

**A TEN-POINT “NO OPTION” MANIFESTO:**

**RE-IMAGINE. EXCELLENCE.  
INNOVATE. NOW. OR PERISH.**



**Tom Peters/05 December 2014**  
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## **A TEN-POINT “NO OPTION” MANIFESTO: RE-IMAGINE. EXCELLENCE. INNOVATE. NOW. OR PERISH.**

Herein the outline of my presentation to PAI Market Partner Conference on 05 December in Punta Cana, Dominican Republic:

1. ***“Software is eating the world.”—Marc Andreessen.*** “It” has been coming for a long time. But “wait ’til next year” is done. Radical—*very* radical—technology-driven changes, featuring robotics-executed surgery, algorithms that dominate the world’s financial markets, the “Internet of Everything,” and the like are upon us, and the time-to-adapt is well within the five-year mark. Alas, what is making you successful today may get in the way—usually *does* get in the way—of imperative radical revisions. Customer experiences in retail in 2019, for example, will bear little resemblance to the world of 2014. Could I be wrong? Sure. But the odds of my being right are sky high. No, virtually none of you (in my PAI partners audience) compete directly with Walmart, but remember their “little” (1,500 folks!) Silicon Valley shop is creating a Richter 7.0+ tech-driven earthquake in customer experience; the aftershocks will be felt ‘round the world.

2. ***“Be the best. It’s the only market that’s not crowded.”—George Whalin.*** There are modest-size companies in any industry you can name—that make you shake your head and blink 10 times they are so far out front of the pack. Larry Janesky’s Basement Systems Inc. of Seymour, CT, is reinventing the very nature of, yes, our basements, increasing their utility almost beyond measure. (Can you believe it? \$80,000,000 in revenue and growth to die for says Mr. J is onto something.) Then there’s Joel Resnick’s Red Carpet Store in Flemington, NJ—observe red carpets at a major celebratory event like the Oscars, and TRCS probably did the job. Add in Bronner’s Christmas Wonderland of Frankenmuth, MI—sporting 6,000 Christmas ornaments and 50,000 trims (featured in Whalin’s amazing *Retail Superstars: Inside the 25 Best Independent Stores in America*). And: W.A. Coppins, the sea anchor superstars from wee Motueka, New Zealand, providing hyper-high-tech products for the likes of the U.S. Navy and the government of Norway. There *is* room for stunning differentiation in *any* and *every* marketplace! The likes of these companies—and hundreds, thousands like them, which I call “Niche-/Micro-niche Dominators”—should give us hope and hard evidence that crazy-cool imagination, passion, and drive can lead to dominance in anything anywhere. *Why not you?*

3. ***“Insanely great.” “Radically thrilling.”*** C’mon, why shouldn’t *you* shoot for the moon—reminiscent of those measures used by Apple and BMW? As Jack Welch put it as he re-imagined gigantic GE: “You can’t behave in a calm, rational manner. You’ve got to be out there on the lunatic fringe.” (Frankly, I look at Jack W’s “command” as an imperative—for close to 100% of us.) (FYI: The red exclamation mark on the cover page--**!**—is my company logo in full; I believe a life well and productively lived is a series of ... red exclamation marks.)

***“Software is eating the world.”***

—Marc Andreessen

***“Be the best. It’s the only market that’s not crowded.”***

—George Whalin, *Retail Superstars: Inside the 25 Best Independent Stores in America*

***“Astonish me!”*** —Sergei Diaghilev, to a lead dancer)

***“Build something great!”***

—Hiroshi Yamauchi, CEO, Nintendo, to a senior game designer)

***“Make it immortal!”*** —David Ogilvy, to a copywriter)

- 1. Better before cheaper.**
- 2. Revenue before cost.**
- 3. There are no other rules.**

—Michael Raynor and Mumtaz Ahmed’: *THE THREE RULES: How Exceptional Companies Think\**

***In Search of Excellence: Bedrock “Eight Basics”***

**1. A Bias for Action\***

(\*True in 1982; true X10 in 2014)

- 2. Close to the Customer**
- 3. Autonomy and Entrepreneurship**
- 4. Productivity through People**
- 5. Hands On, Value-Driven**
- 6. Stick to the Knitting**
- 7. Simple Form, Lean Staff**
- 8. Simultaneous Loose-Tight Properties**

4. ***“Ready. Fire. Aim.”***—Ross Perot. My 48 years of watching and participating in major organization change lead me to conclude that, in effect, at the end of the day there is only one way to cause a revolution. Just keep trying stuff, almost recklessly. ***“Move fast. Break things.”***—Facebook. ***“Fail. Forward. Fast.”***—Tech exec. ***“You miss 100% of the shots you never take.”***—Wayne Gretzky. ***“If things seem under control, you’re just not going fast enough.”***—Mario Andretti. In summary, my Golden Rule: ***“WTTMSASTMSUTFW.”*** Whoever. Tries. The Most. Stuff. And. Screws. The. Most. Stuff. Up. The. Fastest. Wins. Call it simplistic, that’s okay by me, but I swear by it. Consider that *Bloomberg Businessweek* and the *Wall Street Journal* claimed that the #1 trait of enterprises that adapt is: ***“Experiment fearlessly.”*** ***“Relentless trial and error.”*** To which I say: Amen!

