BREAKTHROUGH GROWTH

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Welcome to the inaugural Breakthrough Brands, and the Future Growth Report. Its purpose is simple: We’re celebrating a new breed of upstarts and challengers, the next generation of brands that are reshaping the market and embody a critical characteristic—growth.

Growth is a natural, human force that compels us to push, disrupt, challenge, and change—to drive humanity forward. And as inherent as it is to people, it’s critical for brands and businesses. Whether it’s about upping the bottom line, expanding reach, connecting to more people, building stronger cultures, solving a critical problem, or even gaining investment that propels an idea forward, Breakthrough Brands are all about growth.

Breakthroughs reflect the times we are in—the Age of You—when brands and businesses need to move faster than ever before. That’s because they are expected to move at the speed of people’s demands—at the speed of their lives. It’s an age defined by the fact that people want to be in control or, more specifically, to personally design the lives they want to live. And people are using brands to do it, because brands are the vehicles through which things happen.
START UP AT THE SPEED OF LIFE

It goes without saying that agility, flexibility, and adaptability are invaluable characteristics for brands and businesses looking to grow. Breakthrough Brands are built on that premise—often because the restlessness of their founders led them to a new breakthrough—and they demonstrate it daily. They build it into their very culture: rejecting bureaucracy, discovering and fostering new ideas, and accelerating decision-making so they can race to market. Breakthrough Brands set the pace for the market—and for all other brands—particularly when they reflect the pace of people.

The most successful emerging companies put people at the center of their business. They know that people hold brands to incredibly high expectations—they’re looking for better choices, richer experiences, meaningful narratives, one-on-one attention, new form factors, and personal progress and fulfillment. They understand how data and technology change the definition of service and connectivity and the demand from people for greater and more nuanced choices.

BRAND BEGINS IN INCUBATION

From the moment a brilliant idea is born, a Breakthrough knows its brand and understands that it’s not just a unique business model that helps lead to success—it’s the fact that it’s developed in tandem with the brand; that they are inseparable. Because great brands grow great businesses, which in turn grow great brands.

A great brand doesn’t mean a logo or even just the name (although they often have an early idea of both and more): it’s about purpose, the experience it delivers, and how that connects very deeply to people. That’s the definition of brand—and it’s coded into Breakthroughs’ DNA. Founders of emerging companies that build a business and a brand together, from day zero, are the ones that pull ahead of the pack—they are the standouts, the leaders, and the fastest
growing, even when their offerings may be comparable to others. They are the ones that people embrace and hold up as the benchmark—and even as the original.

**THE BRAND IS THE EXPERIENCE IS THE BRAND**

One does not precede or compete with the other. Great experiences are born as Breakthroughs translate their unique models or platforms into experiences that catch the attention of the public. The brand, and its core purpose in the world, guides the creation of that experience. In turn, as it resonates with people, the experience builds value and equity back into the brand and business.

Breakthrough leaders understand that building a brand is not an exercise in vanity. That the brand and business strategy are one and the same. And the brand is the experience is the brand.

**FOCUS BREEDS EXCELLENCE**

Breakthrough brands cut to the heart. Whether the ambition is to be better than others, or completely different from others, they are ruthlessly focused on a clear goal, on a core purpose, and are often brilliant at one thing. Even as they expand—or even acquire—what they offer, everything they do reflects that focus. They don’t try to be all things to all people, because they know they can’t do that without sacrificing their authenticity—the thing that made them a breakout hit with people in the first place.

Breakthroughs manage their growth by balancing strategic and on-brand decisions with ambition, and a little fearlessness. That doesn’t preclude unusual moves or surprising new ventures—it just means that everything they do is tied to a core idea and purpose.
WORKING WITH THE CO-PETITION

The rules, in the Age of You, have changed. There’s no one model for success, no one way to make an impact, no limit for experimentation and growth—and no slowing down. That has bred a generation of leaders who want to do it their own way—without compromise—which in turn has yielded an unprecedented number of startup brands. Some will push ahead, some may simply pave the way for others, but as more and more emerge, the competitive landscape continues to change.

That’s led to a new type of collaborative competition—or co-petition—where partnerships and affinity lead the way. Breakthrough Brands are setting a new standard of how to work with others for mutual success.

So help us celebrate the brands that are accelerating the rate of innovation and problem solving, and are setting the pace for growth. And congratulations to all the featured 2016 brands.

JEZ FRAMPTON
WHY BREAKTHROUGH?

PAOLA NORAMBUENA
Chief Content Officer
Interbrand
When we started on the journey of Interbrand Breakthrough Brands, our objective was very simple: to create a stage for emerging brands—especially the ones that are really effecting change and embodying growth.

We realize that standouts come in all shapes, sizes, and stages of growth. After 16 years of publishing Best Global Brands, we knew it was time to create a platform for these new notables, given that we’ve always been invested in celebrating the best brands and businesses around the globe—whether they’re a Best Global Brand or a Breakthrough Brand.

So we set out to discover and celebrate the next generation of brands—the startups, upstarts, challengers, problem-solvers, innovators, and category creators. The brands that are the evidence of how our cultures, behaviors, and planet evolve. The ones that will impact generations and define progress. The ones that are making it happen.

Along the way, we were thrilled to find some amazing and creative partners with the same passion, dedication, and interest in building a platform to spotlight Breakthroughs. Together with Facebook, NYSE, and Ready Set Rocket, we set out to uncover these brands by activating our joint network of influencers—those with an inherent ability to spot brilliant ideas in every region of the world. And so, Interbrand Breakthrough Brands was born.
Being considered a Breakthrough Brand takes more than a unique idea and business model, and goes far beyond injections of funding. We’re looking for growing businesses that are also great brands—because we know it’s the combination of the two that helps a company achieve standout growth. It’s the key differentiator that puts them ahead in pace, awareness, and adoption. A brand can help make a business idea real, because a strong brand translates the company’s purpose and model into experiences that capture the attention and devotion of its most important audiences. That’s how Breakthroughs become a benchmark for the category they’re creating, or challenging.

And, of course, everything comes back to growth. It’s the hallmark of Breakthrough Brands—and should be the hallmark of any successful brand and business. It’s not just about business or bottom-line growth, it’s about everything they help flourish and accelerate: development, technology, connections, communities, business, people, and problem solving. That’s why this inaugural report is about, and titled, Future Growth.

Eschewing traditional rankings and lists, this report instead highlights emerging or evolving insights—each illustrated by a set of varying brands from different regions, tackling different challenges with different offerings for different audiences. They are the indicators of where we, together, are heading. Because growth for Breakthrough Brands is not just about getting ahead of the curve, but breaking the line clean through.

With so much innovation and exploration happening in the world today, we certainly know that it’s impossible for this list to be exhaustive. We know that there are many other Breakthrough—or on the verge of Breakthrough—brands out there that have not made this particular list. Those are exactly the brands that we hope to continue to uncover and spotlight, as they—together with the brands featured in this inaugural report—continue to grow, develop, and change our world.
Breakthrough Brands are putting customers right at the center of their organizations—and building their businesses around them. Age of You customers have come to expect customization, but don’t just want to be catered to with some surface options—they want to be part of the brand, in order for the brand to be part of their lives, their mecosystems. By interacting in new and creative ways with customers to build their needs and dreams into the brand and businesses, these Breakthroughs are creating better products, services, and experiences that both foster and sustain growth.
SEENIT

Founded in 2014 and based in London, Seenit helps brands create videos with the help of consumers and employees. By bringing together the stories of the most passionate and engaged fans of a brand, Seenit ensures that brands are connecting with customers through authentic and relevant content—because their customers are the ones who helped to create it.

GLOSSIER

A groundbreaking digital beauty brand spun off from the popular blog Into the Gloss in 2014, Glossier enlists its fans to help design its products and product descriptions. It sells direct-to-consumer, use feedback from customers to inform the look and feel of their products, and continue to face near-overwhelming demand.
VSCO

Oakland, California–based VSCO is a photo editing software and sharing platform for serious photographers. With more than 30 million users (its second-largest audience is in China), VSCO is one of the 20 most-downloaded apps in the world. Its success has come from putting its passionate user base first, creating a place to share stories and pictures, rather than likes and spam.

MYMUESLI

While cereal sales are shrinking in some markets, Germany’s mymuesli has been growing across Europe by offering their customers the opportunity to customize their breakfast cereal with dozens of healthy options. Founded in Germany in 2007, the company offers 100% certified, fair trade, organic, and artificial-ingredient-free products that support local farmers. The brand has fostered a loyal, engaged community by empowering customers to create their own authentic, unique, and personal breakfast, using more than 80 ingredients. mymuesli has been so successful, it’s even opening brick-and-mortar storefronts to bring its experience to new audiences in the real world.
Stories have always been at the heart of human connection. Today’s brands need to connect with real people—not just demographic “audiences”—in order to grow at the speed of life. These Breakthrough Brands do more than treat stories as add-on content, they embody them—creating story-driven experiences with the customer at the center. These are narratives that speak to actual individuals’ needs, interests, and (sometimes latent) desires, rather than simply telling people what they want to hear. By creating stories that come to life in the real world, these Breakthrough Brands are embedding themselves in customers’ evolving mecosystems.
AWAY

Away is a travel brand founded in 2015 by two former Warby Parker employees, with the promise of delivering “first-class luggage at a coach price.” The company talked to thousands of travelers about their woes and wishes, building these stories into their user experience and the very fabric of their designs—solving common problems like sticky wheels and dead phones (the bags include built-in USB chargers) and sharing their own company’s travel stories in a natural way that tugs at one’s heartstrings.

