

C A T A L Y Z I N G I N N O V A T I O N

ISI BLENDS ART + SCIENCE TO DEPLOY CREATIVE SOLUTIONS THAT ARE TRANSFORMATIVE FOR OUR BRANDS AND COMPANY

Innovating for the future



02.2014

our vision

We believe **imagination + strategic creativity** can unlock the passion in our associates, inspire the loyalty of our guests, drive business performance and lead our company into the future.

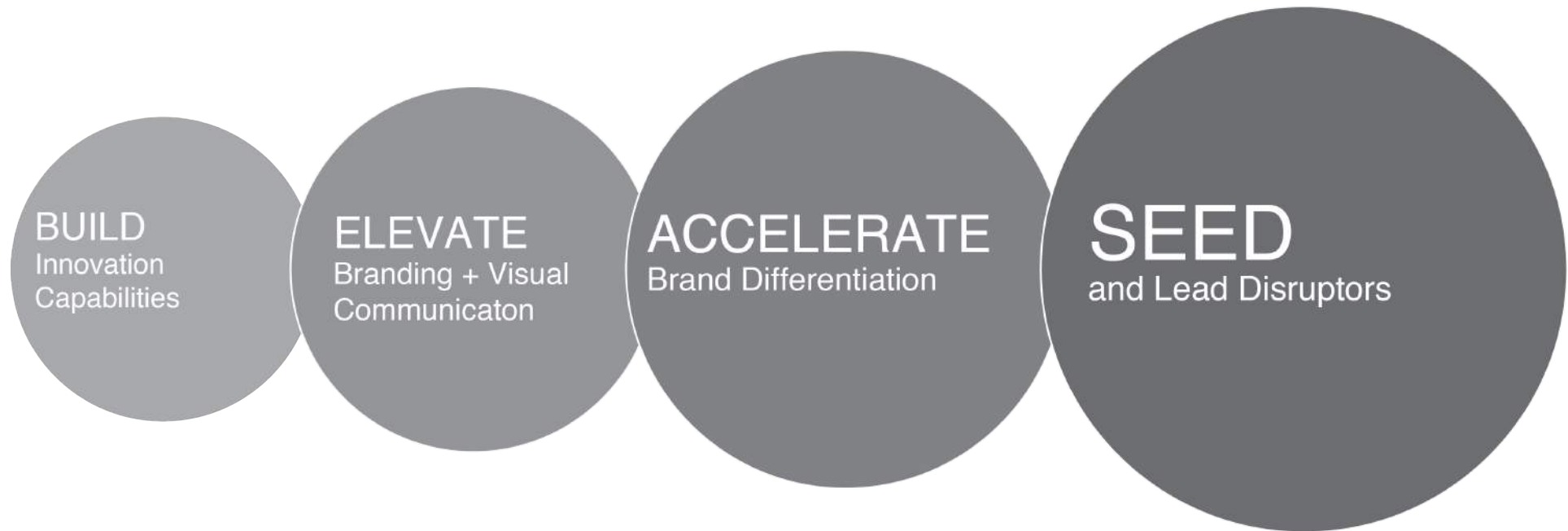
our mission

We listen, design and iterate to **deliver new** products, services + experiences - that differentiate our brands and drive **competitive advantage**.

our strategy

We focus on the highest value projects with the greatest innovation potential, optimizing small team capacity to **maximize value to the company.**

strategic priorities





living innovation

Insert Arne Sorenson 1.5 m video

A dense collage of images representing various aspects of technology, innovation, and culture. It includes portraits of tech leaders like Steve Jobs, Mark Zuckerberg, and Elon Musk, alongside logos for Google, Apple, Amazon, and Instagram. The collage also features images of smart glasses, a yellow sports car, a person using a hand gesture interface, a person sitting on the ground, and various other tech-related scenes and products.

EXCEED YOURSELF
BE VERSATILE ADAPT
BE RESOURCEFUL WELCOME RISK
ENGAGE OTHERS FIND INSPIRATION
FIND COURAGE RENEW YOURSELF
PROBLEM SOLVE BE HOPEFUL BE RESILIENT BE TENACIOUS INSPIRE OTHERS
OVERCOME SELF-DOUBT EMBRACE EXTREMES
STRETCH COURSE CORRECT OVERCOME CHALLENGES
FIND NEW LIMITS CONTEMPLATE
BE CREATIVE
EXPLORE VALUE EXTREMES
BE COURAGEOUS
ENDURE
DISCOVER

INNOVATION BLUEPRINT

INNOVATION Blueprint: 'Unlocking the Future'



Promoting and accelerating a culture of innovation through capability, value + engagement

CALA leadership meeting

21st february 2014

Strategic Architecture



A global strategic architecture designed to **activate a culture of innovation** at Marriott International through 3 pathways.

3 Pathways Defined



Build Capability

Design **new innovation tools**, principles and practices to expand our thinking, enrich and speed our innovation efforts.



Create Value

Leverage new capabilities to **generate insight-driven innovations** which drive preference, growth + profitability.



Engage + Communicate

Amplify innovation messaging to drive stakeholder engagement and **lift the company's reputation** as an innovation leader.

The Innovation Imperative



Innovation is more than a buzzword; it's a **mindset, practice and outcome** critical to consumer relevance & sustained competitive advantage.

