**RedZone Podcast Episode #116: We Are Fairy Godmothers of the Modern World – with Deepa Prahalad**

Bill Murphy: 00:01 Hello and you are listening to Bill Murphy's RedZone podcast. I interviewed leaders who inspire me in the areas of exponential technologies, business innovation, entrepreneurship, thought leadership, enterprise IT security, neuroscience, philosophy, personal development, and more. Welcome to show.

Welcome back to the show everyone. This is Bill Murphy, your host of the RedZone podcast. I often wonder about the next 3 billion people that are coming on to the Internet. I mean, there's 3 billion people coming on to the Internet and we don't even realize it in the Western world. The only question businesses should be asking and you should be asking is, how do we serve the needs of that rising billions and then what about the billion that came on just in the past five years? Moving forward, there's an exponential growth and people coming onto this connected world that we're in. How can you take advantage of that? How can you serve the needs of that group of individuals? I mean, if you just figured out a way to help a billion people that will transform your business or transform your life, so it's time to think in a big way because my guest today is Deepa Prahalad.

Deepa is an author and an innovation consultant. She has worked with startups. She's worked with large multinationals and co-authored the book Predictable Magic: Unleash The Power of Design Strategy To Transform Your Business, which was selected by Fast Company as one of the best design books of the year. She's written for the Harvard Business Review, strategy and business; Business Week and was elected member of the International Academy of Management and is ranked number 34 on the inaugural Thinkers50 India list. I love Thinkers50, it's an amazing resource. Google it and you'll see what I mean. Just some of the best thinkers in the world are associated with that organization and she was recently selected by leadership guru, Marshall Goldsmith, into his “100 Coaches Program” from over 16,000 global applicants.
Rarefied air for sure. Deepa speaks on innovation and design strategy and mentors social entrepreneurs, and I might add social for-profit entrepreneurs and one of the organizations we talk about is ModRoof, an innovative sustainable roofing company in India. She has a BA in Economics and Political Science from the University of Michigan and an MBA from The Tuck School of Business at Dartmouth.

Here are the learning points you're going to get from listening to this conversation. Design is more than aesthetics. Most people think of design - as around the physical aspects of a product, but it's more than that, it's emotion. Then we talked about a story of how logistics can be impacted by looking at multiple disciplines. For example, we talk about a worldwide charity that delivers mosquito nets. They have a complete supply chain to delivers mosquito nets to populations that need to protect against malaria. Well, how is that similar to the US supply chain from a wood manufacturer, for example.

Asking those type of questions to develop similarities between problem solving. It's no longer enough to own your own corporate story. Customers have to help you tell the story. They have to tell the about your wins. The power of open-ended questions to build momentum around ideas and how it's not necessarily the idea, but the questions around the idea, where you build the momentum. I love this part that Deepa talks about. Information is no longer privileged, which is obvious, but next you are at the 10-yard line the imperative is to execute. If you've got access to the information and it's not privileged, now it's about execution.

Deepa talks about this other really great concept called the needs versus aspirations. If we're taking care of the needs, we've lifted a lot of folks out of poverty, billion out of poverty, but what are their aspirations? What are their aspirations moving forward as they climb the economic ladder? Asking that question and creating something takes optimism, versus when you need something. Deepa breaks that distinction down during the interview.

We talked about the hero's journey and the importance of emotion and the story that you're telling and that hero's journey. I also ask questions about nostalgia. How important is nostalgia? We talk about the ‘sweet spot’ between the past, the important past and the future. We look at how we develop that sweet spot that people love.

Finally, social entrepreneurship, with so many people coming online, the needs for large segments of the population to be served by entrepreneurs who want to bring products and services to those billions. How does that happen? How much does social entrepreneur think? It's a wide and varied conversation that you're going to love and I want introduce you now to my conversation with Deepa Prahalad.

Bill Murphy: 05:30 I want to welcome you to the show today.

Deepa Prahalad: 05:34 Thank you for having me.

Bill Murphy: 05:36 I would love for you to share with my audience a little bit about your journey as an innovation leader. How did this start? Is this something that that came naturally to you, Deepa, or did you really go down an academic route? Where did the inspiration come from, do you feel... is it from the way you were raised or just something that was just kind of a native instinct and a native love for this topic?
Deepa Prahalad: 06:03 Well, I guess I had a fairly unusual path. I really started out studying political science and economics, really interested in development, but more from the policy side. I was always divided whether I wanted to look at that from the point of view of business or really go into academia.