CASPER

Casper has broken into the bed market with a simple story for all: one model mattress, carefully designed and exhaustively user tested to provide a better sleep experience—from purchase to pillow. Casper has proven its proposition sells: the company launched in April 2014, and earned USD $100 million in sales in its first 28 days. Each shipment includes personal touches like a package cutter, a handwritten thank-you note, and a book for bedtime reading—little details that extend the brand story into buyers’ lives and create a warm, customer-centric experience.
Launched in 2014, Thinx’s period-proof underwear has created an all-new category by completely redefining the narrative surrounding one of life’s most personal experiences: menstruation. By not only developing a breakthrough product, but also generating a new wave of dialogue around access to feminine hygiene and gender issues worldwide, Thinx is promoting real social change.

From the company’s name (acquired from a hundred-year-old shoe polish company) to its made-in-America message, Shinola celebrates its heritage, and has developed an urban revival success story centered around the city of Detroit, where the brand is rooted. The company employs more than 300 people in its Detroit factory, has produced 50 thousand watches in its first year of sales (2013) and estimates 300 thousand in 2016. Shinola has grown quickly from a watch company to a lifestyle brand that produces everything from leather goods to bicycles and, soon, eyewear.
GROWING POTENTIAL: PERFORMANCE-ENHANCING PLATFORMS

There’s been a proliferation of brands that grow by giving entrepreneurs of all sizes—from global B2B organizations to businesses of one—the platforms to grow as the need to adapt moves faster than ever before. At a time in which brands and organizations need to work at the speed of life, the luxury of developing new platforms of their own is no longer sustainable or even necessary. These Breakthrough Brands develop new ways for creatives, entrepreneurs, and companies to form connections, share ideas, reach audiences, and even monetize their networks by providing invaluable—and in some cases ingenious—opportunities to work smarter and grow together.
SECONDS

90 SECONDS

New Zealand startup 90 Seconds introduces brands to dedicated creative professionals through its video production platform. Taking most of the logistics out of what’s commonly seen as a complex process, 90 Seconds allows brands to get straight down to business, providing them with all of the tools and resources needed to make high-quality videos.

FAMEBIT

FAMEBIT

Founded in 2014 in Los Angeles, FameBit connects brands with social influencers. Acting as a middleman to align influencers with brands that are best suited for the content they’re creating, FameBit has allowed 31,000 influencers to develop more than 650 million minutes of watch time for brands, which is currently generating USD $1 million of revenue per month.
PERCOLATE

New York–based marketing platform Percolate has been providing brands with the tools to manage marketing across all channels since 2011. It strives to be the “system of record” for marketing for its clients, and is trusted by more than 800 brands, including MasterCard, Dove, GE, and WeWork.

WEWORK

WeWork, the coworking and now co-living space that’s valued at USD $16 billion, has been in business since 2010, but has completely taken off over the last couple of years. WeWork lays the most basic foundations for a brand: office space. Often a catalyst for groundbreaking ideas, WeWork is a hassle-free platform that gives brands a creative, state-of-the-art space to grow their businesses.
These Breakthrough Brands aren’t purpose-led, they’re purpose-bred—built to solve a problem, created around a need. It goes well beyond redress; it’s not adding purpose as a veneer or a tactic—emerging brands are differentiating themselves by building purpose into the very DNA of their organizations. It’s an approach that is vital to a fast-rising audience that is looking to live more purposeful lives—personally and through the brands they bring into their worlds. It all starts with a central mission to change something in the world for good. As customers rally around that mission, these brands are growing both their businesses and their global impact.
RUBICON GLOBAL

Rubicon Global, certified B-Corp, is on a mission to transform the waste industry with a tech-driven platform that makes best sustainability practices a valuable proposition for waste management partners, commercial clients—and the planet. Founded by Kentucky entrepreneur Nate Morris and headquartered in Atlanta, Rubicon’s cloud-based platform connects local, independent garbage haulers with companies in all 50 states and lets them schedule on-demand pickup, reducing costs by up to 30 percent. The vision upon which the proprietary platform is built is also central to the brand mission: by spreading “the Truth About Trash,” Rubicon Global is poised to change the way the commercial world thinks about waste management.
SWEETGREEN

Purpose doesn’t have to be big to have a huge impact. Sweetgreen started with salad and a simple, straightforward mission: to bring locally sourced, healthy food to the fast casual market. Launched in Washington, DC, in 2007 by Georgetown University graduates, Sweetgreen has grown organically based on a people- and planet-centric desire “do everything right, sustainably.” From the start, Sweetgreen has prioritized partnerships with farmers, transparency when it comes to ingredients, sustainable from-scratch cooking, and treating its employees fairly. This brand vision is tantalizing a generation of conscious and choice-addled food seekers who are now lining up for salads at stores across the country. As Sweetgreen grows, so does its impact—in-school education and its sweetlife music festival bring the brand values to life for up-and-coming generations.
SENSORBOX

Sensorbox started with the goal of solving a seemingly simple problem, which would impact not just companies, but an entire economy. The Brazilian brand was launched in 2012 by three engineers bent on fixing the issue of widespread power outages across the country, which cause massive losses to businesses. It did so by developing a cloud-based monitoring system that measures data and predicts glitches, helping businesses—from butchers and ice cream shops to hospitals and data centers—avoid disastrous power failures. This simple mission has the potential for major global change: the software also thrives on solar power and can monitor meteorological stations for signs of natural disaster.
M-PESA

M-Pesa is a mobile money startup founded with the mission of empowering economically deprived regions of Kenya, and could be defining the “future of money” in the process. Researchers in the UK partnered with multinational telecom company Vodafone to figure out how to make mobile money payment viable in Africa. In 2007, Vodafone launched M-Pesa for Safaricom in Kenya, making mobile money transfer cheap, easy, secure, and accessible for populations that used to send money by bus (money which often disappeared). M-Pesa doesn’t have to be connected to a bank account or card—the convertible currency has allowed companies to provide better services to poor villages (drinking water, solar power, small-quantity goods) and is inspiring technology startups in Kenya’s “Silicon Savannah” to invent new ways to use mobile money. M-Pesa is spreading its mobile mission of empowerment to Tanzania, India, South Africa, Eastern Europe, Afghanistan, and countries around the world.

ZADY

ZADY

This purpose-bred brand started with an ethical (and practical) question: why are we being conditioned to buy higher volumes of low-quality items, at high cost to people and the environment? Zady became the answer, or the antidote. Launched in 2013, the US-based fashion and lifestyle e-tailer is working to set “The New Standard,” weaving supply chain transparency, social consciousness, and environmental best practices into the very fabric of its brand. And Zady doesn’t just put its purpose on a label—its e-store also serves as a platform to educate and incite audiences to action.
With so much information at our fingertips, the world has become a vast open window. As customers give up more data for more value, brands are breaking down traditional barriers between themselves and their customers to grow legitimate connections. Today’s Breakthrough Brands are putting it all out there, sharing information about how their products are made, what they’re doing with your information, and how the company makes money. By building accountability into their brands, they’re growing trust and long-term loyalty.
DUCKDUCKGO

DuckDuckGo’s honesty policy turns the idea of value exchange on its head. Launched in 2008, the search engine site’s key differentiator is that it doesn’t collect any identifiable user data like traditional providers, but instead offers objective results, with additional search features called !bangs that let users target certain sites. Users feel confident that they’re seeing outside of their so-called “filter bubbles”—and the site has even been touted as a Google competitor. In a world where digital denizens are resigned to relinquishing data, DuckDuckGo offers an alternative exchange: a clear commitment to privacy for brand participation.

EVERLANE

EVERLANE

The online apparel retailer, launched in 2010, goes as far as to list “radical transparency” as a core value. Everlane bares its business model, breaking down the production cost of each item into its constituent parts (e.g., materials, transportation, hardware, duties, etc.) and blatantly revealing the wholesale markup. This radically honest approach has endeared a growing customer base interested in ethical sourcing, responsible production, and brands that see them eye to eye.
LOLA

Feminine hygiene brand LOLA is opening up conversations about a very intimate subject: what women are putting into their bodies. While feminine care brands aren’t required to reveal ingredients, LOLA lists every single one—in this case, just two: 100 percent cotton in the tampons themselves and BPA-free plastic for the applicator. By discussing its product ingredients, origins, and certification, LOLA is also baring the failures of other brands to be upfront about synthetics and dyes that are in their products. This straightforward honesty seems to work: Just launched in July 2015, the US-based brand has received the funding to double its team size and has plans to grow its feminine-care offerings.

TRANSFERWISE

UK brand Transferwise stands out in the finance industry by promising “naked transparency.” Its peer-to-peer money-transfer platform is designed to strike out hidden fees that big banks associate with global money transfers. Transferwise works behind the scenes to make sure users get the real exchange rate and know exactly how much the transfer will cost. To prove their brand commitment, Transferwise founders ran naked through New York City in the middle of February. That’s putting it all out there for customers.
Truly Breakthrough Brands are not just adding to people’s lives, but meaningfully improving them. New technologies are making people happier, and every day easier. With every new solution, we have the opportunity to realize a more personal, holistic approach to better living—in spite of increasing demands on time and attention. And that often means solving for necessary but inefficient moments: waiting for a doctor’s appointment, trying to sort out finances, cooking dinner only to find you’ve forgotten a key ingredient. Breakthrough Brands are getting the world to move at the speed of people’s lives.
BETTERMENT
US-based Betterment is an investment platform that’s leading a financial revolution by providing a simple, beautiful, user-friendly automated investment service. Quartz dubbed them “The Apple of Finance,” and since starting in 2010, it now manages more than USD $5 billion in assets.

HEADSPACE
Founded by a monk and a branding expert, UK-based Headspace is a digital service that provides guided meditation sessions and mindfulness training. Their simple, friendly voice-overs are an easy way to live a little more mindfully, and it’s made smart partnerships with brands like Virgin Atlantic and Selfridges in order to connect with their busy, tech-savvy audience.

