

Today more than ever, business growth requires an ability to see new possibilities, and seeing new possibilities requires new ways of looking at the world. Here's how to get started.

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# THE ART OF LOOKING

**CHARLES AND RAY EAMES** – two of the 20<sup>th</sup> century's most influential designers – are best known for their timeless furniture, which looks no less modern today than it did when they designed it more than 50 years ago. What is less known about the Eameses (pictured, left) is that they were also passionate educators who sought tirelessly to help people learn how to see their world anew.

Working with leading corporations, they created more than 60 films and slide shows for clients like **IBM**, **Boeing**, **Polaroid** and **Westinghouse**, visually communicating complex ideas in new ways. Charles once said that these projects were intended to give the viewer a 'new depth of vision', and as such, they proved invaluable, inspiring leaders to think beyond the status quo and envision new opportunities.

Today more than ever, business growth requires new ways of looking at the world. Unfortunately, all too often, we continue to look at the world in the same way we always have, only to be surprised and disappointed when we don't discover anything new. In this article we will attempt to enhance your ability to see possibilities that do not yet exist.

## Seven Ways of Looking

The Eameses knew well that encouraging people to look at things anew – even from just *one* different perspective – can build up a capacity to see the world from multiple perspectives. For example, their most famous film, the 1977 masterpiece *Powers of Ten*, explores the relative size of things. In nine short minutes, we journey from

an aerial shot of the hand of a man picnicking in Chicago, to the Earth as seen from space  $10^{24}$  meters away, and then back down to view the hand at  $10^{-16}$  meters magnification. The point is clearly made that what we see in our world completely changes, just by zooming in or out.

At Jump Associates, we have seen leaders in numerous organizations build this skill with deliberate practice. In our years of working with companies to create new businesses and reinvent existing ones, we have identified seven ‘ways of looking’ that have proven particularly helpful in helping people overcome their innate biases and build up the mental muscles required to drive sustainable growth.

### 1. Look at your own life.

Many companies have been founded based on a real-life stroke of inspiration. In the early 1990s, **Gary Erikson**, a long-distance cyclist and rock climber, had his epiphany during a 175-mile bike ride with a friend. Hungry from exertion, he started to eat an energy bar, but stopped short: it had no taste, poor texture and was generally unappetizing. He didn’t want to eat another bite. Erikson knew he could do better. Back home, he developed and refined a new, tastier bar in his mom’s kitchen, testing it on himself and his friends. Many years and many bars, later, **Clif Bar** continues to thrive.

Other founders have similar stories: **Scott Cook** developed the idea for personal finance software company **Quicken** while sitting at his kitchen table watching his wife struggle to balance their accounts; **Rebecca Matthias**, the founder of **Destination Motherhood** (formerly Mothers Work, Inc.), a chain of maternity stores, started the company when she was pregnant and couldn’t find clothes to wear to work; and **Oxo** founder **Sam Farber** founded his ergonomic kitchen tools company after watching his arthritic wife struggle to peel a potato.

You don’t have to be an entrepreneur to find business inspiration from aspects of your own life. **Microsoft** has done so repeatedly. Product manager **Trish May**’s frustration with the old ways of creating presentations led to the birth of PowerPoint; and when Microsoft wanted to build a platform for hardcore gamers, they hired actual hardcore gamers to design **Xbox**. Too often, as businesses grow and mature, we forget that our own lives can

continue to inspire new opportunities. If you are your own customer, look at your own life. Get your colleagues to do the same. Institutionalize it, and see what happens.

### 2. Look through someone else’s eyes.

While it is true that employees often represent a segment of their own customer base, most businesses grow and succeed by reaching people that are different from their founders and associates. As a result, we also need to take the time to understand people who are different from us, and see the world through their eyes. The Plastics division of **GE** had traditionally grown by expanding existing products into new segments and geographies. By 2005, they were running out of obvious places to go next. As they evaluated growth opportunities, the plastic fibers market rose to the top. This high-margin business focused on cutting-edge products like fire-retardant and bullet-proof materials. It was an attractive market, but it did have one entrenched player who would be difficult to compete with.

To define a successful market entry strategy with compelling competitive advantage, **GE** decided to try a new approach. For several months, a team visited with their potential customers (as well as their customers’ customers) in the high-performance fibers market. Instead of talking about **GE** and asking the questions that were most pressing for them, the team listened, asked open-ended questions, and observed what went on in textile makers’ offices and plants. They then spent time analyzing the stories to make sense of the culture of high performance textile manufacturers.

What they found was surprising. They expected to find operations-oriented managers focused on increasing margins, driving profitability and growing the bottom line. Instead, they found artisanal cultures, people as interested in figuring out what cool new things they could make from plastic fibers as they were in how to monetize it. One engineer told a story of pulling over on the highway during his commute home to gather milkweed and processing it into fibers at home in his garage, just to see what would happen.