The Innovation Imperative

Innovation is fundamental not only to forward progress and commercial success, but to [corporate survival](#). As categories rapidly shift or emerge, the basis of competition changes. Innovative companies lead while others languish, or worse, disappear.

Lagging				
Leading				

The Innovation Imperative

To innovate successfully, leading companies [articulate their own point of view](#) and build a culture to achieve it.



We **start with the customer and work backward**. We learn whatever skills are needed to service the customer. We build whatever technology needed to service the customer.

—Jeff Bezos



It is our job to give customers something they want, but **they didn't know they were looking for**, and which they say they always wanted when they get it.

—Norbert Reithofer



Innovation has nothing to do with how many R&D dollars you have... It's **about the people you have, how you're led, and how much you get it**.

—Steve Jobs

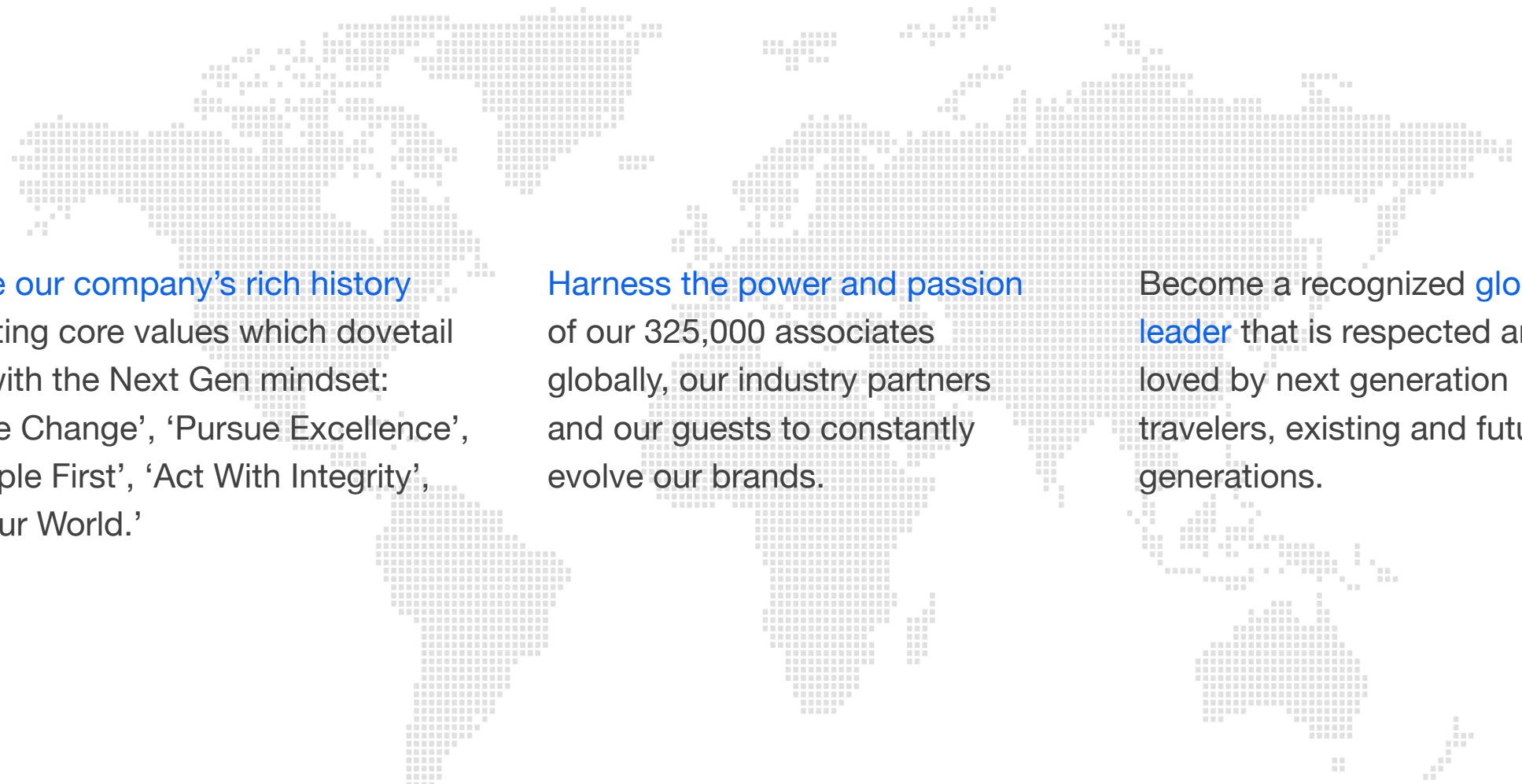
NORDSTROM

We don't like to make decisions about customer service in the boardroom. We leave it to the people closest to the customers. By not having a lot of rules, you **empower associates to innovate** and come up with solutions.

—Jamie Nordstrom

Our Shared Charge

Our shared goal is to promote practices that accelerate and [ingrain a culture of innovation](#) throughout Marriott International.



[Leverage our company's rich history](#) and existing core values which dovetail closely with the Next Gen mindset: 'Embrace Change', 'Pursue Excellence', 'Put People First', 'Act With Integrity', 'Serve Our World.'