So, when I graduated from college, I decided to work abroad for a little while before deciding; and I went to Singapore and worked as a commodities trader for two years. I think that really opened up my eyes so fast that how powerful it is when both policy and business are aligned and how much of an impact they can make on the ground, on infrastructure, on education, on all of these things. I had the good fortune to travel around Southeast Asia and I think I ended up coming back and deciding to go to business school at The Tuck School of Business simply because I came to understand that organizations are really important partners in achieving any of the goals that development and government people set aside. I thought that would be a faster route and maybe one that was also more rooted in feedback. Because business really can't sit and decide. They have to engage in conversations and value is decided by both parties.
It's been an interesting journey and I actually ended up really exploring the design aspect. Again, with another stroke of good fortune, I met my co-author on my book, Predictable Magic at a dinner party. I really had a wonderful experience working with them over a period of years to see how design really has a profound impact and making sure that strategies are carried out in the real world.

Bill Murphy: 07:54 For my listeners, I think people have a perception about design thinking and I think it's all over the map. I'm not sure everybody really understands. Just for level set purposes, can you just define the way, how you give a definition for design thinking, and the way you think it should be interpreted from a business leader perspective?

Deepa Prahalad: 08:16 Well, I think design, most people's understanding really focuses on the aesthetics. That's absolutely important in kind of conveying the work then the diligence that's gone into whatever it is you're offering, but I think that there are two aspects to it. One is the creation of the physical design of the product or service. The other is really the narrative. Those two things really combine to create that powerful consumer experience that propels companies forward and allows them to share your story.

A company can't be the only one touting all of their great deeds. You really, today, need customers to help you tell that story. I think in order to do that you have to have a product or service and a narrative that's self-reinforcing. It doesn't mean that there's one singular price point or aesthetic that can deliver the benefit.

I think, now it's very interesting because we're extending that same thinking to a lot of social issues. Things like inequality, poverty. How do we begin to address those? That's where I think it's very interesting because design is really, at its base, a fundamental motivator of behavior change. That's where I think a lot of the interesting discovery will take place and will be the difference between companies that do very well and a lot of other people who provide functional but... products that don't really meet the mark, is really the difference in whether you're able to create an emotional connection with your story and with your product.
Bill Murphy: 09:53 As I was perusing your material, what I noticed about your work is that connection, that emotional connection between a product versus the functional utility value of a product. That emotional part, when did that click happen for you, that you're like, this is what it's about. When did that click happen?

Deepa Prahalad: 10:17 I think we all have it happen in certain ways without realizing that, oh, this was actually designed. I mean even in the simplest category, whether it's a pen or a pencil or whatever, there's something that feels like it works for you. It doesn't mean that it has to be delivered the same way for every consumer. I think a lot of this really…. you look at all these statistics on innovation, you see that 85 to 90% of products fail on the high end. The more optimistic counters say about 65% and that's even in established, mature markets where we know who the distributors are and we've designed the price points and safety standards. If you look at those things that click, what they do is they are able to create community, they create sharing – so, it's not a singular rewarding experience. It kind of helps me connect with lots of other people and I think that really great products and services help you create these shared experiences and conversations today and technology has only accelerated that.

It's really exciting to see how so-called ordinary products that are also starting to really understand that and the people who designed, Flip Cam for example, ended up going back and saying, well, we're going to do something with grilled cheese. And they said, well that's just one of the foods people have fond memories of. It could really be extended to almost anything.
Bill Murphy: 11:52 You know, it's interesting, I really... I made notes here as you're talking and you said it's not enough for the business to tell their story or whatever, the producer of the product to tell their story. Customers have to help you tell the story. What does that mean, the customers help you tell the story? Does that mean they're actually actively communicating or is that just your traditional testimonial, for example?

Deepa Prahalad: 12:16 Well, I think technology has changed the picture. It's not purely word of mouth. That alone, actually it's still one of the most effective, most monetizable types of marketing even today. If you really look, you see the way the customer journey has been evolved and people will do a lot of upfront Internet research, even if they're planning to visit the actual physical store. A lot of times they end up just ordering online. It's interesting, they'll end up going back online and keep looking at more reviews to validate their choice even after they bought it and they're happy with it, then try to help others make those decisions.
This is one of those things that is really interesting and you can see people forming communities around lots of different ideas, even whether it's instant pot, sharing all these... oh well, I figured out how to make yogurt in this. I figured out all of these different things, and that's just one example. If you really look, I think sometimes with companies today, their lifeblood is really innovation. It's so important to have that conversation because, by definition, innovation can't succeed all the time. Sometimes it's even more important to have people invested in your company and in your ideas when things don't work. If Apple has a flaw in its apps or anything else, there's this whole community of users that are writing a fix for it. Whereas many others may say, okay, you know what, I'm throwing this in the trash and I'm writing a bad review.