ONE MEDICAL
Taking the stress and hassle out of doctor visits, One Medical reimagines health care as patient-centric, efficient, high-class, and connected. The brand’s consistent, intuitive experience makes going to the doctor a pleasant and seamless part of living well, rather than a dreaded chore.
BLUE APRON
A New York City native brand, Blue Apron’s mission is to make healthy home cooking part of busy peoples’ lives. By providing fresh ingredients instead of takeout, Blue Apron makes it easy to learn how to whip up healthy dishes in your own kitchen without the hassle of shopping for ingredients you’ll only use once.

DUOLINGO
Duolingo has been offering free language lessons through its app and website since 2011, and has made it easy for people to learn dozens of languages by taking short, gamified courses each day. By partnering with schools, the Peace Corps, Uber, and others, Duolingo is changing the standard and shaping the future of language education and certification.
Brands have historically struggled with gathering data easily and translating it into insights that drive business growth. With the rapid evolution of technology and fall in the cost of data storage, massive piles of data have become the norm—and so has the challenge of making sense of it. Breakthrough analytics platforms have successfully streamlined brands’ ability to garner a deep understanding of their customers, their journeys, and how to map the best paths into their mecosystems. But while data is a gold mine, brands can’t treat customers like a number. Breakthrough analytics brands are enabling companies to generate better products, services, and experiences for customers based on increasingly honed insights.
BEMY EYE

Founded in Italy in 2011, BeMyEye is a mobile secret-shopper solution that’s spreading across Europe. It’s a win-win for brands and customers. Providing people with a new opportunity to make money, BeMyEye allows brands to post tasks for a crowd of 250,000 members (and growing) to complete, falling under the categories of in-store audits, mystery shopping, and interviews, all of which provide brands with real-world analytics from the point of sale.

ICARBON X

Called “China’s first biotech unicorn,” iCarbon X has raised more than USD $300 million since its launch in 2015. Its data-driven health platform processes a huge variety of data, from genetics to readouts from smart devices, and then recommends personalized services and forecasts health conditions. It’s partnering with research institutions, hospitals, pharma companies, insurance providers, and more to make the kind of data-driven leaps that could change a whole industry.
“It’s all about connection” is the mantra of many tech brands, but the breakthroughs are creating networks of experience. Mobile, social, and media platforms have the unprecedented ability to bring us together—making communities tighter and drawing disparate groups and individuals into each other’s lives—and to bring the world closer. Whether simply allowing us to speak to one another more easily or democratizing access to media, these Breakthrough Brands tap into the inherent social and entertainment power of technology.
LINE

Japanese-Korean messaging app Line is at the forefront of the chat network revolution. A variety of interconnected services, from stickers to shopping, streaming music, maps, and more, make it a viable competitor for the title of next biggest essential for your phone—and the biggest tech IPO of the year.

TULUNTULU

Johannesburg-based startup, Tuluntulu, is the first free-to-air mobile content platform targeting audiences in Africa, and globally, with African-focused content. The brand is becoming more defined as its service becomes more popular, but it’s already uniquely suited for African conditions. In a region where mobile is ubiquitous but users are unable to access media due to financial exclusion or a lack of strong mobile networks, Tuluntulu allows streaming on low bandwidth connections and is free to watch and download.
CAROUSELL

Singaporean peer-to-peer marketplace Carousell is an intuitive mobile solution for decluttering your life, where users can “snap to sell, chat to buy” new and used items. It’s expanded across Indonesia, Malaysia, Taiwan, and China. With 1.2 million desktop visits in September 2015, it’s one of the most ferociously successful e-commerce brands in Asia. The brand encourages sellers to declutter their lives and buyers to discover new brands and makers.

DEPOP

Combining Etsy’s charm with Instagram’s ability to captivate, Depop is a free, mobile, social shopping app that merges e-commerce with social networking. You can follow your friends, favorite shops, celebrities, and more, then browse their feeds to find new brands, or quickly take a picture to sell something of your own. These networks of connections build new avenues for discovery that benefit all users. Founded in Italy in 2011 and headquartered in London, Depop now has offices around the world and has been downloaded more than 3 million times, with tens of millions of items bought and sold worldwide.
Machine intelligence—from artificial intelligence (AI) to virtual reality (VR)—couldn’t be hotter these days. Funding for AI startups has climbed more than fourfold—from USD $145 million in 2011 to USD $681 million in 2015—while new investments will grow 76 percent year over year to USD $1.2 billion this year, according to the New York Times. And it’s not just AI that has technology giants and startups alike excited. Brands new and old are experimenting with virtual, mixed, and augmented reality to discover new applications. These efforts are changing the way companies approach innovation, and the way people live as realities collide and the lines between digital and analog continue to blur. While leading global technology brands are heavily investing in developing the future, this Breakthrough Brands category pays tribute to some startups to watch.
**NIANTIC**

Niantic is the app maker behind the Pokémon Go phenomenon now sweeping the planet. A runaway success that has made augmented reality an everyday technology, Pokémon Go fever has doubled the value of Nintendo’s business, pushing it past Sony in the process. Amazingly, it only launched on July 6th and has already become one of the biggest apps ever. On July 20th, the game finally goes live in Japan, the birthplace of the Pokémon phenomenon, and McDonald’s is said to be its first sponsor for that launch. The impact is apparent to anyone who’s seen a user chasing a Jigglypuff down the street.

**WITHIN**

Rebranding last month from Vrse, Within is Chris Milk’s VR studio, which touts the mission of making storytelling more immersive than ever. Within just raised USD $12.56 million in a Series A funding round led by Andreessen Horowitz, a venture capitalist firm known for giving unconventional startups the tools to succeed in Silicon Valley (e.g., Facebook, Instagram, Buzzfeed, AirBnB, and Facebook’s Oculus). Within is influencing the world of immersive filmmaking and has wide applications for brands that want to bring customers into their stories. Clients include the New York Times, Vice, U2, the United Nations, Saturday Night Live, Conservation International, and Google.
MAGIC LEAP

Backed by Google and Alibaba and setting up shop on the Lucasfilm campus in San Francisco, Dania Beach, FL-based Magic Leap is “the world’s hottest startup” according to Wired, bringing mixed reality to the masses. It’s getting big funding (more than USD $1.39 Billion) and buzz for its tech, which overlays digital 3-D graphics onto what you’re seeing in the real world using a headset or lenses—making merged realities a thing of the near future.

CIVIL MAPS

California startup Civil Maps, a 3-D mapping and mobility platform for self-driving cars, is currently working on artificial intelligence-powered mapping software, and has just received USD $6.6 million from a group of investors that includes the Ford Motor Company. The amount of attention the AI mapping startup has attracted reflects the important role that AI and machine learning play in understanding the physical world, and is paving the way for massive innovations on the horizon.
While emerging brands have to demonstrate ruthless focus—which often means starting in a single market—all brands that aim for sizeable growth have to think globally from day one. And it’s often by responding to a challenge in a single region that brands create a unique, differentiated approach that gets other markets and their audiences clamoring for it. Some are taking advantage of their inherent agility to bring emerging technologies into people’s daily lives or expand even deeper into customers’ growing mecosystems. Breaking ground fast and too big to ignore, these brands are poised, or already on the path, to creating a significant global footprint.
XIAOMI

The Chinese electronics brand Xiaomi released its first smartphone in August 2011 and by 2015 was the world’s fifth-largest smartphone maker. Offering high quality and high design at low costs, the brand is growing in China at breakthrough speeds, organically—the online-only retailer has done away with traditional advertising and relies solely on social buzz and word-of-mouth. Xiaomi stands to gain similar ground in Asia and Brazil, where smartphone markets are still emerging.

DJI GLOBAL

Launched in Hong Kong in 2006, DJI Global has stepped up as leader in civilian drones, representing more than 70 percent of the consumer market. While the world buzzes about what drones can do, DJI Global has been taking remote-controlled robots to the skies over China and the rest of the world. Founder David Wang continues to perfect his drone designs and plans to expand into commercial spaces like agriculture, construction, and mapping—where the technology could have even broader global impact.
WECHAT

From smartphones to smart drones to smarter-and-smarter apps, China is pushing the technology industry to grow. WeChat, a messaging app launched in 2011, has become a one-stop platform for getting it all done: communicating, paying, posting, booking appointments, managing a work-life balance—and its capabilities keep on growing. While the Tencent-owned app is hugely popular in China (representing the majority of its 649.5 million active users), the brand is also inspiring global competitors like Facebook, which is trying to integrate payments into its messaging platforms.

PAYTM

Paytm’s growing mission to create a one-stop, mobile shop has caused it to flourish in the population-dense country of India, where online platforms serve a growing need to get things done more quickly and conveniently. Launched in 2010, Paytm began as a mobile charging and bill payment service and has since become a full mobile commerce platform, with 100 million registered users and growing. It’s poised to break through in other Asian markets, where the one-stop-shop proposition is becoming increasingly popular.
STANDOUT SECTORS
Today, health is not just the absence of illness, it’s a holistic focus on personal wellness. For breakthrough health brands, customer centricity means caring about individuals’ entire well-being. Like any impressive portfolio, brands in the wellness sector are highly diversified and continuously breaking ground—from using personal data to prevent major diseases (how’s that for value exchange?) to bringing personal hygiene, spiritual, sexual, and mental health from the margins into the mainstream. And because we haven’t yet forgone modernity for a fully Zenned-out lifestyle, tools that help us understand, access, track, manage, and take control of our personal health are in high demand.
**ICARBONX**

iCarbonX isn’t just doing breakthrough things with big data, it’s putting health into the hands of individuals. By pairing unprecedented amounts of data with AI technology, iCarbonX aims to forecast, prevent, and treat individual conditions. The company is developing a platform that will create a “digital you” based on biological samples like DNA and saliva, environmental measurements like air quality, and lifestyle factors such as diet and fitness to make personalized recommendations. Launched in China in 2015, the brand has raised more than 150 million and could transform healthcare into healthcreation.