[Harness the power and passion](#) of our 325,000 associates globally, our industry partners and our guests to constantly evolve our brands.

Become a recognized [global leader](#) that is respected and loved by next generation travelers, existing and future generations.

The Innovation Imperative

A tenet of Marriott culture, innovation is critical to executing our 6-part strategy for achieving sustained competitive advantage:

Next Gen Traveler

Understand and attract
Gen X, Y and future guests

Owner Preference

Generate value for our hotel
owners and franchisees

Brand Distinction

Invest in innovation and
differentiation

Portfolio Power

Build loyalty with the most
compelling family of brands

Technology Leadership

Empower connections for guests
and associates

Global Growth

Expand our footprint and
profitability

Innovation Defined

“Introduction of something **new**.”

—Merriam-Webster

“The profitable implementation of **strategic creativity**.”

—Elaine Dundon, *The Seeds of Innovation*

New Value Creation

Innovation is the lifeblood of [new-value creation](#), enhancing all areas of our business from customer experiences to associate recruitment.

Customer

Innovation produces products and services for unmet customer needs, **strengthens long-term loyalty**, and ensures future brand relevance.

Associate

A vibrant innovation practice provides an authentic and enticing place to grow a career, build autonomy, and encourages risk-taking.

Investor

Outputs of innovation build long-term shareholder value, diversify risk, and demonstrate industry leadership.

Owner

Innovation renews the brand promise that the Marriott portfolio will deliver **customer satisfaction and business value** now and in the future.

Enterprise

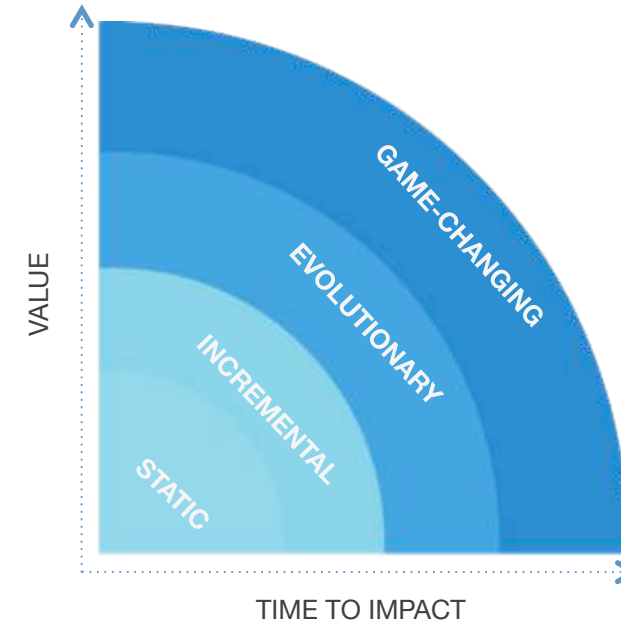
Innovation underpins an enterprise that can weather changes and disruptions, **develop new markets and revenue channels**, and future-proofs itself by leading the industry.

Brands

Innovation provides the ability to continually deliver material results to support the **brand promise**.

An Innovation Spectrum

Innovative companies deliver a [spectrum of innovation](#) that ensures existing brands and experiences do not remain staid but are regularly refreshed, periodically reshaped, or aggressively reinvented.



Static

Areas or experiences that have been commoditized, providing **little relevance** or competitive value; opportunities for innovation.

Incremental

Areas that suggest **simple refreshment** or modest innovation. Like today, but enhanced slightly.

Evolutionary

Areas that have been **aggressively evolved** and reshaped but still resemble today.

Game-Changing

Areas that have been **boldly reinvented** and reimagined far beyond today. Innovations that truly change the game.

Changing the Conversation

Disloyalty
No Value Proposition



PREDICTABLE
FUNCTIONAL
UNEXCITING
COMMODITIZED
UNORIGINAL

Low Loyalty
+ Differentiation



NEW
DIFFERENT
INTERESTING

Growing Loyalty
+ Brand Recognition



EXPERIENTIAL
IMAGINATIVE
EXCITING
UNEXPECTED
DYNAMIC

Highest Loyalty
Brand Awareness + Competitive Advantage



INDUSTRY DEFINING
LEADING
INSPIRATIONAL
SURPRISING
VANGUARD
CUTTING EDGE

STATIC

INCREMENTAL

EVOLUTIONARY

GAME-CHANGING

Adopting An Innovation Mindset

Innovative cultures exhibit certain behaviors or attributes:

Customer-Focused



Creative



Prototype-Driven



Entrepreneurial

Collaborative

Questioning

Building On Our Strengths

Marriott International has a [history of innovation](#); we will build from what got us here today and leverage our emerging strengths.