Bill Murphy: 13:54 Sure. Good point.

Deepa Prahalad: 13:57 Now today, I think companies, just like people, really need that community around them to help them call out missteps, and to help them decide on the direction to understand what has ended up being meaningful and valuable. It's a different conversation.

Bill Murphy: 14:17 It is. I run an innovation group here as a part of RedZone Media. It’s a community of CIOs and we meet for lunch and talk about these concepts. One of the interesting things I think people are struggling with, and this is also bridges into digital leaders, CIO, CTO, CSO's – is that they're able to straddle an entire organization and bcause they have access to the data and they're helping the stakeholders deliver on whatever the strategies for the business are. They're also one of the few departments that scale across the entire business. It seems like people are struggling to develop context around the consumer, the buyer, the community, the tribe... They want to develop that unique context instead of it just being a credit card transaction or someone just goes into the store - I call that a struggle, but is that the opportunity that businesses and NGOs and such are trying to do - create a deeper context and awareness around the buyer?

Deepa Prahalad: 15:14 Absolutely, and I think that understanding what's interesting is when you actually employ traditional design thinking methods. Although you may be studying one problem, you do end up getting insight into the whole kind of day-in-the-life context. I think this is one thing that's very interesting, that 30 or 40 years ago, top consulting firms, the people we thought of as thought leaders, what they really had was kind of privileged information and kind of some story and context around that. But today, I think that even an entrepreneur is able to use a lot of resources that are readily available and maybe not get the whole precision on it, but they can get 80% precision on what is the big opportunity, what's missing in the market.
Really, I think a lot of strategy has moved to that 10 yard line of saying, all right, well who can implement, right? I mean, we're all seeing these huge global trends. I think even... cab driver could tell you and anybody could look around and say, well there's a lot of dual income families. There's a lot of gay couples raising children. There are men who want to be more involved with raising their children. What a good consultant could do is give you great precision on the obvious but I think what entrepreneurs and businesses need to do is say, "Oh, let me help people cope with that change." Maybe that means I need to think about this 10 steps deeper and put a diaper change facility in men's restroom. That is what actually becomes the successful business, not by describing change, but really helping people cope with that and I think when people are able to do that and make people feel heard and understood, it's a huge win for company, for society as well.

Bill Murphy: 17:15 I'm making notes because it's funny. You're saying help people be heard and help them deal with the change. Help them be understood. That's emotion and-

Deepa Prahalad: 17:24 That's the thing.

Bill Murphy: 17:26 Deepa, on the neuroscience side of this, it seems like that's lighting up an entire different experience in the human brain as far as the affinity... and I mean, when we have emotional connection to something that is a very sticky relationship we have with that.

Deepa Prahalad: 17:26 Mm-hmm (affirmative).

Bill Murphy: 17:26 Interesting.

Deepa Prahalad: 17:48 Absolutely and this is one of those areas that's quite interesting because when people have that set of, this is my priority, these are my non-negotiable, however tired you are sometimes you won't put the dishes away or those kinds of things, but then you will never like fail to tuck your kid in or whatever. When you've decided what your nonnegotiable is and that's what's interesting. I don't think companies can create with only data about incomes. They need to deeply... all the great innovations today depend on deeply understanding aspirations and that requires a lot of relationships, a lot of trust, a lot of investment of time and effort and that's why it's hard to do, but it gives great rewards once it's done well.

Bill Murphy: 18:36 Sure. I love that, and it's really interesting you're calling it out. I love the way you made it so simple and it's sort of for me like a sledgehammer. It's like a two by four of a... but you said it very quietly. In the days of old it was you had access to privileged information. Now we can pretty much get a lot of precision and so people are trying to... they're walking around very amazed at something that we all know is here. Like being amazed about stuff that we know is here even though they're not experiencing you're going to be disrupted. Right now you're saying like, listen, I'm at the 10-yard line. It's really about execution. You're not going to change the fate of moving to the cloud for example. You might not like it, but the question is how you're going to implement in this final 10 yards.