**GE** had expected to invest heavily in infrastructure to get into this new market, developing its own cutting-edge materials to gain traction. Instead, it realized that the path to success wasn’t in supplying textile manufactures with finished products,

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but in tapping into artisanal sensibilities and partnering with people to create new offerings.

Sharing prototypes, partnering closely with engineers instead of executives, and working with smaller companies as equal partners meant that GE executives and salespeople had to adopt a new way of working. But the results spoke for themselves. At the outset of the project, GE could not even get meetings with industry players. Their new approach won them a seat at the table, opened up the market and required less up-front investment. Ultimately, looking through their customers' eyes enabled the GE team to meet their five-year revenue goals in just 18 months.

Seeing the world from a new perspective sometimes requires getting out of the office and into the real world, meeting face-to-face with customers, consumers, and influencers. Talking to people isn't enough, though. To look through someone else's eyes you need to listen and learn. This can help to build a widespread sense of what other people value and empower people throughout the organization to make better decisions.

### 3. Zoom out.

While looking closely at people's lives is a great source of inspiration, it's not the only way to shift perspective. We can also learn by looking at our businesses through the Eameses' eyes by zooming out. Take just one step backwards to see a wider frame of reference – the rest of the ecosystem connected to your business.

eBay's success is linked to its ability to zoom out in 1999. It saw the rise in online payments early on, and realized that offering its own online payment system would benefit both the bottom line and its customers. At that time, most eBay auctions were completed with paper checks and money orders. With online payments, eBay would speed auction closure for all merchants while removing a barrier for participation for the buyers. In May, 1999, eBay purchased **Billpoint**, a nascent online payment system.

Unfortunately, eBay's first foray into electronic payments was a failure: by the time Billpoint officially launched in the spring of 2000, **PayPal** was already firmly entrenched as the payment system of choice, beating out Billpoint 20 to 1. Billpoint never caught on, even with heavy promotion from eBay. But eBay didn't give up. They had the perspective to realize that owning a major player in

online payments was the right thing to do. So in July 2002, eBay announced it would acquire PayPal. Eight years later, that vision and persistence is paying off. PayPal is growing, even in a bad economy: revenues are expected to double between 2009 and 2011, leading eBay's overall growth.

By zooming out, companies can look beyond their existing offerings to observe the entire value network in which they reside – and which new businesses will be critical to their future success. By focusing on the key enablers of an ecosystem, it's possible to spot promising acquisition targets, converging markets and white-space opportunities that are invisible under routine observation.

### 4. Zoom in.

Surprisingly, looking at a sideline piece of your business as a larger opportunity can be just as important as looking at the big picture. Sometimes, zooming in can be as beneficial as zooming out.

**Stacy's Pita Chip Company** was founded in 1997 by **Stacy Madison** and **Mark Andrus**. They first created Stacy's D'Lites, a food cart in Boston that sold sandwiches made on pita bread. The cart quickly became very popular, with such long lines that many potential customers walked away. To keep customers happy while in line, they baked their leftover bread into pita chips. Customers loved the chips and began asking the team to sell them in stores. Before they knew it, Madison and Andrus were in the chip business.

Running two businesses – the chip company and the food cart – soon became too much, and they had to make a choice. They realized that chips were more scalable, and decided to focus on that. By 2004, Stacy's had achieved nearly \$30 million in national and international sales. In November of 2005, the company was purchased by **Frito-Lay**, a division of **PepsiCo**, and expanded to a wide variety of products that are now widely available. By zooming in on what their consumers genuinely valued, Madison and Andrus turned their little cart into a national brand.

Zooming in also led to the creation of **Viagra**, **Pfizer's** blockbuster impotence drug. The drug was initially tested as a treatment for angina. Trials of the drug's effectiveness were disappointing, so the company was planning to shelve the product. However, volunteers began to report interesting side effects from the drug. Instead of a run-of-the-mill treatment for heart disease,

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Pfizer had stumbled onto a unique solution to impotence. By looking closely at the data its scientists had collected, Pfizer was able to zoom in on a new application for the compound.

The lesson: don't be distracted by the business that you *think* you are in. Instead, let yourself zoom in on the elements of your offering that are most valuable to customers.

#### 5. Look at what you can borrow.

Taking a new perspective is especially challenging when an entire industry operates under long-held assumptions. We can get so stuck in the way things are done that we forget that other choices even exist. Borrowing great ideas from others can help you re-imagine your own business.