Scale and Distribution

Global Network of 3,700 Properties

Brand Portfolio

Strong Brands with Progressive Brand Stewardship

Operational Excellence

Robust Core Engines and Dedicated Associate Talent

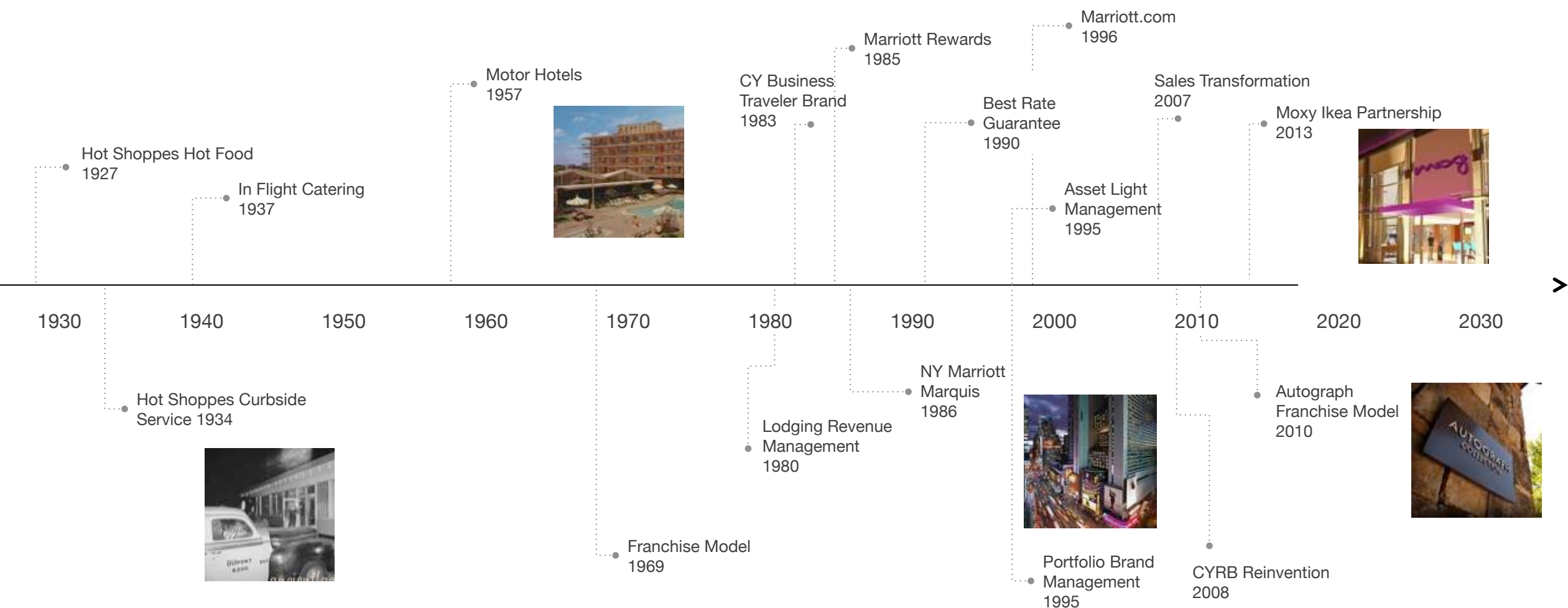
Trust and Service

A Brand with Strong Heritage, Synonymous with Dependability



An Innovation Journey

Marriott International has delivered nearly a century of successful innovation, adapting to new market forces, embracing change and **taking risks to achieve path-defining excellence and industry leadership.**



Speeding the Transition

To accelerate our company’s transition from fast follower to path-breaking innovation leader, we must recognize shifting paradigms, continue to retire old ways of thinking and behaviors, and [embrace the new realities](#) within our world and industry.

Yesterday		Tomorrow
Presentation Focus / Polish	➔	Content Focus / Iterative
Proving Out	➔	Building Out / In-Market POCs + Experimentation
All Knowing	➔	Classroom / Learning Every Day
Hierarchical Barriers + Formality	➔	Barrier-less Collaboration + Informality
Timid + Risk Averse	➔	Courageous + Fail Fast, Fail Forward
Reactive / Slow to Respond	➔	Proactive / Agile / Adaptive
Perfection / Slow to Market	➔	Imperfection / Fast to Market
Functional Value	➔	Functional + Emotional Value
Internal Focus	➔	External / Beyond Our Industry Focus
Event Based Innovation	➔	Cadence of Constant Innovation

Innovation Advisory Board

Executive level thought leaders who will help shape an enterprise wide innovation vision, provide advocacy and financial support to challenge the status quo, [drive change and champion innovation globally](#).



DAVID Rodriguez
EVP, Global Human Resources



BRUCE Hoffmeister
Global Chief Information Officer



RON Harrison
Global Officer, Architecture
& Construction



AMY McPherson
President & Managing Director,
European Lodging



TIM Sheldon
Global Officer, Marketing
Operations Services



TINA Edmundson
Global Brand Officer



DAVID Grissen
President & Managing Director



KATHLEEN Matthews
EVP, Communications



MATTHEW Von Ertfelda
VP, Creative Strategy + Execution



STEPHANIE Linnartz
Chief Marketing and
Commercial Officer



BRIAN King
Global Brand Officer



TONY Capuano
EVP, Lodging Development

NextM Millennial Advisory Team

A diverse, global group of individuals who **provide input and perspective**, challenging and shaping ideas and concepts that matter to their peer groups, evolving lifestyles and markets, ensuring programs with ongoing relevance.



Case Studies in Innovation

The Hub

Areas / Products + Services

Brands / All

Status / Deployed

The first headline for [MI HQ's reinvention](#), a space that is dynamic, progressively designed, light-filled and collaborative, driving inspiration, performance and engagement.