Deepa Prahalad: 19:21 Yeah and I think also the way that we do things on, yeah. If you look at a lot of the impact that companies can have and I think respectfully I have to step back and just say looking at it from my development perspective, I think part of the reason people struggle is not from any lack of good intentions. It's really the fact that yes, the pace of change has increased but the other thing is that we're kind of, I would say an in an era of open ended questions because even if I look at how do you take people out of poverty, you used to really be focused on two things of saying, all right, how do we decrease birth rates and how do we make sure we prevent famine?

What's really happened with a combination of having clarity on things like the sustainable development goals, having a lot of countries implementing policies. Here's where we've taken a billion people out of extreme poverty in the last 25 years. It's at the lowest levels in history but what happens when you take people away from that... really the struggle for survival is then everything is an open ended question.

I mean, solving a famine is a difficult, but it's a known constraint that we've gotten fairly decent at solving. We're good at responding to emergencies but now the question is how do I create help? Even the conversation around poverty, how do I create opportunity? How do I enable entrepreneurship? Those are very open ended questions and they have a lot of cultural contexts. They depend on respecting personal choices and so I think even well-meaning people can't immediately say, okay, I have this formula and what I really need to do is scale it up. There's probably some benchmarks that are universal, but the nuances are the succeed or fail in all of these things.

Bill Murphy: 21:18 There's a couple of really powerful books that I've read recently that really on the power of questions and I love reading them because they just kind of light my brain on fire but I'm also aware in the background, just as an entrepreneur, there's at some point a desire, a want or sort of a thirst to act.

Deepa Prahalad: 21:42 Yes.

Bill Murphy: 21:44 I love the questioning process because it really, at least from a group and a solo perspective, but how do you marry that in the design process and in your world from let's just use your social impact. You've taken a billion people out of poverty, now you're asking even deeper questions like how do we live healthy? And they go on and on. Where do you then draw the line between action... Like when would you act as a design thinker and when you're coaching an organization?

Deepa Prahalad: 22:09 I actually think this is such an important, and actually very interesting question and I guess I have... my own take on it, is that you just have to come to terms with the fact that there isn't one single answer. I mean if you look at anything that we're dealing with today, like look at homelessness. I mean is that an affordable housing issue? Is it a jobs issue? Is it an addiction issue? The answer is all of the above and I think the beauty of focusing on innovation is that we have the ability to test so many different ideas and those will all help to solve the problem if they're constructed in a way that is compelling for the person being helped as well as for whoever is trying to have impact on that issue.

These issues are very complex themselves but I think one mistake that a lot of people make is feeling that they can't start until they have a solution and I think that's a mistake. I think the real... all of the kind of problems that we're dealing with today are not going to be decided by debate. They are going to be discovered through experimentation and that's where I think the role of the entrepreneur and entrepreneurial thinking within large organizations is so, so critical. If I just reflect from the point of view of being from an immigrant family if you come to a new country, a new... I grew up here, but my parents came and I said you kind of come with no guaranteed outcome, not really knowing a lot of people and the reason why that bargain feels worthwhile is its two things.

One is the belief that the system is fair and two is just the presence of greater choices and I think business doesn't have to create solutions per se. They really have to expand the role of choices available to people and that's what it does best. I think having that mindset shift is incredibly useful because then you're like, oh, a lot of the skills that people do have, storytelling, de-risking, branding, giving people kind of an online presence. Those are the kinds of things that business already knows how to do that can be incredibly valuable in lifting a lot of people into a better life, whether it's at home or in a global context.

Bill Murphy: 24:43 Just because we're on this topic frame right now. I'd love for you to talk about the project that you're involved with regarding the roofing in the business. I'm forgetting it. What it is, it's a social impact organization you're involved with Indian homes.

Deepa Prahalad: 24:59 Yeah. I was giving a talk in Indian and a young entrepreneur approached me named [Tahith Ganatra 00:25:04] and he said I come back from doing my masters in the United States and one thing that I'm really seeing is that there's just nothing available in the slums that is between these corrugated metal roofs or tarps that you see and the concrete roof which most of the well-to-do houses have anything. I really want to do something to change that. He's developed a modular roofing and these material is actually eco-friendly. It's recycled cardboard and I said, oh, I'll help you, but I really think you need to focus on design because if you're thinking using a bargain to do the tarping or anything like that, no one knows about it but I take your home is kind of a statement about your aspirations and your family. It's very tied to your identity.

