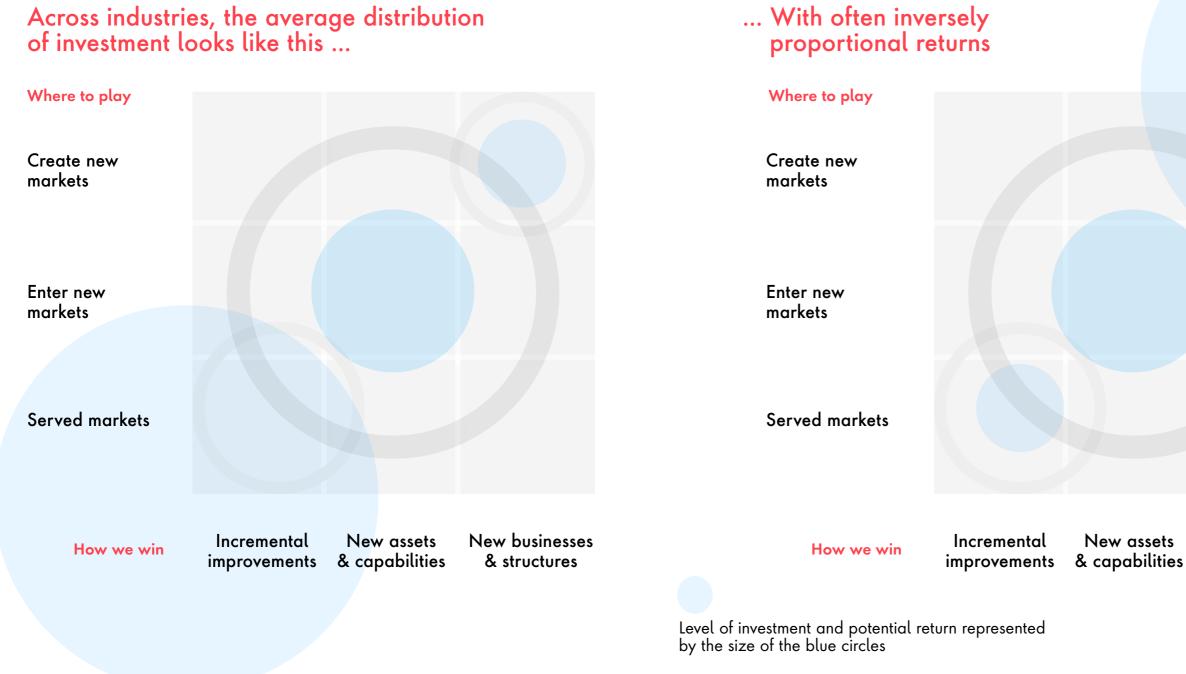
So what's stopping you from driving more disruptive business models and reaping the potential rewards?

The inconvenient truth is most businesses stick to what they know. They are great at delivering their core functions right now. But not as comfortable embracing change and delivering on the ideas of the future.



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There is a bias towards Sustaining Innovation with little attention paid to Evolutionary or Disruptive Innovation. The result is more resource focused in the bottom left "safe" space of the graph, at the expense of significant returns that can be made in the top right Disruptive space.





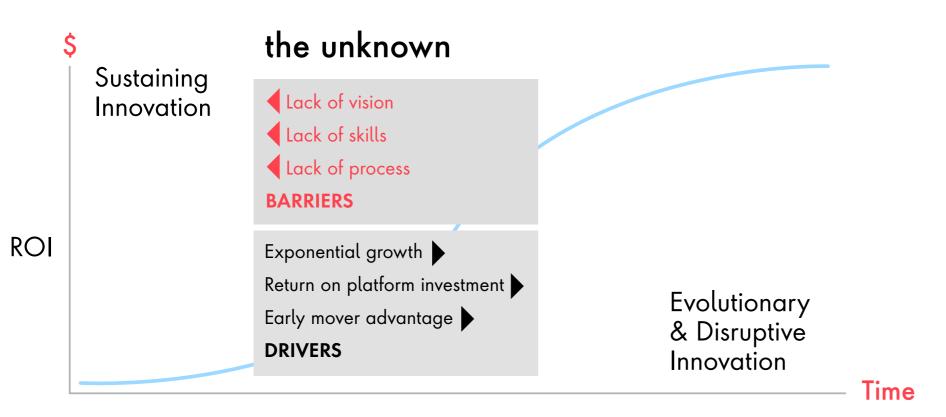
New assets

New businesses & structures

# What's holding you back from innovation?

While the rewards can be significant, focusing on disruptive innovation alone would not be appropriate. Any effective innovation strategy must generate a balanced portfolio of initiatives across all three spheres – with long term pursuit of high risk, high reward projects alongside incremental transformation of your core business.