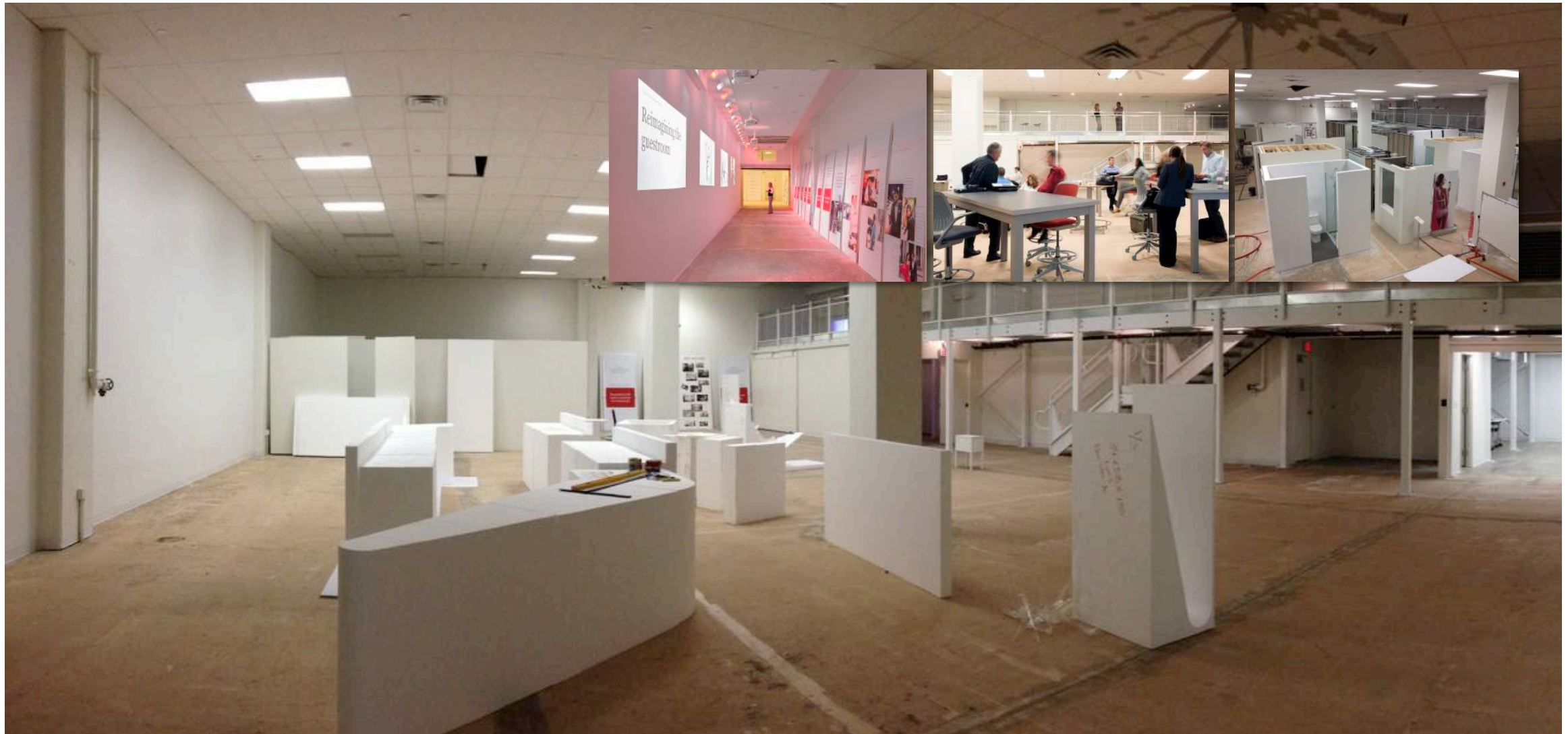
The Underground

Areas / Processes + Technologies

Brands / All

Status / Deployed

An industry first, the transformation of 9,000 SF of underground storage space into an innovation lab and sanctuary for bold, disruptive innovation.