They went through probably 250 iterations and really came up with something that is 80% of the strength of concrete at an affordable cost and more importantly, it can be retrofitted on an existing dwelling in a day. Even if you have a building that's one brick thick, the walls usually stay up, even in bad weather. There's just nothing between a terrible leaky roof and concrete which is unattainable and what is so interesting now that they've kind of figured out how to install and all the microfinance lenders will underwrite this, is that we've really found that about 30% of the customers within six months, they start or expand a business of their own. Just having a little bit of physical space because you can climb up on top of it. It's usable square footage, so you're getting the second level and also not having to stay up all night, moving things from one place to the other. It really reminds me, I think Muhammad Ali said it best. He's put it, it's not the mountains and the distance that wear people down. It's the pebble in your shoe.

Bill Murphy: 27:10 I love that.

Deepa Prahalad: 27:10 Removing barriers is so powerful because today everybody has a cell phone, Bill. Everyone has ideas about what they want to do in life and the point is, I think we haven't been as quick to really develop the pathways for people to act on those ideas and that's where I think a lot of this unrest and unease you see today, it's not because... it's close the information gap at least to a reasonable degree, but the access and the ability to kind of move forward with your ideas is very uneven within the United States, certainly in the global context and that's where I think we have so much more that we can do because people have ideas. There's not a shortage of ideas. The ability to execute on them depends on a lot of other things that we can use tech also to understand and build.

Bill Murphy: 28:08 Yeah, I love that. This example you gave. This example called ModRoof. Is that the name you [crosstalk 00:28:14]-

Deepa Prahalad: 28:14 ModRoof.

Bill Murphy: 28:15 ModRoof. Okay, and so the process you walked that person through, that entrepreneur through, is a similar process that you work most businesses through. Is that correct?

Deepa Prahalad: 28:27 Absolutely and this is the interesting thing about the fact that so many people have moved out of extreme poverty, is that a lot of people are willing and able to... these are not charitable, this is a for-profit operation and that's what I think people are like so surprised by. It's like, no, this is not free or anything like that. People pay or they have a loan given through a bank or microfinance organization and even if you look at what has been adopted at scale in the poorest parts of the world. Cell phones, branded fashion, financial services, all of those things really reflect aspirations, not our traditional view of what needs are and that's an important learning.

I think that's where economists, if I were to just maybe draw in broad brush strokes, say my studying of economics, economists really understand incentives very well and innovators understand aspirations, and if you put those two together, it is a very powerful combination and in places where they've really raised living standards in the last two to three decades, what you see is people have really plugged into the global innovation ecosystem. South Korea probably be this huge exemplar where they've actually built their own brand and China as well, and India, Mexico, all that... in manufacturing and software. I mean, people didn't wake up and discover oil. They have really said, okay, let's get into this process of creating and that process involves suddenly, oh, you know what? I have to focus on the future, not in the past. I have to be engaged in conversation. I have to actually do something and I'm surprised and I have to be an optimist. Right? I mean, you can't be an entrepreneur if you don't believe something better is possible. That is the core belief.

Bill Murphy: 30:28 Yes. Optimism and hope. I don't want to lose this because this is so important, the distinction you're making here and again it's a powerful one. You mentioned needs versus aspirations and I might also, the reason I'm bringing this up is because I'm part of a coaching program, an entrepreneur coaching program called the strategic coach and one of the books is Wanting What You Want and not needing what you want or wanting what you need, but wanting what you want and versus needing, and it's interesting with the democratization of technology and the demonetization of technology, it's really allowed, just as you're saying this aspirationally focused entrepreneurs to address the needs, which is a want to address the needs of the human population.

Deepa Prahalad: 31:15 Yeah and we can also just be a bit agnostic about the order in which people do things. I think that's an important learning is that we can all say, well your focus should be on nutrition and schooling and not on having your cell phone and perhaps but once the cell phone is in my hand, if that resource has been allocated, I now have a news to deliver information and banking and all of those things so think creatively about where people have already said they want. The good news is, I look at that and I say that is an indication that people want to move forward. They want to be respected and if we deliver other services in a way that fulfills that need, we can have the same kind of scale on the ground that we have had in the kind of virtual world.

Bill Murphy: 32:14 100% right. Exactly. What's interesting is I think what's... we haven't even seen this. This is what's really powerful, I love Deepa, is that I think in 2020 we'd still only reached just over 4 billion people connected on the Internet and so there's still 3 billion left that are not connected. I mean, can you imagine once that happens, the minds and the marketplaces, the ingenuity, buyers, sellers. I mean, it's going to be a very, very interesting world over the next... and that's going to happen over the next five years.