5. ***Value added through radical strategic services enhancement.*** UPS for decades emphasized the “P”—the parcels. Now it sees itself in the “S” business (Services—with a capital “S”); rather than just give you a package fast and reliably, now UPS wants to get inside your business—big time—and become your partner and even the captain of your entire supply chain. IDEO, the superstar design firm, is now doing more, much more than product and service design—including implementing full-scale systems of innovation for its clients. In my opinion, such an approach—radical service enhancement by strategic partnering with your customer—is effectively available to any business of any size.

6. ***“Only one company can be the cheapest. All others must use design.”***—Rodney Fitch. ***“You know a design is good when you want to lick it.”***—Steve Jobs. Value-added by emphasizing-obsessing on design (a la Apple, Starbucks and a growing number others) and developing a great customer experience are almost “musts” for any and all of us. My point of view—see #1 above—is that the entire shopping process is in the midst of a once-in-10-lifetimes transformation. And you can be a principal partner (that p-word, “partner,” again) to your client in his or her design/experience quest for transformation.

6A. ***“Forget China, India and the Internet: Economic Growth Is Driven by Women”***—***Economist headline.*** One more thing: You are indeed in the “experience business”—and that shopping experience is very different for women than men; the male shopper’s experience is still the default position for many, even most, firms. And yet it is an unimpeachable fact that women are the premier purchasers—of damn near everything. (My message: Wake-up-ASAP-and-smell-the-enormous-opportunity.)

7. ***Little BIG Things.*** There is big mileage to be made from apparently small adjustments—dramatic change need not be accompanied by a whopping upfront investment. A Vegas casino changes the shape of its driveway, and twice as many

***“Forget CHINA, INDIA and the INTERNET: Economic Growth Is Driven by WOMEN.”***

—Headline, *Economist*

***“The most significant variable in every sales situation is the gender of the buyer, and more importantly, how the salesperson communicates to the buyer’s gender.”***

—Jeffery Tobias Halter, *Selling to Men, Selling to Women*

***“Research suggests that to succeed, start by promoting women.”***

—Nicholas Kristof, “Twitter, Women, and Power,” *NYTimes*

***“In my experience, women make much better executives than men.”***

—Kip Tindell, CEO, Container Store

customers come to the front door (the impact of that micro-adjustment can be measured in hundreds of millions of \$\$\$). Walmart “merely” increases shopping cart size—and watches small appliance sales soar. Johns Hopkins’ Dr. Peter Pronovost introduces a simple checklist, swiped from pilots, into ICUs—and begins a process saving thousands of lives. These sorts of “little BIG things” are lying in wait, ready for the plucking, in every nook and cranny of the experiences we concoct, can be tested quickly, and carry a low price tag. (So let’s quit the strategic overthinking, and get on with that “relentless experimentation”—see above.)

8. ***Go “Social.”*** “Social,” that is, full-fledged use of the new media, is not the provenance of the “big guys.” It’s available to all of us—today. Consider this from the social-media primer *Youility*: “Today, despite the fact that we’re just a little swimming pool company in Virginia, we have the most trafficked swimming pool website in the world. Five years ago, if you’d asked me and my business partners what we do, the answer would have been simple, ‘We build in-ground fiberglass swimming pools.’ Now we say, ‘We are the best teachers ... *in the world* ... on the subject of fiberglass swimming pools, and we also happen to build them.’” Ready to follow this path? The answer, more or less, must be “Yes.”

9. ***“Business has to give people enriching, rewarding lives ... or it's simply not worth doing.”—Richard Branson.*** The smaller firm is even more dependent on stellar talent than the big guys. Find that talent and help each and every employee grow each and every day. I like to summarize it this way: “*EXCELLENT customer experiences depend ... entirely ... on EXCELLENT employee experiences! If you want to WOW your customers, FIRST you must WOW those who WOW the customers!*” As superstar movie director Robert Altman put it: “The role of the Director is to create a space where the actors and actresses can become more than they’ve ever been before, more than they’ve dreamed of being.” In my mind, that holds as much for the local car dealer—and you and me—as in the world of Hollywood.

10. ***Pope Francis as model and clarion call to radical action—age 17 or 77.*** The new Pope is in his late ’70s—and aims to change the world on his watch. You and I are not on a religious mission, but the new Pope offers heartening and unassailable proof that big waves can be made fast—and the wavemakers need not be the wet-behind-the-ears youth of Silicon Valley.

Good luck—go for it! (FYI: You really have no choice.)

*“Business has to give people enriching, rewarding lives ... or it’s simply not worth doing.”*

—Richard Branson

*“It may sound radical, unconventional, and bordering on being a crazy business idea. However—as ridiculous as it sounds—joy is the core belief of our workplace. Joy is the reason my company, Menlo Innovations, a customer software design and development firm in Ann Arbor, Michigan, exists. It defines what we do and how we do it. It is the single shared belief of our entire team.”*

—Richard Sheridan, *Joy, Inc.: How We Built a Workplace People Love*