Update: Facing the Forces of Change®

Plans, Findings and Suggestions
Our Goals for Facing the Forces of Change® 2019

1. Envision the distributor as a platform for innovation and enable leaders to become masters of business transformation

2. Work to reposition *Facing the Forces of Change®* as a platform for change through more continuous sharing and active engagement

3. Begin to tell distribution’s story around contributions to our economy and the future of business as leaders and innovators
We are moving towards continuous content creation, multimedia delivery and distributor engagement for feedback and priorities.

Associations:

- Social media and newsletters
  - Repurpose or create custom content
- Presentations and breakouts
- Webcasts
- Conversations and / or surveys on implications for members and line of trade
INTRODUCTION

Great movements start with a shared purpose, and there is evidence that a movement is percolating in wholesale distribution: leaders are rising to fight disruption by becoming innovators of business services. Distributors are not victims defending against the forces of digital technology and generational shifts. Rather, distributors are going on offense. By reimagining their business as a provider of value-creating services, distributors can be the essential partner for helping customers survive and thrive. Success is about reinventing how work is done and goals are achieved, and not just for customers. Innovative distributor services can transform how customers, suppliers, communities, and markets work. Distributors can be leaders in the digital age, but only if they master the forces of change and have a plan for creating innovations and shaping the future of business.

Associations:

- Working groups / task forces / committees focused on trends and use case development
  - Distributor members
  - Solution providers
  - Distribution’s stakeholders
- Motivation and messaging for next generation leaders
  - Aligns with values around “making a difference”
Key Finding: Distributor Innovations for Customers Enable the Future of Business and Position Distributors vs. Disruption

CONTENTS

PART 1: DEFINING DISTRIBUTOR-LED INNOVATION
- Help leaders create a vision and leverage best practices for creating a culture and process of innovation

PART 2: MASTERING THE FORCES OF CHANGE
- Identify > 40 discrete forces, each with a suggested purpose
- Organized as commercial, technology and human forces
- Suggestions for “painting from a palette of forces”

PART 3: KICKSTARTING PROGRESS
- Continuous improvement vs. business model innovation
- 25 ideas for kickstarting innovations from distributor experiences and brainstorming work sessions

Each part closes with five essential questions for applying the research and developing custom plans

Associations:
- Help members ACT NOW!
  - Guidance for leadership and innovation teams
  - Assess plans and progress
  - Create new ideas
    - Focus for continuous improvement
    - Consideration of business model change and start up opportunities
Discussions around the first challenge paper have led to additional findings and content on critical issues for distribution.

**Associations:**

- Create and facilitate discussions around leadership, strategies and required capabilities
  - Ideas for breakout sessions, working groups and proof of concept / use case development
  - Set the narrative and crowd source discussions through social media / hashtag strategies

- **Strategic thinking for non-linear markets**
  - Evaluation of virtual marketplaces as a challenge or opportunity

- **Strategic marketing as an essential capability**
  - Leveraging social media for meaningful results
  - Setting direction for data-based customer experiences

- **Required collaborations for innovation**
  - Intellectual property around services and experiences
  - Venture funding for early stage developments
  - Academics for artificial intelligence, additive manufacturing, etc.

- **Reinventing supplier partnerships**
  - Leveraging data with scale for artificial intelligence and more
  - Offering to build brands through managed customer experiences

- **The coming real-world renaissance**
  - Innovations between people in physical spaces
  - Distributors as “The Experience Store”
Acting as a whole, distribution must put forth a raison d'être to counter the awareness and momentum of disruptors

**DEFINING THE PURPOSE OF DISTRIBUTION IN THE DIGITAL AGE**

We are addressing this challenge with an ad hoc survey, interviews and brainstorming sessions to around three critical questions

1. What are our customers doing to transform their business (and profession) to survive and thrive in the digital age?

2. Given customer initiatives, what value can distributors offer to help define the future of business and advance customer progress?

3. How should distributors define (and communicate) the “purpose of distribution” in the digital age?

We will act on these findings:

- Share with distribution in the second challenge paper
- Help refine the content of the Facing the Forces of Change® report
- Create plans for an “innovation dashboard” for distribution

**Associations:**

- Join the cause
  - Field the survey with members and compare against other lines of trade

- Reap the benefits
  - Messaging around distributor progress and contributions for the B2B sector of our economy
  - Combined with “movement” messaging, help recruit and motivate next generation leaders
## Wrap Up and Resources

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<th>Resource</th>
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| *Creating Innovations and Shaping the Future of Business*  
  • 1st Challenge Paper | [www.naw.org/creating-innovations](http://www.naw.org/creating-innovations) |
| *CEO Insights on Innovating the Distributor for the Digital Age*  
  • Mark Dancer’s most recent publication from his series of reports on digital transformation for distributors | [www.naw.org/ceoinsights](http://www.naw.org/ceoinsights) |
| *Sign Up for the NAW Distributing Ideas Blog*  
  • Informative content for your newsletter and your members. Encourage members to sign up to get the latest distribution thought leadership | [https://www.naw.org/blog/](https://www.naw.org/blog/)  
  *Click on “read more” then enter your email and click “follow.”*
| *Distributors in the Digital Era*  
  • Find Mark Dancer’s posts on NAW’s Distributing Ideas blog at this link. | [https://www.naw.org/author/m-dancer/](http://www.naw.org/author/m-dancer/) |
| *Sign up for updates on Facing the Forces of Change®*  
  • Stay in touch for progress and plans | [http://info.naw.org/ftfc19](http://info.naw.org/ftfc19) |

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**Mark Dancer**  
Founder  
Network for Channel Innovation  
Fellow  
NAW Institute for Distribution Excellence  
847.840.1761 (M)  
mark.dancer@network4channelinnovation.com  
www.futureofchannels.com