Deepa Prahalad: 32:48 Yeah, absolutely and I think probably why a lot of people miss it is because the physical environment has not changed in many places as quickly as it should but that doesn't necessarily represent a lack of information. It really reflects a lack of choices and that's something I always try to keep in mind. If I looked at that roof situation, it's like, oh, you have a tarp on a corrugated metal sheet or you have this completely unattainable concrete roof where even if somebody were to give you the money, I mean, the structure can't support it. There are many other barriers. It's almost akin to someone telling you or I you have two choices. You can either walk or you can drive a BMW. There's just nothing in between and I think without consciously seeing that that's the world we've created for a lot of people in a lot of categories. I think we've taken lots of people out of extreme poverty and kind of delivered them to purgatory because we haven't innovated enough products and services that can really help supercharge that move forward but there are lots of people ready to make that journey.

Bill Murphy: 34:04 That's interesting. I just had never thought about it from that perspective, Deepa. It says when learning a little bit about you, the Marshall Goldsmith, that you were in the 100 Coaches program, which there were 16,000 global applicants and you're in the group of 100. I'm not a mathematician, but that seems to be pretty darn good and to be in kind of that rarefied air. How did you do that and what does it mean to be a coach and what... we know coaches are in the athletic environment and we know generally what they are, different executives will have coaches and such. How do you pour gasoline on the fire of people or companies that you work with as a coach?

Deepa Prahalad: 34:55 I look at coaching as really a process of trying to ignite self-belief because a lot of people who are well-meaning, who want to do something, the traditional view has always been kind of make your money and then give back, do something good for the community but just like people can become entrepreneurs at a much earlier stage than they ever could before. I think people can also be engaged in a process of doing good and engaging in that entrepreneurial activity much earlier than ever before simply because, like I said, where we have connections we never had. We have the means to have conversations that weren't possible before, and I think the really exciting thing about tech is it's not just that it's lowered the cost of communication. It's dramatically lowered the cost of learning.

When you see people who are very different than you are, you're going to have to guess their tastes and preferences and really feel like you're playing roulette with your odds of successful innovation. You can ask directly, there is big data today for people across all income groups, but it's just difficult to make that leap if you haven't invested some time to create that conversation and that intimacy but once you do, I mean there's less noise on a lot of these markets. There's a greater need and there's so much that can be done and it's also very rewarding both financially and emotionally. I just liked it... I think when people are unsure, they tend to take very small bits and that's a shame because the impact that you can have today is huge.

I really try to help people [inaudible 00:36:37]. Different coaches have different specialties and I just recently got certified but I realized that design is also kind of this, how do you motivate behavior change and now I'm realizing that a lot of the people who drive that within organizations sometimes also need that help to kind of see what's out there to make sense of, okay, I understand all this aggregate data but what does it mean for me? And that's something that I try to help with by really showing them, no one's asking you to write a blank check. Ask, test, the same kind of robust process that you would use anywhere else applies here too and bad ideas need to be thrown out and good ideas can be... actually now can travel from all parts of the world to everywhere else. It's not a one way traffic flow of great ideas anymore either.
Bill Murphy: 37:32 It's interesting. I'd love to get your thoughts on cross industry learning that happens or cross-discipline learning. I was just facilitating our group yesterday, a group lunch and there was a charity, a large worldwide charity that was there and then there was a lot of CIO's that were there as well. He was explaining this charity about how they were working with the Gates Foundation to move mosquito nets around this part of Africa, Ghana or some someplace that has a lot of instances of malaria. They had developed this expertise of, of moving the nets from a logistics perspective and then also making sure that 50 nets didn't show up at one house because that one house, someone's probably like reselling them on the black market for profit and such so when they're supposed to be for free.

And so they had figured all this out and then there was also a logistics company there that would take like Home Depot or take a wood manufacturer in the US and they efficiently had figured out how to handle the pallets and how to move around the country and most efficiently so that the wood manufacturer can do their wood cabinet making and they would pick it up and move it to Home Depot and move into Lowe's and such and so they were sitting there, I'm listening to both of them and they both figured it out that they both have a lot to learn from each other because of the technology of logistics and the planning and the all the machine learning and the algorithms and such that they can potentially do. I just let it go and they became friends and such but how would you have taken that as a design strategist? How would you have been moved that to the next level?