The First Floor

Areas / Products + Services

Brands / All

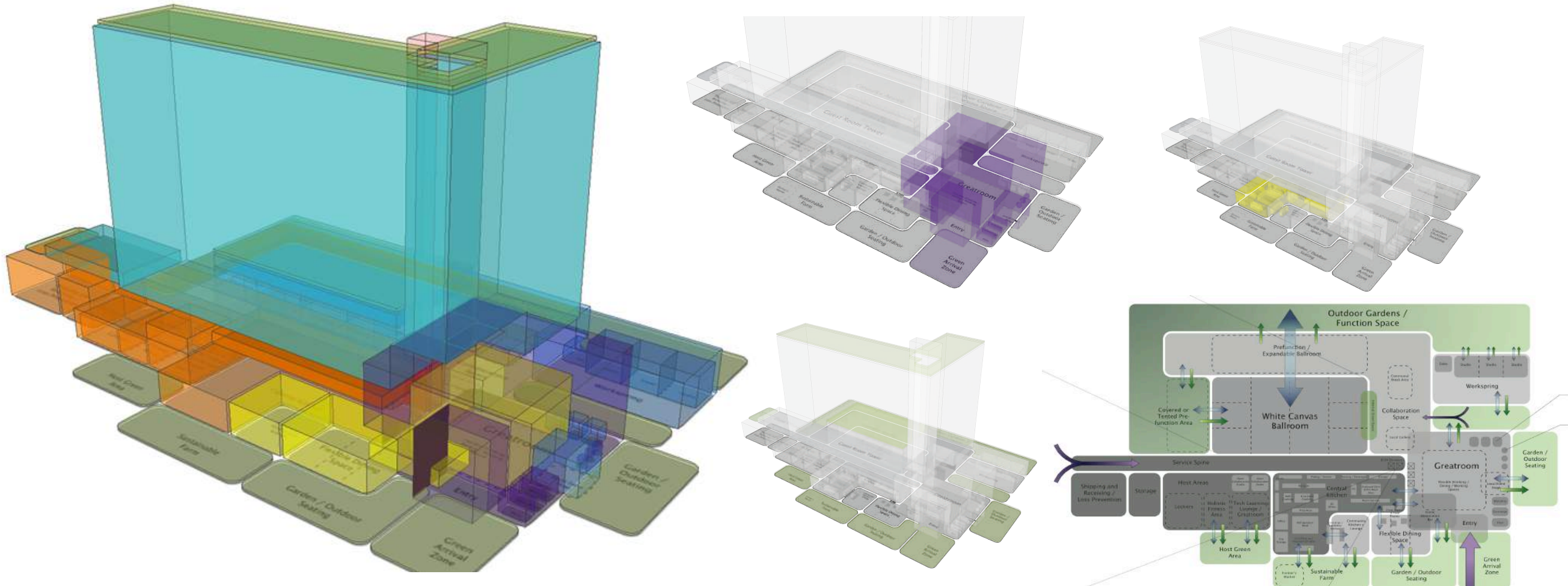
Status / Design

The reinvention of MI HQ continues with an experiential arrival, new meeting and collaboration spaces and galleries showcasing innovations present and future.



Areas / Products + Services
Brands / MH
Status / Design

A transformational initiative **reimagining the entire continuum of the guest experience** through responsive architecture and design, tech enabled services and community-driven social experiences.



Red Domino

Areas / Products + Services

Brands / MH

Status / Design

A transformational initiative [reimagining the entire continuum of the guest experience](#) through responsive architecture and design, tech enabled services and community-driven social experiences.



Collaboration + Co-Creation

Areas / Products + Services

Brands / MH

Status / Design

A transformational initiative **reimagining the entire continuum of the guest experience** through responsive architecture and design, tech enabled services and community-driven social experiences.

ACADEMIA



Harnessing the thought-leadership and inspiration of select higher-learning institutions.



ASSOCIATES



Affording real-word insights from MH millennial hosts to influence innovative concepts.



THOUGHT LEADERS

FORTNIGHTER

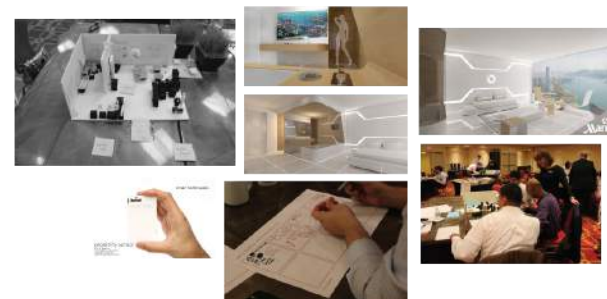


ALCHEMY



GENERAL ASSEMBLY

Inquiring and gathering observations from external style and design experts.



DESIGNERS

STUDIO/
GANG
/ARCHITECTS

PATRICIA URQUIOLA
concrete

Partnering with world-renown design firms to expand our thinking.



Red Domino

Areas / Products + Services

Brands / MH

Status / Design

A transformational initiative [reimagining the entire continuum of the guest experience](#) through responsive architecture and design, tech enabled services and community-driven social experiences.



Future of Meetings

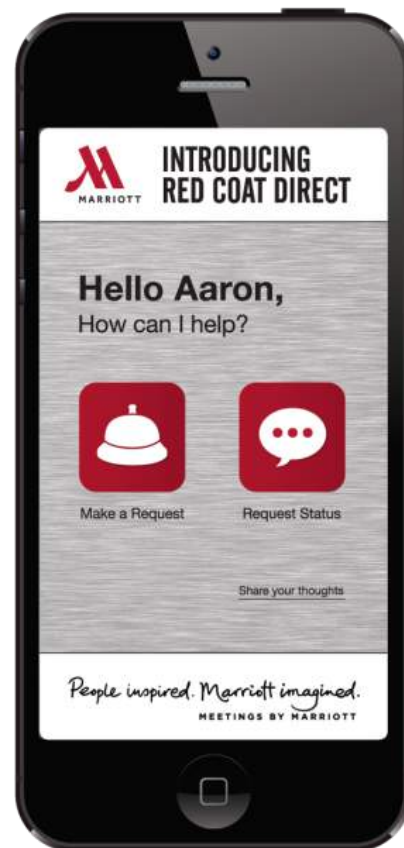
Areas / Products + Services

Brands / MH

Status / POC

A **transformational initiative** recognizing the way people work and meet is changing and providing solutions that address space, service and technology for deeply customized experiences that drive competitive advantage.