**LOLA**

LOLA’s open approach to what’s in their tampons is furthering a transparency trend, but it’s also starting dialogue around women’s health. By being forthright about its 100 percent natural ingredients, LOLA is opening up conversations around the effects of those that are not. Founded in 2014, the brand is empowering women through information and the convenience of its subscription-based service. It’s also drawing a line connecting personal health to the well-being of the world at large, with a focus on eco-friendly and recyclable product.
OMADA HEALTH

Omada Health is a self-proclaimed pioneer of “digital therapeutics”—a breakthrough category in healthcare that merges science, technology, and experience design. Launched in 2011, the US-based brand provides a platform for disease prevention and sustained lifestyle change—providing an engaging experience that’s backed by hard science. Omada Health is already the largest federally recognized provider of diabetes prevention in the US and stands to expand, based on a solid proposition of saving the health system millions of dollars and holistically improving people’s lives.

ONE MEDICAL

Personal, pleasant, efficient: One Medical provides a holistic, patient-centric experience that translates from its app to the office visit. Founded in 2007, One Medical is part personal healthcare concierge, part tech company. Its platform provides same-day appointments with 250-plus doctors in more than 40 well-curated offices throughout the US as well as online scheduling and 24/7 access to medical support. The brand continues to attract users who don’t want health to be a hassle—80,000 new patients joined in 2015—and has attracted enterprise clients, from Uber to Adobe, who know about providing great experiences.
Peloton is pushing the fitness market further by merging the best of the studio cycling craze and the appeal of a private, at-home workout. Peloton's high-tech stationery bike includes a built-in tablet that live streams videos from brand-vetted instructors, tracks workouts, and provides a platform for creating virtual communities. Launched in 2012, Peloton released its first bikes in 2014 and, by 2016, had 200,000 riders in 14 countries and plans for 20 retail stores. But it’s the highly loyal, co-motivational community the brand has created that will fuel Peloton’s at-home fitness revolution.
Money makes the world go round, but the way we talk about money today is alien to the way we did even a decade ago. Digital and mobile personal finance has broken through to the mainstream, revolutionizing how we think about currency. Breakthrough Brands are growing our financial options and offering clever new ways to get our money to work harder. Whether it’s by making credit achievable in high-interest markets, helping us to invest or save smarter, or letting us lend money to one another, these brands are growing faster than, and outmaneuvering, financial giants. Once one of the most impenetrable industries, emerging brands are breaking down traditional ideas about finance, making it more transparent, comprehensible, and customer-centric.
NUBANK

Nubank is one of the leading fintech companies in Brazil, offering customers a no-fee, low-interest credit card that they can manage almost completely with their iOS and Android devices. This would be impressive in any market, but it’s especially so in Brazil, which has some of the highest credit card interest rates in the world. By simplifying financial services and creating a completely digital platform that reduces consumer costs, Nubank is redefining the industry.

NUTMEG

Nutmeg is a London-based app that helps customers define goals and the amount of risk they want to take on when they invest. Through AI integration, Nutmeg builds and manages an intelligent portfolio. With completely transparent accounts, 24/7 customer service, and the ability to withdraw any time without exit fees, Nutmeg is a totally painless and low-commitment solution for new investors looking to start growing their wealth.
FAIRCEN
India’s Faircent offers peer-to-peer (P2P) lending, eliminating the high margins that intermediaries charge on transactions. P2P lenders have revolutionized access to credit in India and elsewhere, and Faircent is leading the way in democratizing financial services around the globe.

ACORN
Acorns, the financial services brand founded in California in 2012, combines savings and investment by rounding off your purchases to the nearest dollar, then investing that change into a personalized stock portfolio. With a huge and still-growing audience of millennial investors—and the potential to reach older demographics attracted to a more-transparent fee structure—there’s significant potential for this brand to disrupt the businesses of traditional investment companies. With over USD $60 million in funding, and 850,000 investment accounts, Acorns is well placed to grow.
The speed of life is only accelerating, but traditional fast food is losing its appeal for health-conscious, and digital-savvy, consumers. Today’s Breakthrough Brands are delivering easier, faster, healthier, and more creative food options—from grocery to gourmet. These emerging global brands are creating a solid business model, building a brand and then delivering experiences that can grow quickly through partnerships and digital adoption. The quality of what they deliver is as important as how they deliver it, so it’s not just an app or organic entrée that piques customers’ palettes, it’s the personalized food experience.
Deliveroo

Founded in 2013, the London-based brand, Deliveroo, has differentiated itself from other food-delivery apps by wooing partners that don’t typically offer takeout. From popular chains like Dishoom, Ping Pong, and Dirty Burger to Michelin-starred restaurants, the brand has more than 5,000 restaurants on board in over 50 cities worldwide. Its users get access to exclusive eats (sometimes delivered by the CEO himself). To beat rising competition, Deliveroo has plans to deliver booze on demand.

Zomato

Zomato’s mission is to facilitate better dining experiences for food seekers all over the world. Founded in 2008, the India-based brand’s food discovery platform is now a part of India’s biggest personal assistant app, HelpChat, which will be able to anticipate users’ food-related desires. Zomato also offers online ordering and table reservations, as well as tools that allow restaurants to manage demands, creating better food experiences for both its users and one million restaurant partners worldwide.
BLUE APRON

Blue Apron, launched in 2012, answers conscious consumers’ growing demand for fast food’s opposite: quality meals, carefully prepared with real, trustworthy ingredients. The New York City–based company is also savvy to the speed of people’s lives—so it created a solution that hits the sweet spot: sustainably sourced ingredients for a home-cooked meal, premeasured and shipped directly to subscribers’ doors. More than meals, Blue Apron curates a total experience for its “home chefs,” from the unique recipes to its seamless ordering and even instructions for recycling the packaging.

DO BEM

People are looking to live simpler, healthier lives. This is central to do bem’s mission. Its products include 100 percent juices, natural teas, and simple snack bars, all with real ingredients and a rich origin story. Do bem launched in Brazil in 2009 and has expanded into Paraguay, Colombia, Spain, and France. It’s driven by a strong set of values—sustainability, fair trade, transparency, respect for people and culture—all of which are conveyed through a vibrant—and growing—brand.
INNOVATION INCUBATORS
Disruption doesn’t always come from emerging brands that break with convention. Sometimes it takes a leader to change the future. Whether they’re former breakthroughs or existing incumbents, leading global brands are paving the way for new breakthroughs, as they provide fertile ground for innovation. By developing innovative sub-brands, or partnering with or acquiring young and vibrant companies, these Innovation Incubators continue to push the envelope and ensure that they’ll continue to grow in their industries.

The notable brands below, whether on their own or under the mentorship of parent brands are creating invaluable partnerships and leaving a mark on their industries. Growth is truly mutual.
Since the formation of the IBM Watson Group in 2014, Watson has disrupted computer technology and learning. The cloud-delivered, enterprise-ready Watson has increased its speed 24 times over—a 2,300 percent improvement in performance—and it’s shrunk from the size of a master bedroom to that of three stacked pizza boxes.

IBM CEO Virginia Rometty said she wants Watson to generate USD $10 billion in annual revenue within 10 years. Recent IBM Watson initiatives include acquisition of The Weather Company’s B2B, mobile, and cloud-based Web properties (weather.com, Weather Underground, The Weather Company brand, and WSI) to strengthen the Watson platform.

IBM is contributing Watson technology to US Vice President Joe Biden’s cancer moon-shot initiative with the goal of delivering precision care treatment to 10,000 veterans with cancer. Working with the Department of Veterans Affairs (VA), the collaboration uses Watson for genomics, mining the sequenced DNA of VA patients, identifying mutations and scanning medical research to pinpoint the best therapeutic treatments.

Watson Ads, IBM’s digital advertising solution, uses Watson to create one-to-one connections with customers. This is the first consumer use of IBM Watson technology for ad purposes—a Holy Grail of personalized, contextualized marketing. Campbell Soup Company, Unilever, and GSK Consumer Healthcare are the first advertisers on board.

Watson Ads have cracked the code, using cognitive computing to deliver the best content on the best medium at the best time.
Revenue of 400 percent in one year is what an endorsement from Oprah can do for a brand. That’s precisely what happened in 2013 to the then-three-year-old water bottle brand S’well.

Started by a Harvard Business School grad for USD $30,000, the brand saw sales of $47 million in 2015. S’well owes much to Oprah, but just as much to innovation and messaging. Where previous water bottle brands focused on performance, design, or environmentally friendly messages, S’well stood out by doing all three.

The bottles are beautiful, with double-insulated walls that lock in beverage temps. The brand’s message is all about conservation and using fresh tap water instead of plastic—but will also keep your beverage hot or cold for up to 24 hours. S’well is the vessel—users need something hot or cold to carry. Enter Starbucks.

In 2015, Starbucks proposed putting exclusive S’well bottles in more than 3,000 of its retail locations, with the hopes that customers would put Starbucks back into the S’wells. While Starbucks did have its own canisters, customers recognized S’well as an innovative brand in its category. Seeing it in Starbucks communicated that the coffee company was serious about beverages. Eschewing its own branded merchandise, Starbucks gave S’well exposure it wouldn’t otherwise have. But just as important, S’well gained organic growth in an environment that made sense both functionally—coffee needs a canister—but also with no cost to its conscious brand message: Starbucks is a champion of water and energy conservation.
PAYPAL — VENMO

Mobile payment service Venmo processed USD $700 million of payments and amassed more than 1.5 million distinct users in Q3 2014. The digital wallet lets users link their bank accounts, debit cards, or credit cards to their Venmo accounts with a 3 percent fee per transaction for credit cards and some debit cards. For the millennial crowd, talking about money is not so awkward, and even paying for a date can be done differently—digitally—with users opening the app four or five times per week, most often to split bills at restaurants.

Venmo became part of PayPal in 2013, when Paypal acquired Venmo’s parent company Braintree for a USD $800 million. Venmo has continued to expand under PayPal’s wing. Payment volume grew 154 percent year-over-year in Q1 2016 to USD $3.2 billion, up from USD $1.26 billion in the same quarter last year.