Deepa Prahalad: 39:06 That's such a great problem to have because if you look at the early companies like Coca Cola that said, we want to put a Coke within arm’s reach of everyone on the planet and they were really very early in having that vision. They did all of this kind of almost quasi-development work to make that happen but now so many other people can piggy back and say, okay, this infrastructure exists today so now maybe I can go and deliver medicine, I can deliver lots of other things and that's actually really exciting because then again that whole issue of understanding who your customers are, what they aspire to becomes easier when that infrastructure exists then because people always need more than a net. They have kids, what do their children need? What do they want about their life? You've created the ability to have those conversations and like I said, what comes out in different countries is going to be very different. You take even the core cell phone technology.

In Africa it evolves into really being very far advanced on mobile money transfer because that was the need. In other places it was evolved very differently. I think all also nuances may be local, but it's very cool to have that ability to go in and understand customers as individuals because I think that is what really represents... that's what people are looking for when they're buying aspirational products and services to be kind of known and acknowledged and respected and if I go in for a haircut, they give me a cap and it's not an expensive haircut, but still this woman will still make a cappuccino and then she'll like write my name and hand it to me and if we find ways of doing that over respecting people, I mean there is no limit to how fast businesses can scale and grow. I think that is where people have really focused only on affordability but not on customer service and all these things and having a channel to do that and learn how to do it well is such an important first step.

Bill Murphy: 41:18 Having a panel where you're actually... you've got a subset of these people that you're, for example, delivering the nets too but it could be any customer, a group, is that what you're saying and that you're [crosstalk 00:41:29].

Deepa Prahalad: 41:29 Yeah, absolutely. I mean, if I were to give you an example from India, there's a company called StoreKing and a lot of these neighborhood mom and pop shops, they basically said, okay, well e-commerce has been a little slower to evolve but people anticipated looking at economic growth and things. What they basically did, and again, not in a charitable basis, on a data basis, is go to all the small shop owners and say, hey, we're going to give you a few tablets for people to browse. You're this trusted individual in the community, we're going to give you a tablet, we're going to give you great WiFi and your store will become the physical delivery address for a lot of e-commerce and they also take full prepayment. There's really not a risk to the seller in terms of delivering to a lot of remote area.

It's just a win-win. You're kind of supercharging a lot of small retail rather than seeing it as a threat. You're saving a lot of costs in terms of trying to build up that footprint because somethings are really remote areas, but also you get an idea of tastes and preferences over time. They have some of these meal delivery apps like one called Swiggy in India and I was actually just reading Fast Company and now what they do is they will basically also give people information saying, you know what, in the town that looks like yours, that's not far away there really isn't a great Italian restaurant, but it seems to be popular among folks who are similar income and similar demographics so maybe there's an opportunity, but they just give the information and they don't force... but people then have that insight and they're able to act on it if they're able to and interested in doing so.

That's where I think there's such a big gap... if you have people who are interested in entrepreneurship, whether I... my son's in high school. There's so much support for the idea and so many people willing to help in the West in terms of ideas and pointers and classes and everything and we have to find ways to replicate that and I think then will see the genius that's latent out there and not being fully rendered for all of our benefits.

Bill Murphy: 43:48 One of the concepts as we wrap up, I wanted to ask you about, Deepa, was the hero's journey I saw that brought up in some of your writing and how prevalent is understanding the hero's journey today from your perspective?

Deepa Prahalad: 44:06 I think it's central. I mean I think people have probably done it without fully realizing it for a long time. In the book we really advocate this methodology of transforming Joseph Campbell's methodology into how do you construct the customer journey and it's so important because some people want to feel very proud and invested in the decision. If you see people getting a new car or some great piece of cookery then it's not only about the product itself, you want to be so could share that experience and how did you come to that decision with people close to you. And so I think that whole idea of saying really the products and services that succeed across categories, it's not always about coolest or newest, it's about how it makes people feel about themselves and there's a finite set of emotions that you have to elicit.

It's not an endless list and the best brands really focus on at maximum two or three. If you're looking at Nike, it's not really about sports per se, it's about this idea, that narrative of just do it and this cutting edge technology that's really saying I can take on a challenge that maybe I'm a little afraid to because I have this tool with me. A lot of the marketing to parents is not just about this is the coolest thing for your kid. It's about this idea of, oh, how do I fulfill my duty as a parent? How do I keep my kids safe and happy and stimulated. That's kind of the emotion that's underlying a lot of that success and it can be applied very broadly to all kinds of [crosstalk 00:45:56].

Bill Murphy: 45:56 Okay. I just find it really interesting because I find it... the hero essentially for listeners that are maybe not familiar with this concept, I mean the hero kind of descends into not so much hell but into a challenging environment and then they come back out with a story to tell of what they learned, correct and so I think that from a Nike perspective I can take on... just do it. I can take on a challenge so the learning opportunity for buying their brand is you... as an athlete you can do it and you can achieve your goals or your aspirations but that would be the learning from the descent. Is that essentially what Nike is attempting to do with that archetype.