Too much focus on disruption can distract from the day to day. But too much focus on sustaining innovation results in a disjunct between the value of an investment and the balance of innovations needed to see an optimal return. This is a common occurrence. And businesses find themselves in this innovation purgatory for many reasons.





### Only 20% of companies are fully prepared to reap the benefits of innovation.\*

They may not understand the full potential of their technology investment. They may lack the capability or expertise to drive innovation to the next level.

Or they may be reluctant to leave their comfort zone – improving the business they know rather than stepping into the unknown. It is not uncommon for organisations to find themselves in this position and this is often reflected in their approach to strategic IT investments. While many have invested in critical cloud platforms, they are using these platforms to improve how they run their current business applications – often making them more scalable and reliable. However many have not looked beyond these sustaining improvements to tap into the more significant potential innate in these cloud platforms with more advanced capabilities such as AI, blockchain, native apps and IoT.

If you are not innovating on top of your technology stack, you are not maximising your IT investment. You are standing still. And for every business that stands still, a competitor is leaping ahead. Publicis Sapient and Microsoft can make sure you're the one taking that leap.







case study

#### **SHAPING THE FUTURE OF HOSPITALITY & ENTERTAINMENT THROUGH INNOVATION**

**Publicis Sapient and Microsoft** worked together develop FacePass for Miral, Abu Dhabi's leading curator of magnetic experiences.

This cutting-edge technology takes Yas Island a step closer to its transformational goal of becoming a fully contactless destination.

Much more than 'wow' factor, FacePass represents truly disruptive innovation. It is the future for all consumer-facing businesses.

Not only does it save time and provide unrivalled convenience, it enhances guest safety and wellbeing through touchless interaction, ensuring world-class safety measures and incredible customer experience.

Strategy & Consulting

**Customer Experience** & Design

Technology & Engineering

Data & Artificial Intelligence

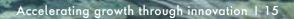
Marketing Platforms



#### WATCH THE VIDEO

#### Services:

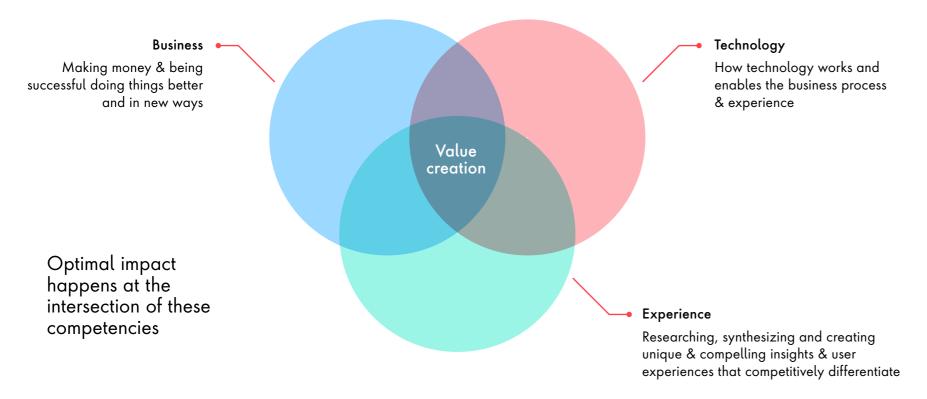
**Innovation & Digital** Product Management



# Step into the future with Publicis Sapient and Microsoft

### A great business has its head in the clouds and its feet on the ground.

In today's world, that's only possible when you can blend expert understanding of transformational technology with deep empathy for the needs and demands of your customers.