RED COAT DIRECT

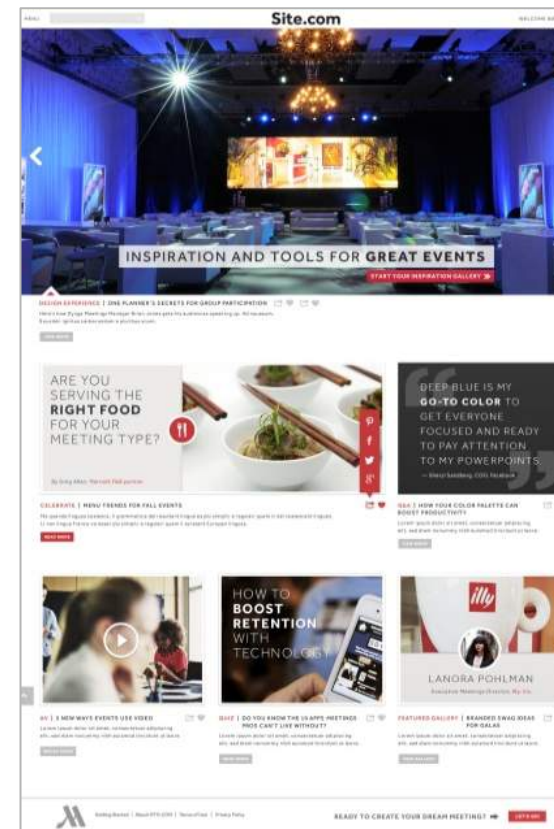


WORKSPACE ON DEMAND



WORK[SPACE]
ON DEMAND

MEETINGS IMAGINED



NEXT GEN SPACES



Discover Meetings Imagined

Moxy IKEA Partnership

Areas / Products + Services

Brands / Moxy Hotels

Status / Design

A unique partnership driving Marriott's newest and most original brand, one laser-focused on the [next generation traveler](#) and their values around authenticity, style, connectedness and independence.



CY Guestroom

Areas / Products + Services

Brands / CY

Status / Deployed

Designed to deliver deeper relevance to Gen X and Gen Y, the new CY guest room now synchs perfectly with newly renovated lobby spaces, delivering integrated technology, an enhanced bath experience and intuitive design.



MH Guestroom

Areas / Products + Services

Brands / MH

Status / Deployed

Designed to deliver [deeper relevance to Gen X and Gen Y](#), the new MH guestroom delivers an upgraded bath experience, progressive design aesthetic, open closet, more spacious and experiential design.



Goji Kitchen + Bar

Areas / Products + Services

Brands / MH

Status / Deployed

Shattering the paradigm of the staid three meal restaurant to deliver a dynamic restaurant platform and [pop-up micro-concept that changes identity on demand](#), delivering dining experiences with enduring relevance.