Deepa Prahalad: 46:38 Yes, then you also have this whole suite of products and services that lets you connect with other people who are also taking on some kind of similar challenges.

Bill Murphy: 46:48 Yes.

Deepa Prahalad: 46:48 This morning, we saw a tweet that was very interesting what they were describing that okay, Nike has also just designed a kind of a hijab bathing suit for Muslim women who... they're also making a point by being very inclusive of saying, okay, you know what, this is something that's universal. This is something that all of us can take part in and a lot of those little things make a difference. I wouldn't need it, but I respect the fact that it's provided. And I think a lot of great brands kind of go beyond what they absolutely have to do and kind of show us, oh, these things can be done and even if you're not interested in that particular aspect of it, you get inspired to extend your own capabilities further than you may be doing right now.

Bill Murphy: 47:39 I was listening to the Hublot CEO or board of directors or chairman, he was fascinating. He's in his '70s and he was talking about the power of nostalgia. This particular watch that he, I guess he's revived many, many watch brands through the years. He goes back to the watch manufacturer and the love and the care that these watch manufacturers, in detail, are building the watch and he just conveys. He calls it the marriage of the old to the new or the nostalgia of this piece of art, of this type of a watch to the new, which is the future and I was curious, what is the hero's journey in that? Like how is nostalgia a part of the hero's journey?
Deepa Prahalad: 48:26 Well, I think all really good innovations, the mistake people make is they think innovation, everything has to be new. I actually very strongly disagree with that. A lot of really successful innovations really hit that sweet spot between nostalgia and kind of our need to evolve, and they make you feel excited about that process. I mean if you're introducing something new, by definition you're telling people on some level what you were doing until this point could stand improvement or it was lacking in some way and in order for people to receive that message, you have to make them incredibly excited about what's new, right?

I mean there was a time when people used to write out everything long hand because they were kind of had that love hate relationship with their computer. You kind of felt like I should type this up to look smart, but I'm scared that I'm going to blow up this expensive machine and today it's completely different. Today when you have a question, you go right to your phone and Google something and so that process takes time and you need to be guided toward that and people again, there's not a single aesthetic. I appreciate home cooking at Thanksgiving with the same enthusiasm as going out and researching a new restaurant to try when I'm traveling.

Bill Murphy: 49:47 Sure.

Deepa Prahalad: 49:47 We all have a range of emotions and some of them are kind of contradictory. Even if you're choosing the place you want to work, you want to choose a place where you're respected for where you are today, but you also want a place where you can grow and be pushed and learn things that you are not going to learn on your own by being surrounded by all these very capable people. There's always those inherent contradictions and I think what good design really does is it helps you make peace with those and move forward.

Bill Murphy: 50:16 I love this. Deepa, this is a wonderful. I want to respect the fact that you've allowed us to get a look into your world and your brain as far as how you approach strategy, design thinking and it's been fascinating. As you wrap up, is there anything that you were just dying that you would hope I'd ask that I didn't ask that you just want to make a point out of before we go today?

Deepa Prahalad: 50:40 Yeah, I think the time has just never been better for companies that really want to increase their impact to do so, and we can use all the tools that that business really has and the power of technology to really understand what needs to be done and forge connections over time that really enable us to not only build great companies, but also really build great societies that respect individuality and also help people live a life that gets them closer to their aspirations. I think we can kind of all be the fairy godmothers of the modern world. When we understand what people are going for and use the tools and capabilities of individuals in really interesting and new ways.

Bill Murphy: 51:30 Yeah, it's great to use that word fairy godmothers of the modern world. I call it the son... really being Merlins and magicians for inventing the world of the future and I really appreciate our time today, Deepa, this has been a special and a lot of fun.

Deepa Prahalad: 51:48 Thank you so much for having me, Bill. Really appreciate it.

Bill Murphy: 51:51 Thank you. Have a great day.

Deepa Prahalad: 51:53 You too.

Bill Murphy: 51:53 There you have it. This wraps another episode of Bill Murphy's RedZone podcast. To get all the relevant show notes, please go to our blog at www.redzonetech.net/podcasts. Additionally, make sure you go to iTunes and leave your comments in iTunes about the show. This helps our show rankings enormously and help support the show. Until next time, appreciate you very much for listening. Thank you.