As Fiona Naughton, Senior Director, Global Brand Planning & Insights at PayPal said during a Breakthrough Brands panel hosted by Facebook, “Forward momentum is the new rule of Breakthrough branding. It’s not about looking in your rearview mirror—but what is the force from within that’s going to spur your business on?”

Acquiring Venmo has completely expanded and revolutionized PayPal’s spot in the marketplace: for PayPal, Venmo is not a digital payment app, it’s a lifestyle brand that epitomizes Breakthrough ideals. The partnership has opened up opportunities that would be out of reach for each brand if they remained independent.
Oculus VR, LLC launched in 2012 with the Oculus Rift VR head-mounted display and in 2014 was acquired by Facebook for USD $2 billion. Since then, the number of venture capital deals and total dollars invested in virtual reality and augmented reality have both tripled, according to CB Insights.

The acquisition signaled the legitimacy of VR. That year, Samsung partnered with Oculus to develop the Gear VR—mainly for research and development purposes—but the next year, the consumer edition was released to the public and sold out in its first shipments. Last year, Oculus acquired Surreal Vision, a company developing 3-D scene-mapping reconstruction and augmented reality, which is striving to add mixed reality and telepresence in Oculus’ products.

Facebook CEO Mark Zuckerberg predicted that VR would infiltrate sports, education, and healthcare. Oculus has grown from 75 employees in 2012 to more than 400 today, and the company announced in May 2016 that Gear VR had topped one million monthly active users.

As the “console wars” heat up, Facebook gains a distinct advantage by owning their own software. Its Oculus store runs on the Rift and Samsung’s Gear VR headset, and is set to be a huge market for the future growth of both brands.
Just because a customer prefers texting to calling and online chatting to IRL, doesn’t mean that person doesn’t need insurance. Gambling on the potential of the Internet, the Web-based insurer Esurance launched in 1998. Two years later, it was in 24 states, but struggled to grow. Esurance hit its stride in 2004 by offering package discounts to same-sex and cohabitating couples. Thanks to customers’ growing comfort with Internet-only discount services, Esurance doubled its underwriting in just five years. Esurance put millennials where they want to be: in the driver’s seat, with online tools and DIY policy packaging.

In 2011, recognizing that its traditional model of a nationwide network of agents making in-person sales would alienate internet-savvy millennials, AllState acquired Esurance. This approach to two completely different customer needs allows AllState to reach new channels without fiddling with its core brand strength—reliable insurance. By joining AllState, Esurance was able to scale at a furious pace and is now the official insurer of Major League Baseball. Esurance even had a Super Bowl ad in 2015, just a dozen years after its first TV campaign.
ONES TO WATCH
Everyone wants to be the one to spot something long before it makes the mainstream—and Breakthrough Brands are no exception. So here, we celebrate those brands that are on the verge, all in their early stages but set to take off at an exponential rate. These are the ones worth watching because they're showing all the signs of brands poised for growth—with the cachet of an influential fan base, and already proving a hit among tastemakers. So, keep an eye on this space.
TWIST

Twist is reimagining the American smart home market one light socket at a time. Its bulbs double as speakers that play music from a Wi-Fi-connected device, and they can be programmed to change brightness and hues based on your preferences, dimming at night and lighting up at a tap of your phone. Since launching pre-orders in July 2015, Twist has sold more than 15,000 bulbs.

PRIZM

Prizm is a smart music player, launched in Paris, that you can plug into any speaker. It considers a number of factors—time of day and day of the week, who is in the room and what their music preferences are—then works like a personal DJ. It’s invite only, and there are only a limited number of units, giving it an exclusive, cool factor that is set to drive explosive sales once it’s in wider release.
MAPLE

MAPLE
Providing top-quality meals to hungry New Yorkers at the touch of a button, Maple is a next-level food delivery app backed by David Chang and other top New York City chefs. Focusing on efficiency and offering just the right number of meal options for lunch or dinner, Maple is primed to break out of Manhattan and move into every major city in the US.

PROJECT SEPTEMBER

PROJECT SEPTEMBER
Project September’s highly visual, wordless interface allows users to share and shop from their smartphones—imagine a shoppable, digital fashion magazine where you’re the editor in chief. Users can even upload their own images and transform them into inspiration boards and earn commission on sales. Project September is brilliantly bridging the gap between social sharing and buying. It’s forged partnerships with more than 5,000 brands including Coach, Lacoste, and Lord & Taylor. Project September is a portent of what the future of online shopping and fashion will look like.
ORCHARD MILE

Orchard Mile’s founders believed there was a lack of luxury in the e-commerce space and set out to tap into the high-touch customer service of boutique shopping while offering a wider breadth of designer merchandise in one carefully curated place. The brand’s social content is extremely successful, such as “Walk the Mile”—in which influential women share their favorite destinations and their packing lists—and cleverly aggregates social reach while providing apparel inspiration in a natural, light-hearted way.

STHALER / FINGOPAY

Fingopay, invented by British tech company Sthaler, is a biotech payments system that builds a 3-D map of the veins in your finger to create a (truly) “personal key.” It replaces the need for PINs, passwords, and even cash, allowing customers to pay for goods with just a finger. It’s already used by 80,000 ATMs, and considering that the company is working with Europe’s biggest financial services companies to bring this safe and secure payment system to music venues, transport operators, university campuses, and supermarkets, Fingopay is poised for widespread adoption.
We draw an analogy between breaking the sonic barrier and business growth. Why? Because sonic barrier describes the sudden increase in aerodynamic drag experienced by an aircraft when it approaches supersonic speed. And when it breaks that speed barrier, sonic booms generate enormous amounts of energy, sounding just like an explosion.

One might say that this resembles what is frequently happening in today’s market: entrepreneurs who are bold enough to challenge the conventions of entire categories are accelerating their businesses’ growth so quickly that, when news of them hitting their first billion-dollar valuation breaks, it must resemble the sound of a sonic boom, both in volume and reach.

Right now, the world is resonating with the sounds of trailblazing brands that have broken through: Airbnb turned the hotel category on its head, Tesla challenged decades of automotive conventions, the likes of Uber and Lyft have dared to reinvent personal transportation, Snapchat changed the way people connect socially, and Pokémon Go needed no more than a few weeks to engage millions of people and businesses around the world in a hunt for fictional cyber creatures.

The questions are: What separates the businesses that do break through the growth barrier from the ones that never reach it? And what is that powerful fuel that helps them accelerate fast enough to make it through?

Over the course of our 40-plus years, Interbrand has worked with some of the world’s largest Fortune 100 companies and most agile startups alike. Looking at the ones that were
extremely fast to reach and sustain an impressive level of business growth, the very same—and (as with most good things in life) very simple—growth formula applied. Let’s look at how some recent sonic boomers did it:

A CLEAR SENSE OF PURPOSE
A RELEVANT OPERATING MODEL
+ A POWERFUL CUSTOMER EXPERIENCE

BRAND AND BUSINESS GROWTH

You need to be crystal clear on the meaningful impact you want to see in the world—and why. Whether it is the ambition to dramatically improve a product, a service, or an entire category, be relentless in defining the story that lives at the core of your business and brand—and message it over and over again, since it will become a filter people use to judge the authenticity of everything you do.

Then you need a design and operating model that speaks to the people you’d like to call your customers. Uber’s business is built on a technology platform that makes transportation easy and seamless. Warby Parker designed an initial operating model that substituted expensive retail locations with free product trials. Find out what the operating model is that allows you to scale, quickly.

At the end of the day, the rate of growth you’ll reach will depend on the quality of the experience you provide. It’s not news, but not less true today than it has been before, either. You have to make sure to invest in and focus on the experiences that truly matter to people and inspire them to engage over and over again.

That sounds rather simple, doesn’t it?

Then why do 80-90 percent of startups fail?
Making it real is pretty hard, after all. And so many businesses (existing and new) fail to replicate this formula. This is mainly because of three growing pains that keep them from reaching their full potential:

1. **LACK OF FOCUS**

Very often, organizations—even when they’re still small or only comprised the founders and their initial team—lack a shared focus. Too often, they try to be too many things to too many people. And while they go down that road with the best of intentions—to cover more segments, to play in more categories, to generate more revenue streams—it is very rarely a successful path to explore in the early stages of a business venture. If the brand is not clear on its own purpose, customers won’t be either.

2. **LACK OF ALIGNMENT**

Another growing pain on the path to success is missing processes and structures that are necessary for an organization to rally the right troops around the right table at the right times. Much energy is being wasted on the inside with redundant meetings and talk, while people on the outside are waiting for the “next big thing.” Internal processes are needed (and are often important to hedge risk), but in order to thrive in today’s hypercompetitive world at the speed of life, organizations need to allow for iterative exploration, beta testing, and faster decision-making. Take a look at Google: It’s a big (i.e., real big) business that has scaled lean startup principles to hit the ground running and power right through the growth barrier.

3. **LACK OF ACTIVATION**

The third obstacle to accelerated growth is a too-superficial understanding of what it takes to bring a brand to life. We live in a world where the degree to which customers engage in (and talk about) the experience you provide them defines the degree and longevity of your success. And while the number of potential touchpoints and the changes you can make to them can be overwhelming, it is absolutely critical to identify what the most relevant experiences are for your audiences. Once you know, relentlessly prioritize them—in user Experience (UE) design and activation, and create a seamless connection between them. Too often, the excellence of a few selected touchpoints is sacrificed in order to maintain the
mediocrity of too many.. While being present is important, emerging companies must be good at creating hallmark brand experiences that stick with people. Apple understood that early, when it invested heavily in its stores. Uber has gained traction by continuously improving its app. And today, Breakthrough Brand Shinola is following this formula by relentlessly focusing on the quality and durability of its product. What are you prioritizing as the signature experience of your brand?