This was the case for the banking industry in the 1970s. At the time, banks were run more like government offices than like private companies. The hours were set for the convenience of the bankers, not their customers. Then, along came **Vernon Hill**. While in college during the late '60s, Hill worked at a bank and made loans to **WaWa**, **7-Eleven**, and **McDonald's** franchises. Meanwhile, he also started his first company, **Site Development**, which helped businesses find sites and work through community planning issues like traffic and zoning. His first client? McDonald's. Based on these experiences, Hill started a different kind of bank in 1973: **Commerce Bank** focused on service and convenience, just like the fast-food and convenience stores he'd been doing business with. The locations weren't branches, they were more like stores: they were open from 7:30 am until 8:00 pm; they opened 10 minutes early and stayed open 10 minutes late; and employees focused on customer service with a smile. Later, they introduced seven-day banking hours and real human beings answered the phone by the second ring, 24 hours a day.

The results were amazing: in the late 1990s and early 2000s, the bank opened an average of 30 'stores' a year. By 2005, its net income was \$302 million, with assets of over \$43 billion. In

October of 2007, **TD Bank Financial Group** acquired Commerce in a deal valued at \$8.5 billion.

#### 6. Look within your organization.

While it is sometimes helpful to look outside of your organization, it can be equally illuminating to look more closely inside. While open innovation and technology transfer are useful tools for finding new ideas, companies sometimes forget to take lessons from other divisions or departments within their own organizations.

When developers at **Dentyne Gum** were launching a new product, they focused on creating an increased cooling technology that would deliver a more intense sensory experience than their previous products. As part of the product launch, the team wanted a new package that met two needs: contain moisture and differentiate the product on the shelves. At the time, Dentyne was owned by Pfizer, better known for medications than for making gum and candy. Dentyne took advantage of the opportunities provided by its sister company, and ultimately borrowed blister packaging from Pfizer's over-the-counter medication division. Dentyne Ice was born and quickly became a top-seller. By shipping in a blister pack, the product sent the message that it was more powerful than its competitors: it wasn't just gum, it was a cure for bad breath.

Of course, looking within your own walls isn't limited to looking for technologies. Sometimes an idea about how to go to market can be translated across brands. That's what sparked the creation of the Progresso Light brand. Progresso is owned by **General Mills**, a diverse food manufacturer that has robust capabilities in knowledge transfer. Noticing the long-term success of its Yoplait brand's light line, leaders at General Mills decided to apply the same strategy to Progresso – to great success. Progresso Light soups delivered over \$100 million in retail sales in its first year.

Don't forget to look within to discover which under-leveraged ideas could be used in other parts of your company. We've seen our

clients reap the benefits of looking within in two primary ways: creating internal networks that connect employees across silos, and providing incentives and recognition to those who do manage to transfer ideas and technologies within the organization.

## 7. Look for barriers.

Often, just finding a new way of doing things isn't enough to grow your business. Offerings must be compelling enough for customers to overcome traditional barriers to purchase – the cost of acquisition, the time to develop new behaviours, and the desire to hold onto what we already know. This is especially true for radically new businesses whose solutions don't always easily integrate into people's lives. Consumers almost always underestimate how good new technologies are, and companies almost always overestimate the benefits of their new products.

Solar energy holds the promise of a sustainable future, capable of eliminating most greenhouse gas emissions and reducing dependence on petroleum; it would even mean most consumers could stop paying a monthly electrical bill. But very few consumers have taken the step of installing solar arrays at home. The combination of solar panels' high cost, challenging installation and low curb appeal have so far prevented this technology from becoming mainstream. Worse, many homeowners' associations explicitly ban their members from installing rooftop solar arrays.

Acutely aware of the need for alternative energy generation, industrial designer **Peter Bressler** had an idea for overcoming these barriers. One day, he looked out from the window of a plane over miles of rooftops and wondered why they weren't generating electricity. He came up with an idea that could make solar energy an easier choice: integrating solar technology into existing roofing shingles. This would create a seamless design that overcomes the 'ugly factor' and mitigates some of the additional cost of installing solar panels.

Working on that idea in conjunction with **SRS Energy**, Bressler's firm **Bresslergroup** developed Sole Solar Tiles. The

flexible polymeric material enables the panels to curve, bending into the structure of regular roof tiles. They can be used in place of regular tiles and can be installed by any roofing contractor. It's a cost-effective, lightweight solution that makes collecting solar energy a simpler choice for consumers who are replacing their existing roof or building a new home.

Solar panels are an extreme example of a challenge that virtually all new products and services face: clearing the barriers to initial adoption. Unfortunately, most companies fail to recognize these barriers, and this mismatch in expectations has sunk many hyped technologies: the Apple Newton, WebVan and the Segway, to name but a few. If companies spent more time really exploring and resolving barriers to technology adoption, the chances for a successful launch would dramatically increase.

## In closing

Ultimately, the number of ways that leaders can look at their business are infinite, limited only by the imagination. When we get stuck looking at our business primarily from one perspective – whether it be meeting this quarter's numbers or next year's projections – even embracing one new way of looking can be a challenge. But to lead effectively, it is imperative for CEOs to inspire their organizations to look at the world in new ways. The lasting benefits are a full innovation pipeline, unmatched market insight, and long-term sustainable growth. **R**



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