

Disruption is the New Normal

An Interview with Lisa Brown,
Global Chief Strategy and Chief Business Development Officer, Active International



Lisa Brown

EDITORS' NOTE Prior to joining Active in 2012, Lisa Brown served as CEO of Richard Petty Motorsports, CEO of Maverick Communications, President of Interactive Marketing for AOL, CEO and President of Electronic Commerce Solutions, and Senior Vice President, Group Sales and Marketing for TeleRep, Inc.

As Global Chief Strategy Officer, what are you seeing in the marketplace that concerns, surprises, or excites you?

The most impactful thing I see in the marketplace is that there is no business as usual anymore. Everything is changing and accelerating at a rapid pace.

It's hard to believe it's been 20 years since Amazon started "the world's largest bookstore," starting a technology-driven tsunami that just keeps rolling – with the trail of displaced companies and industries to prove it. It's catching the best and the biggest of us off guard and shifting the ground beneath entire business models.

In less than 18 months, 18 companies have closed or are in bankruptcy, with more to come. No matter what industry you're in, we're all in the same boat, facing the same threat of displacement in this marketplace. Disruption is the new normal.

Where do consumers fit into this disruption?

To say that consumers are in charge is a huge understatement.

We live in a world where people are their own channels – defined and courted as influencers, controlling when, where, and how they'll engage. Everything is connected, and consumers want a frictionless experience. For instance, one in three banking and insurance customers globally would consider switching their accounts from established banks to Google, Amazon, or Facebook if these Silicon Valley giants offered financial services. As consumers, millennials see the world in a whole different way, and the brands they trust aren't the ones their parents trusted. There's a new brand establishment happening.

What is the impact of disruption being the new normal?

The impact of this disruption is that uncertainty rules. Millennials are the least brand-loyal generation ever, and they have a disposable mindset, but they still drive the economy. Everyone is fighting over the last mile, and technology breakthroughs now happen every three to six months – whereas it used to be once every five or six years.

This marketplace we're trying to survive in is an exploding ecosystem of touchpoints, devices, and platforms.

As a result, it's difficult to know what's ahead, what tools you'll need, what partners make sense, where you'll need any of them, or how you'll navigate all this complexity. What's next? We actually call this the "What's Next Economy."

While many companies talk about their concerns and fears around the disruption taking place, does disruption offer more opportunity?

Yes, absolutely. There is plenty of opportunity in the "What's Next Economy" for companies to build on their core and to innovate. Everyone is aware that they have to continue running their business while they improve it.

From our perspective, we were one of the original disruptors. When we look at the business model we brought forth 34 years ago, it was already a disruptive model that had to earn a seat at the table.

So we've always needed to be agile. We're used to working in situations that are less than optimal for companies, and we can be very helpful when companies might find themselves disadvantaged.

At the same time, our clients also gain an opportunity to leap ahead.

How has Active evolved for the "What's Next Economy"?

The notion of taking almost four decades of problem solving and applying that capability to the "What's Next Economy" involved retooling and reconfiguration. Nearly 40 years' experience working with the world's leading brands provided us with great insight and expertise. However, technology and data disrupted our business just like everyone else. In order to evolve, we embraced adtech/martech, artificial intelligence and predictive modeling, creating platforms to deliver greater insights, information, and efficiencies to our clients.

What can people expect from the Active of the future?

As part of our transformation, we've built on our core business model, which is based on using our own capital to create leverage and spread, all with the goal of enabling our clients to achieve more. This enables us to deliver a financial benefit that benefits organizations in a number of ways.

The foundation of our business has not changed and will not change. Today, we bring experience and expertise in six practice areas: asset disposition, media, retail marketing, travel and hospitality, freight and logistics, and lighting. We will continue to evolve the way we apply our business model and continue to create solutions and services that are aligned with our clients' needs.

How have you integrated technology into your business?

Media is our largest practice area, bringing to bear 250 people and a full service media agency to service our clients. We continue to heavily invest in adtech/martech, along with artificial intelligence, predictive analytics, and attribution modeling to ensure we have the most current technology platforms to support our clients.

Asset disposition is also a core practice area. We have the ability to manage the asset disposition process – from excess inventory and capital equipment to corporate real estate to debt – assisting brands in solving a short-term problem as well as integrating into their supply chain as needed.

Your business model is unique. Where does it fit in the business ecosystem?

We believe we stand alone. We are the only global, independent company in the category, with a footprint in 16 countries. While the agency holding companies have entered the nondisclosed media space, they have diluted the business. Unlike the holding companies, we have a multidimensional approach to creating spread that delivers value across organizations.

How did you transform from an internal perspective?

Clearly having the right people with the right skills is of the utmost importance. We knew that if we were going to leverage the value of data and the power of artificial intelligence along with predictive modeling – our people needed to adapt, so our technology strategy ran parallel with our people strategy.

Through communication and education, the skill sets of our people are far different than they were previously. They fully understand brands and what those brands need, and they bring solutions that can be tailored to those needs.

Our solutions are highly customized, working well for banks, insurance companies, manufacturers, and retailers. The one thing that hasn't changed is that every one of our employees is focused on helping our clients achieve more. Our clients define what that means to them and we bring our financial solutions, our practice areas, and a consultative approach to their specific needs. ●