Of course, doing all these things right takes discipline—which does not always come easily during the early growth stages of a potential new breakthrough. Priorities shift, people change, the market turns, the competition reacts. It is challenging for many Breakthrough Brands to keep the eye on the prize and not get distracted.

For exactly that reason, we have developed the Interbrand Accelerator—a service that helps companies at all stages successfully navigate the most critical moments of their growth and alleviates the above-mentioned growing pains.

The Accelerator combines a proprietary analysis of ten key growth factors (including the five measures of a Breakthrough Brand) and features a data dashboard that sources leading indicators, fast-moving metrics, and customized data to spot and visualize opportunity areas. The information is used to align key decision-makers around a shared set of strategic priorities, and to identify the most urgent and impactful actions the business can take in order to create a holistic, connected customer experience that’s hard to resist.

This is a powerful tool for the next generation of business leaders who are keen to align their organizations around delivering a coherent brand and to rapidly capitalize on opportunities for business growth.

And when the next big boom echoes through the industry, signaling a new brand breaking through the growth barrier, who wouldn’t rather be the person in the pilot seat?
THE RIGHT TIME TO IPO

TOM FARLEY
President
The New York Stock Exchange
As President of the New York Stock Exchange (NYSE), I’m fortunate enough to work with many of the world’s leading companies as they conduct their initial public offerings (IPOs). Our team has helped innovative companies, from small cap to mega cap, across all sectors successfully complete IPOs in a variety of market conditions, and I frequently speak with private companies who are working up to that milestone. It’s challenging to pinpoint the right time to go public, particularly in the current era where we’ve seen market volatility crop up suddenly and often without warning. While the right time is different for each company, there are a few common traits that IPO-ready companies share.
6 SIGNS YOU’RE PROBABLY READY TO GO PUBLIC

1. YOU CAN ACCURATELY FORECAST FINANCIAL PERFORMANCE

Accurate financial revenue and cost projections are a crucial component of a business strategy and play a key role in a company’s success, particularly as a public company with institutional shareholders. Missed projections can have a sizable impact on a company’s valuation and ability to raise debt or raise equity capital again. Accordingly, developing accurate forecasting and budgeting functions while your company operates privately is an important step in proving the accuracy and consistency of your financial reporting to gain credibility with investors. You’ll be expected to share records of historical financial statements and forecasts during the IPO process. Your company’s underwriters could recommend a precise number of years for which you should have audited records.

2. YOU HAVE THE RIGHT EXECUTIVE TEAM IN PLACE

The team that has led your company through its rapid growth until this stage may need to adjust in order to lead the company once it’s public. Do you have public company experience in your C-suite? Are they the team to take growth to the next level? Planning your organizational structure in advance of going public can help add stability and efficiency when it comes time to expand and introduce new employees to the organization.

It’s important to think about your team structures, roles and responsibilities, and lines of reporting ahead of your IPO. For example, you’ll likely want to focus on increasing your accounting and finance staff, and possibly developing more of a focus on external communications. One particular area you may not have had to consider as a private company is your investor relations (IR) team. You’ll want to have an experienced IR officer or possibly an IR consultancy in place, along with a robust IR infrastructure that enables your company to effectively communicate with the market.
3. THE COMPANY REGULARLY CLOSES ITS BOOKS ON TIME AND IS AUDIT READY

You’ll want to be in a position to consistently close your quarterly financial statements on time prior to going public. Even companies backed by private equity and venture capital that provide regular reporting to their board and sponsors can find the extra rigor of preparing full financial statements challenging at the beginning. Going through this exercise in advance helps you prepare for public reporting obligations and may unearth needs for additional staff for reporting, internal controls, or other areas related to financial planning and analysis.

As a regulated public company, you’ll be subject to regular accounting audits. To prepare, it’s a good idea to conduct a number of internal audits before your IPO. The auditor will review your financial records and internal controls to identify any potential issues and outline solutions.

4. YOU HAVE REALISTIC VALUATION EXPECTATIONS

When your company enters the public equity market, your valuation may be impacted by the price/earnings multiples of your publicly traded peers. Your financial sponsors and underwriters will evaluate the valuation environment to help you set realistic expectations. The market conditions at the time you conduct your IPO will have a bearing on what valuation level can be expected initially, and then your performance as a public company will help establish your valuation over the long term.

5. THERE’S A COMPELLING BUSINESS CASE FOR GOING PUBLIC

The obvious reason for going public is to gain access to capital markets and establish a currency for raising additional capital, conducting M&A, and rewarding employees with equity-based incentive compensation. In addition, the capital raised through an IPO can be a critical source for funding research and development, new products, capital expenditures, acquisitions, and ongoing operations. An IPO is seen as a major milestone in a company’s evolution, and becoming publicly traded is often seen as a strong indicator
that your business is able to satisfy stringent compliance and governance standards. And of course, another incentive for taking your company public is to offer your early stakeholders liquidity and the chance to realize a return on the risk they took to invest in building and growing the business.

6. YOU HAVE A CLEAR, STRATEGIC ROAD MAP

Your strategic road map will guide your company’s investment story. It explains your business in a compelling way while also providing a clear strategy and operating plan for growing the business to provide the investment returns that prospective shareholders expect from a public company operating in your sector. When you go public, your strategy will drive the investment case and articulate management’s vision for the future.
KEY CONSIDERATIONS BEFORE GOING PUBLIC

The process leading up to your IPO is extensive, but preparing early and thoroughly can make all the difference. For more in-depth information about going public, we created the NYSE IPO Guide, but a few initial considerations are below.

FOCUS ON GOVERNANCE.

It’s typically best to start filling out your board eighteen months to two years before you plan to go public. As you’re building your board, keep in mind that you’ll want to include a diverse range of experts with executive and/or governance experience. Board requirements for public companies include having a majority of independent directors, implementing an audit committee that is made up of a minimum of three directors who meet financial literacy and independence standards, as well as having a committee of independent directors charged with compensation and corporate governance standards, among other requirements.

BEGIN PLANNING FOR FINANCIAL REPORTING A YEAR AHEAD.

There’s a lot to accomplish as you prepare for public reporting. Our IPO Guide has more in-depth considerations, but here are a few tips to remember:

START BY LOOKING AT YOUR COMPANY HISTORICALLY, WITH THE INTENT OF AUDITING AND SOLVING ANY EXISTING ISSUES.

Next, look at your company’s current routine. Ensure your financial quarters close at standard times for public companies; if necessary, look at companies in your vertical to see when they’re reporting. And understand the expectations of analysts in your sector to ensure you’re prepared to report on the metrics investors use to understand your business.
HOLD MOCK EARNINGS CALLS.
The old maxim “practice makes perfect” definitely applies here. How your company reports periodic earnings results and explains its performance and outlook can have an impact on your stock price. To help prepare for this crucial form of market communication, practice both the prepared remarks of an earnings conference call as well as the Q&A portion of the call.

ESTABLISH COMMUNICATIONS POLICIES, ADHERE TO REG FD, AND MANAGE YOUR ONLINE PRESENCE.
Compliance with Reg FD (Regulation Fair Disclosure) is mandatory and critical to any company’s compliance with securities law. In addition to reviewing the information you disclose, be prepared for investors and broker analysts to research each member of your management team as well as the board directors. It’s important to do your own Internet searches—at least two or three pages past the initial search results page—to determine what information is in the public domain with regard to your team. Similarly, be sure sufficient information about your team is available on your corporate website, as this is a primary channel for investors. And, of course, you’ll want to consider social media profiles and how your employees are representing the company in those public channels.
BUILDING BREAKTHROUGH BRANDS IN A DIGITAL AGE

ALEX LIRTSMAN

Founding Partner & Chief Strategist
Ready Set Rocket
In today’s digital-centric world, it’s crucial that brands learn how to adapt and adjust quickly while staying true to their values and DNA. With new channels for reaching and engaging consumers shifting as rapidly as customers’ expectations, brands have the ability to launch products, reach new audiences, and build awareness with unprecedented speed and efficiency. While technological advancements are constantly shaping brand goals and redefining the consumer experience, Breakthrough Brands leverage technology, instead of letting technology define them.

In this new paradigm, the way brands measure brand strength, build brand equity, and optimize their marketing efforts are transforming on an almost daily basis. When working with our partners at Interbrand, Facebook, and the New York Stock Exchange (NYSE) to define Breakthrough Brands, two key patterns emerged from truly Breakthrough Brands: they were all customer-centric and comprehensive in approaching their touchpoints. While yesterday’s lean and Minimally Viable Product (MVP) models might have allowed brands and products to get to market faster, for newly emerging Breakthrough Brands, time-to-market is just one of the components. When it hits the market, the entire customer experience should be a requirement, not an afterthought.

At Ready Set Rocket, we obsess over the balance between agility and thoughtfulness. Neither should be compromised in building a Breakthrough Brand. This starts with assessing areas that are truly critical to growing the brand, and with having a measurement strategy in place that is both insightful and actionable. Everything else is a distraction.

Leveraging this approach, we observed that transformative Breakthrough Brands excel in understanding and focusing their efforts on these four areas: brand, audience, communications, and technology optimization.
With an increasingly saturated and diverse competitive landscape, more discerning consumers, and dwindling attention spans, brands must truly stand out in order to break through. To do this, the core values and mission of the brand should run through all aspects of its on- and offline existence, from customer experience and brand messaging to the overall aesthetic.

Breakthrough Brands excel in three core areas: brand promise and differentiators, visual design and aesthetic, and brand marketing and awareness.

BRAND PROMISE AND DIFFERENTIATORS
The brand promise and differentiators should be consistent, clear, and fully integrated into all content and messaging throughout a digital ecosystem. Websites, applications, blogs, and email must align with this promise, and the experience at every single touchpoint should deliver on it. For Breakthrough Brands, this extends beyond purchase to include the entirety of the customer service experience.