Combining competencies for optimal impact

#### publicis sapient Microsoft

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"Our global strategic alliance with Microsoft brings together leadingedge cloud technologies with specialist digital-first consulting services to help our clients thrive amid fastchanging market conditions.

Our team of industry experts and consultants has significant experience across all industry verticals."

John Weston, Senior Vice President, Global Microsoft Practice, Publicis Sapient

# Let's innovate, together

Publicis Sapient and Microsoft are ideally positioned to meet the twin demands of rapid tech innovation and increasing customer expectations.

Combining our vast experience, technology capabilities, and business acumen, we can help you help you break free of the status quo and discover the art of the possible.

Publicis Sapient brings unique startup thinking and expertise in digital business strategy, consulting, customer experience, marketing modernisation, data, and digital transforma Microsoft offers an industry-leading digital ecosystem encompassing cloud, AI, and enterprise solutions. Together we can deliver substantial value to your business.

### We'll help you



**Build** solutions to enhance your Microsoft cloud technologies.



Modernise your applications to take advantage of other cloud technologies, including Microsoft PaaS.



Accelerate the development of your digital platforms, including Data Lakes, AI and ML, Voice Assistants and Knowledge as a Service.



Deliver cloud solutions built specifically for your industry.



Help you become a fully digital enterprise based on your Microsoft Azure framework.



# "The best way to predict your future is to create it."

Abraham Lincoln, 16th President of the United States

# What does our partnership mean for your business?

If you're running Azure, Dynamics, or Office 365 as standalone applications, using Teams solely as a meeting tool or are yet to explore advanced services, such as AI and Blockchain, you're missing a huge opportunity.

By exploring new use cases and the added possibilities of your existing stack, you will realise the full potential of your suite. Maximising your investments and driving truly transformational innovation across your enterprise.

Complementing your Microsoft environment with bespoke applications is a proven path to accelerate your innovation aspirations. Publicis Sapient and Microsoft can support this exploration with expertise across business, technology and user experience.

The possibilities and use cases are endless. When you embrace all three spheres of innovation with Publicis Sapient and Microsoft, you can:

### ENGAGE YOUR CUSTOMERS

by accelerating time to market with new or improved customer experiences.

### EMPOWER YOUR EMPLOYEES

by fostering innovation and collaboration across your organisation.

### OPTIMISE YOUR OPERATIONS

by driving agile and effective operational processes while mitigating risk.



### TRANSFORM YOUR PRODUCTS

by imagining the art of the possible through innovative business models, services, and products that differentiate.

### case study

## Meet Marcel

#### **ACCELERATING PUBLICIS GROUPE'S OWN TRANSFORMATION** THROUGH AN AI-BASED, ENTERPRISE-WIDE PLATFORM

As part of our own transformation, Publicis Sapient set out to become an innovative platform for our clients. But to become a platform for others, we had to build one of our own.

Together with Microsoft, we designed and built a world-leading professional assistant - combining Microsoft technologies, AI, social networking, voice recognition, predictive analytics, and Machine Learning.

Our creation, Marcel, spots trends, analyses data, and highlights opportunities in radical new ways. Helping 80,000 people across 130 countries to connect, create, and collaborate.

#### WATCH THE VIDEO

# MRCL

### publicis sapient

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## Let's explore the possible

Innovation does not stand still. And neither can your business. With the pace of transformation getting faster every day, change is inevitable. Those who resist will remain in the chasing pack – or worse, cease to exist.

### Join us for an Innovation Workshop

Invest three hours of your time – and let us show you how to stay one step ahead. Through our highly immersive workshops, we introduce the principles that drive innovation and work with your teams to envision how they can be applied to your business.

#### Together, we'll explore:

### O INNOVATION BASICS

We introduce some essential basics of effective innovation and explore how companies across industries have used these methods to challenge and disrupt.

### INNOVATION FRONTIERS

We explore opportunities and examine the threats of increasing disruption - and its potential impact in your industry. We discuss relevant cases to show how some of today's organisations are addressing the same challenges with innovations "on the edge" or from outside of the industry.

# INNOVATION

Together, we select a challenge to interrogate. We apply protocols to guide the development of innovations in response to the selected challenge. We'll finish by outlining the necessary steps to take any solutions forward to the next stage of development.

### Book your innovation acceleration workshop today



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