VISUAL DESIGN AND AESTHETIC
Establishing a unique and distinguishable aesthetic across all online and offline channels is vital. This allows the brand to flex across today’s multichannel landscape without becoming diluted or incoherent. Marrying design with brand values is crucial in our highly visual world, and when executed correctly, strengthens the consumer’s desire to interact and associate with the brand.

BRAND MARKETING AND AWARENESS
Consistency, consistency, consistency. True Breakthrough Brands understand that every consumer touchpoint is an
opportunity to shape perception and future purchase intent. Leaders establish an ongoing platform for brand marketing that integrates all touchpoints with separate Key Performance Indicators (KPIs), budgets, and objectives—all ultimately connecting back to a single set of overarching brand goals. Structures like these ensure that awareness and marketing efforts combine with an amplifying effect, resulting in a consumer draw stronger than simply the sum of its parts.

AUDIENCE

Strong brands go far beyond knowing their targets; they establish and maintain a high-level understanding of their customers and how they behave across a range of channels. With today’s consumers existing in numerous digital spaces at once, understanding the customer journey and every relevant touchpoint with your brand is the new Breakthrough Brand requirement.

When evaluating the status of a brand’s audience efforts, there are three key areas to address: customer journey and segmentation, loyalty and lifetime value optimization, and Customer Relationship Management (CRM) and messaging.

CUSTOMER JOURNEY MAPPING AND SEGMENTATION

For a brand to maintain an intimate understanding of its consumer, customer journey mapping and customer segmentation must go hand in hand. Once the entirety of the experience between a brand and its audience across all touchpoints is established and understood (customer journey mapping), the overall customer base must be divided into specific and relevant targets (customer segmentation). These efforts are crucial to understanding the purchase process and post-purchase behavior, which ultimately allows breakthrough brands to anticipate and plan for future consumer decisions and turn customers into advocates.
LOYALTY AND LIFETIME VALUE OPTIMIZATION

Customer loyalty is critical. The strongest brands develop programs and campaigns early on that move a high number of prospects to purchasers, and then to loyalists and brand advocates, in a short period of time. Successfully doing so is dependent on marrying the emotional connection a consumer has to a brand with customer journey mapping and timely messaging across all touchpoints.

CRM AND MESSAGING

Modern brands should be able to leverage their customer and prospect data with ease, allowing for a complete understanding of individuals and segments. Doing so not only informs targeted and timely messaging, but allows personalized and optimized interactions with prospects and consumers that become incredibly relevant. Modern consumers crave authentic experiences, and one-to-one messaging and experiences ensure brands can close the gap between themselves and the consumer.

COMMUNICATIONS

A strong communications strategy not only drives brand visibility and sales, but also strategically connects the brand with its target audience and segments. Great products and services can only scale with a properly defined and executed communications strategy. There are no shortcuts in reaching customers at scale. Paid, earned, and owned media need to be working together and firing on all cylinders to help outstanding brands break through.

PAID

While tactically, paid media consists of efforts like paid search, display, retargeting, and paid social efforts to promote content and drive traffic to owned properties, it is the way these various efforts work together that ensure brands break
through and maximize ROI. While paid media tactics are typically optimized against conversion events, Breakthrough Brands leverage them to impact every part of the customer journey and track success against the part of the journey they optimize.

**EARNED**

Breakthrough brands can earn word-of-mouth through quality, innovation, and relevancy. A distinctly high-quality product and experience that disrupts the marketplace is bound to generate word of mouth with consumers eventually. To expedite this effort, Breakthrough Brands leverage technology in innovative ways to solicit customer advocacy and drive exposure through press efforts. Lastly, being agile enough to participate in key cultural moments in real time is a strong way to differentiate and gain attention, particularly in today’s extensive social ecosystems.

**OWNED**

The key to a successful channel strategy is ensuring that you are accounting for how your content will come to life across all of your owned properties: website, social channels, app, newsletter, etc. It’s difficult to strike a balance between wanting to get the most out of a piece of content and ensuring that you’re optimizing the content for the channel you’re delivering it on. Breakthrough brands have a deep understanding of the nuances of leveraging their various owned channels for maximum engagement and exposure.

**TECHNOLOGY**

The means of analyzing the customer journey, measuring insights, and connecting with consumers are constantly in flux. With the emergence of new platforms and shifts in customer behavior comes the need for brands to leverage technology to adapt to ever-shifting priorities, instead of letting technology define the constraints of how brands engage with their customers.
ANALYTICS

Breakthrough Brands truly know their customers across devices and channels. They can not only measure touchpoints across their ecosystems, but can derive insights and make actionable decisions with ease. This is not about leveraging complex and expensive analytics platforms, but about defining and focusing on relevant KPIs across the entire customer journey. Everything else is noise.

ADAPTABILITY

The customer should be at the forefront of every technology decision made in the organization. Technology serves as a competitive differentiator in providing a superior experience and empowering the brand to better connect with audiences. As brand needs adapt, building entrenched and enterprise platforms is quickly becoming a barrier to growth for Breakthrough Brands. Breakthrough Brands understand that rapid iteration is only possible when your commitment to a solution is not entrenched. For most brands, this is impacting both the build vs buy and enterprise vs open source decisions in their technology stacks. When it is easy to shift technology decisions based on market and customer needs, brands can truly iterate to better serve their customers.

USER EXPERIENCE

No brand can thrive without prioritizing its user experience across all devices. As mobile has overtaken desktop usage, it’s not enough to create experiences that are mobile-centric, they also need to be fast and made for the on-the-go consumer. Complex transactions, from purchasing to banking to product research, need to be streamlined and anticipated, leveraging technology to anticipate and enable the multichannel customer-first experience. Today’s customers expect a seamless and thoughtful experience throughout their entire interaction with a brand—from research to purchase to customer service—Breakthrough Brands deliver on that promise in any medium.
CONCLUSION

Digital has forever transformed the traditional strategies, structures, and economics of marketing. The traditional touchpoints through which brands even a few years ago reached consumers have been turned on their heads. Incumbent brands that could once just put money behind brand awareness and conversion efforts at a few reliable points along the purchase funnel and expect sales and lifetime loyalty are facing significant competition and general customer apathy. This new competition is coming from both the innovations of age-old competitors as well as from upstarts that can more effectively capture new customer preferences.

Modern consumers armed with ample choices expect to interact with brands as easily as they can hail an Uber. They also don’t just expect customer service to treat them well, they expect the brand to be a customer service organization. Anything falling short in meeting customer expectations and evolving trends presents opportunities for Breakthrough Brands to capture market share and, in some cases, create and upend markets. Building a better mousetrap is not enough to be a Breakthrough Brand—it requires authenticity, optimizing every touchpoint, and putting the customer first consistently.

What sets Breakthrough Brands apart from other promising up-and-coming brands is their ability to leverage current technology, prepare for change, and balance innovation with core values. In a time when thousands of brands are doing a variety of things well, Breakthrough Brands excel in the areas that matter and understand the specific balance their brand requires to accelerate and maximize growth.

Where things are headed is hard to say. Technology is growing at an exponential rate, meaning the norms of today are soon to be outmoded. Augmented and virtual reality are on the cusp of going mainstream. Artificial Intelligence-powered messaging is being refined, enhanced, and used more and more frequently to better connect brands with consumers. 3-D printers, on-demand products, and the entire shared economy is transforming not just the customer journey but what’s at the end of it. Change is the new constant, and brands that can capitalize on new developments, adapt to them, and learn to get ahead of what’s coming next while staying true to their DNA are the brands that will breakthrough. We hope you are building one of those brands, and are excited to see you on the other side.
THINKING LIKE A BREAKTHROUGH BRAND

JUDY LEE
Head of Brand & Creativity, North America
Facebook
Consumers today are marketed to more than ever. They’re bombarded every moment with messages for websites, apps, content. That much choice means opportunity, but it can also mean noise.

However, some companies are not only surviving, they’re breaking through the Growth Barrier. Breakthrough Brands grow fast, get big sales, and garner headlines. They’re companies who had marketing as part of their strategy from the very beginning, and they seem to innovate every step of the way. How do they do it?

Learning what makes a Breakthrough Brand stand out, and applying those lessons to your own business, can revitalize your marketing and lead to more growth.

It’s never too late to break through.
MOBILE-FIRST MINDSET
It used to be enough for a business to have a mobile-friendly website, or emails that looked good on smartphones, but today’s Breakthrough Brands are built from the very beginning to be mobile. Think trailblazing brands like Uber and Lyft. Reaching a mobile audience has been central to their success.

Geography, infrastructure, and distribution all go away in a mobile-first world. This plays to the strengths of Breakthrough Brands, but how can you take advantage of a mobile-first mindset, even though you might already be an established company? What aspect of your business most easily lends itself to mobile?

HAVING A BOLD VISION
A mistake that’s often made when discussing Breakthrough Brands is equating innovation with a faster way of doing something. Speed is important, but if you’re headed in the wrong direction, going faster will only get you to the wrong place in a shorter amount of time.

Breakthrough Brands succeed because of a singularity of vision that can be owned by only their company. Other former breakthroughs like TOMS, Warby Parker, and Out of Print clothing embody this concept. Philanthropic efforts have been part of their missions from the beginning.

Being purpose-led gives Breakthrough Brands a clarity that’s lacking at companies who only care about market share or quarterly profits. But that kind of vision can’t be focus-grouped or tacked on after the fact. It’s not a PR strategy, marketing angle, or empty slogan. It has to be bred into a company’s DNA from the beginning. When it’s not, consumers will smell a fraud.

THE NEW MARKETING
Traditional advertising—which used to exist in silos and was defined by the marketing funnel—is breaking down. It’s no longer about brand versus performance, marketing versus sales, consumer versus shopper. Breakthrough Brands are blind to these distinctions and, instead, see one funnel and one person moving through it. Their ads are not mere product announcements or promotions designed to shout the loudest. Instead, the new marketing consists of campaigns that are
smartly targeted, well-crafted, and designed to drive meaningful action.

These ads don’t happen by accident. For every new campaign, emerging brands develop smarter strategies by testing a number of variations of copy, image, and ad type to hone in on what works best. Concept A or B? Stacked vertically or horizontally? These are real-time tests being decided in days rather than weeks. Brands like this understand that sometimes the idea is right but the execution is wrong, and so they test and iterate until they get it right.

Other Breakthrough Brands expand the very notion of what marketing is. For Breakthrough Brands in the apparel category, anything that has to do with the brand—even the fulfillment and shipping of their physical product—is treated as marketing. They also use traditional avenues, such as bricks and mortar locations, to build relationships in person. Not all breakthroughs are purely digital.

**CONNECTING THE WORLD**

Twenty years ago, less than three percent of the world’s population had a mobile phone and less than 1 percent was online. Today, two-thirds of the world’s population has access to a mobile phone, and one-third of all humans are able to communicate on the Internet. By 2018, it’s expected that 3.82 billion people will be connected to the Internet.*

For creatives and marketers, a more open and connected world means being able to tell their story in every corner of the globe—to the right people, at the right moment, and on any device. For Breakthrough Brands, this newfound connectivity means they can instantly reach audiences, both global and local. In fact, more than 70 percent of businesses that advertise on Facebook are outside of the US.**

In India, a woman quit her job as a software consultant in order to start her own business making traditional floral headdresses for brides. At first, Kalpana Rajesh was Pelli Poola Jada’s only employee. But business boomed after she posted photos of her creations to Facebook, and today the company has 45 branches and 250 employees, all of whom are women.

**DISRUPT OR DESTRUCT**

As Steve Jobs famously said, “If you don’t cannibalize
yourself, someone else will.” The brands that have broken the growth barrier, as well as the Breakthrough Brands that are currently redefining various industries, prove that it doesn’t take huge amounts of capital to innovate or cause disruption. And more like them are being created every day. You can learn from the success of these growing brands, or become a footnote in whatever industries tomorrow’s Breakthrough Brands disrupt. The choice is yours.


**Facebook Internal Data: Q1 2016
Interbrand Breakthrough Brands are changing the way we see and interact with the world. This report highlights the next generation of world-changing brands—the startups, upstarts, challengers, problem solvers, innovators, and category creators.

Every successful new startup or brand provides a solution to a modern problem. Breakthrough Brands provide more than an interesting solution, they’ve also crafted a brand experience that amplifies their value to customers and makes them increasingly integral to people’s everyday lives.

To identify a global list of Breakthrough Brands across industries, we assembled an international collective of influencers who are passionate about finding, spotlighting, and fueling emerging brands. The brands featured in this report have been nominated by this network of chosen influencers. These individuals are leaders in their fields who have demonstrated a discerning, forward-thinking perspective on the brand space. As thought leaders and change makers, they have been naturally drawn to the new and truly innovative brands that, even in their infancy, show tremendous promise. With direct insights into international markets, these influencers bring a truly global perspective to our Breakthrough Brands Report—and the future of growth for the world.
CRITERIA

When choosing the brands featured in this report, three criteria have been kept firmly in mind:

1. CHANGE
Is the brand answering a unique need in the marketplace in an ingenious way? Or is it generating an entirely new experience that customers didn’t even know they wanted? Breakthrough Brands are industry disruptors that change the way we think about doing business in a particular vertical—they’re faster, cleaner, or more efficient in their groundbreaking use of technology. They use or create entirely new business models—ones that are, in some cases, widely adopted by big and small brands alike. They create new technologies and set the pace of innovation for the rest of us.

2. GROWTH
Is the brand driving business growth and evolving the marketplace? Breakthrough Brands aren’t just brands with good ideas; they’re successful businesses. They’re growing at an enviable rate, stretching into new product categories, spinning off new solutions, expanding globally, and attracting top talent. Breakthrough Brands are shaping the market, wherever they are.

3. BUZZ
Is the brand driving engagement or capturing attention? These are brands that are starting conversations and are at the center of others. Customers are excited by what they’re doing: they read about them in the press, share news on social, and want be a part of the brands’ growth stories. They’re also gaining attention from investors in the form of capital and hype among those in the know. The media covers them because their innovation, success, creativity, and influence are interesting and relevant to the world at large.
SELECTION PROCESS

After our influencers made their nominations, our team of in-house analysts researched each brand in detail, aggregating all available information about their histories, business models, media mentions, and growth. Taking this information as a whole, they synthesized key themes and categories and placed the brands that best reflect each therein. This report is designed to be both a cross-section of future growth in the brand space and a curated collection of the most exciting new brands from around the globe.

WHAT THE INTERBRAND BREAKTHROUGH BRANDS REPORT IS NOT

This report is not a definitive list of every brand that could and should be considered “breakthrough.” Our analysts have considered hundreds of brands and have found no shortage of interesting solutions, stories, and products. But their edict is clear: Breakthrough Brands need to be new, innovative, inimitable, and successful—and push past many others. They are standouts and are, or are about to be, a benchmark or a true original.

It is not an exhaustive list, but it does include the brands we believe are best positioned to make an impact. They are the ones that someday—perhaps soon—could be considered Best Global Brands.

THE FIVE FACTORS FOR GROWTH: MEASURES OF A BREAKTHROUGH BRAND

There are ten key factors to building and growing great brands over the long term, all of which are equally important and represent defining characteristics of the world’s most successful brands—and the Best Global Brands. However, the brands featured in this report are breaking through the
Growth Barrier—they are the ones that will impact future generations, define progress, and change their markets and categories. To do so, these up-and-comers necessarily need to focus on five key factors—the ones that are essential to building a brand and growing a business in the Age of You: clarity, relevance, differentiation, presence, and engagement.

Breakthrough Brands are top performers in each of these five focus areas. It’s what’s enabled them to introduce a solid business platform, build a brand on top of it, and deliver an experience that’s closely connected to the core concept and widely resonant. By developing a forensic understanding of themselves, their audiences, and their markets, and generating the creative fuel that will lead to long-term growth, these brands have broken into the spotlight, staked claim in audiences’ ecosystems, and secured a spot in our inaugural report.

**CLARITY**

Great brands start from within. Organizations need to develop internal clarity, not only about what the brand stands for—its values, positioning, and proposition—but also about its target audiences and what drives them. This is particularly important for growing companies, which can and should use their brand’s values, mission, and proposition to inform business decisions.

Understanding what drives target audiences allows brands to more efficiently focus their efforts on appealing to them. It’s about more than just analyzing traditional demographic stats and psychographic data; in order to be clear about who their customers are and how they plan to engage them, brands need to develop a deeper, more intimate understanding of their audiences. Furthermore, in an age in which employees—particularly younger ones—want to work for organizations that are building toward the future with a clear purpose, clarity becomes vital for talent acquisition and retention.

**RELEVANCE**

Growth starts with a smart business model. Whether disrupting an existing market, creating a new category, or entering a new market, a brand cannot sell a product or service if it does not align with consumer needs and desires. These brands are convincing customers that something new
or different is relevant: that it will make their lives easier, more enjoyable, more comfortable, more secure—in a word, better.

While successful emerging brands can satisfy an existing need or desire, the most impressive ones create new needs or desires to which their products and services cater. By generating demand instead of displacing it, these brands are creating the categories of the future. Instead of scrambling to stay ahead, they will shape the landscape and create relevance.

DIFFERENTIATION

Brands need to drive choice in order to grow. Even if a company’s products or services are relevant, it’s a unique proposition and distinct brand experience that convinces audiences to choose one brand over others.

This is particularly important for the growth of emerging brands, which are competing first to be noticed, then to be chosen over the competition. Without a unique selling point, consumers have no reason to switch from an existing brand that they are loyal to or to experiment with something new that they didn’t know existed—or didn’t know they wanted or needed. It is often this unique proposition, and experience a brand delivers on top of that, that builds consumer perception and, if done right, will drive demand. The brands that clearly communicate their distinct stories are the ones that stand out—and break through.

PRESENCE

In the customer-centric Age of You, brands need to be everywhere its audiences are. If a brand is not omnipresent in the mind of consumers—and talked about and perceived positively—then it is going to be difficult to break through and become a successful business. A brand’s clarity of values, proposition, and purpose; its relevance to consumers; and its differentiated offerings—all of this needs to be communicated to audiences and reinforced across multiple channels and touchpoints.

It used to be that being present in traditional media would be enough. But by investing in traditional media alone, emerging brands may miss out on crucial audiences. Nontraditional, digital media is essential for emerging brands: it often has a
lower barrier to entry and offers access to younger, broader audiences. By maintaining a digital presence, brands and their marketers can react in real time to events and engage in direct conversations with their desired audiences.

Which leads us to our final growth factor for these emerging brands:

**ENGAGEMENT**

A brand can have clarity and be relevant, differentiated, and ultra-present, but if consumers don’t show a deep understanding of, active participation in, and a strong sense of identification with the brand, the rest doesn’t matter.

Engaging audiences is not about one-way conversations—today’s consumers don’t want to be talked at, they want brands to see them eye to eye and to be able to communicate their needs back to the brands. Often, they want to feel as if they have a say in the direction of the business or, at least, feel like their thoughts, feedback, and concerns are being heard. Holding two-way conversations is how the emerging and successful brands of the future will build a loyal customer base and drive up their margins. Mutual engagement creates a feedback loop, providing even greater clarity about audiences’ needs and desires—and about customers’ perception of the brand—allowing growing brands to continuously refine their products, messages, and experiences.

There is more to building a successful business than the above, and there will be additional considerations as emerging brands begin to mature. Still, these five factors are crucial for building a successful brand that will not just break through, but will stand the test of time and do what all of the best global brands do: drive choice, engender loyalty, and command a premium.
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