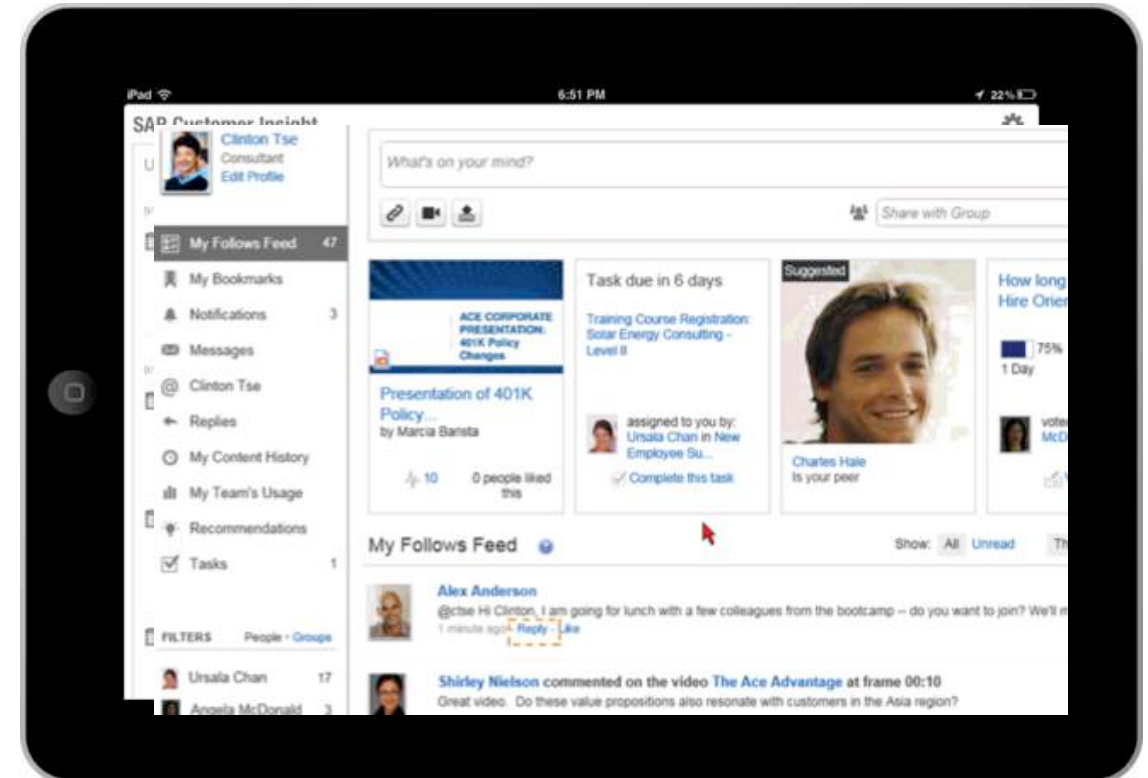
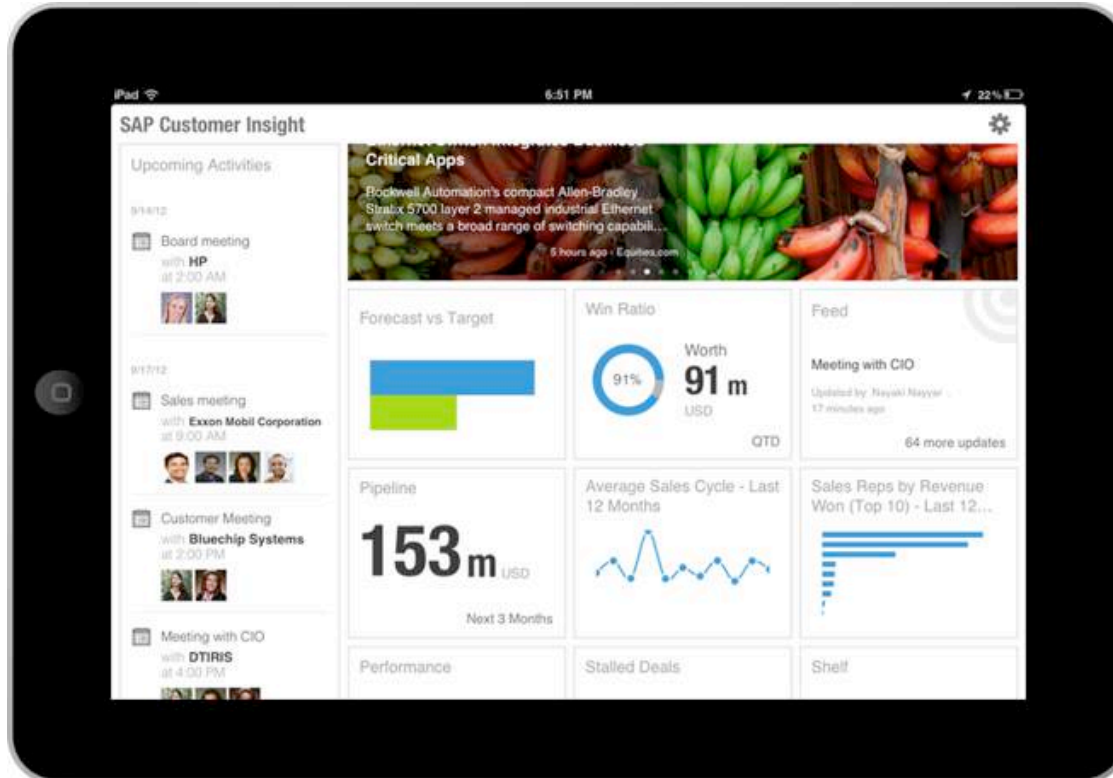
JAM Collaboration Platform

Areas / Processes + Technologies

Brands / All

Status / Design

Social collaboration tools (such as SAP Jam) foster and promote lateral and vertical enterprise discussion / engagement and signal a [commitment to modernizing communication](#) and [global social business practices](#).



RH Design Guide

Areas / Products + Services

Brands / RH

Status / Design

Deliver an experience framework to fuel a dynamic range of design and emotional outcomes, as well as a [future-looking interpretation of Renaissance core brand values](#) of indigenous / intriguing / independent.



\$1K + A Day Challenge

Areas / Customer Experiences

Brands / All

Status / POC

Design an inspirational meeting space for \$1K in a day to drive [collaboration, creativity](#) and [inspiration and results](#).



Insert IK Studio video

MIT Academic Partnership

Areas / Products + Services

Brands / MH

Status / Design

Expanding our thinking beyond hospitality to explore the dynamic intersection of architecture and digital design, leveraging the brightness of next gen minds to reimagine [hotels as social networks](#).



RISD Academic Partnership

Areas / Products + Services

Brands / MH

Status / Design

Partnering with the leading design school in the world to reimagine the desk and surfaces, as well as [merge the guest room task and lounge chair](#) into innovative solutions hyper relevant to the next generation.



Darden Academic Partnership

Areas / Products + Services

Brands / MH

Status / Design

Partnering with UVA / Darden students to answer the challenge: in a world of DIY and increasingly challenging economic models, [what is the future of full service?](#)



Innovation Facilitation

Areas / Processes + Technologies

Brands / All

Status / POC

Partnering with the GCPA internal communication teams to reinvent the format of the CEO's key annual global executive meeting and identify opportunities to [accelerate innovation from Marriott's top global 250 leaders](#).



Aspen Curriculum

Areas / Processes + Technologies

Brands / All

Status / POC

Partnering with the MI Learning team to enrich the Aspen 1 week curriculum to [amplify innovation content](#) with interactive discussion and MI case studies.



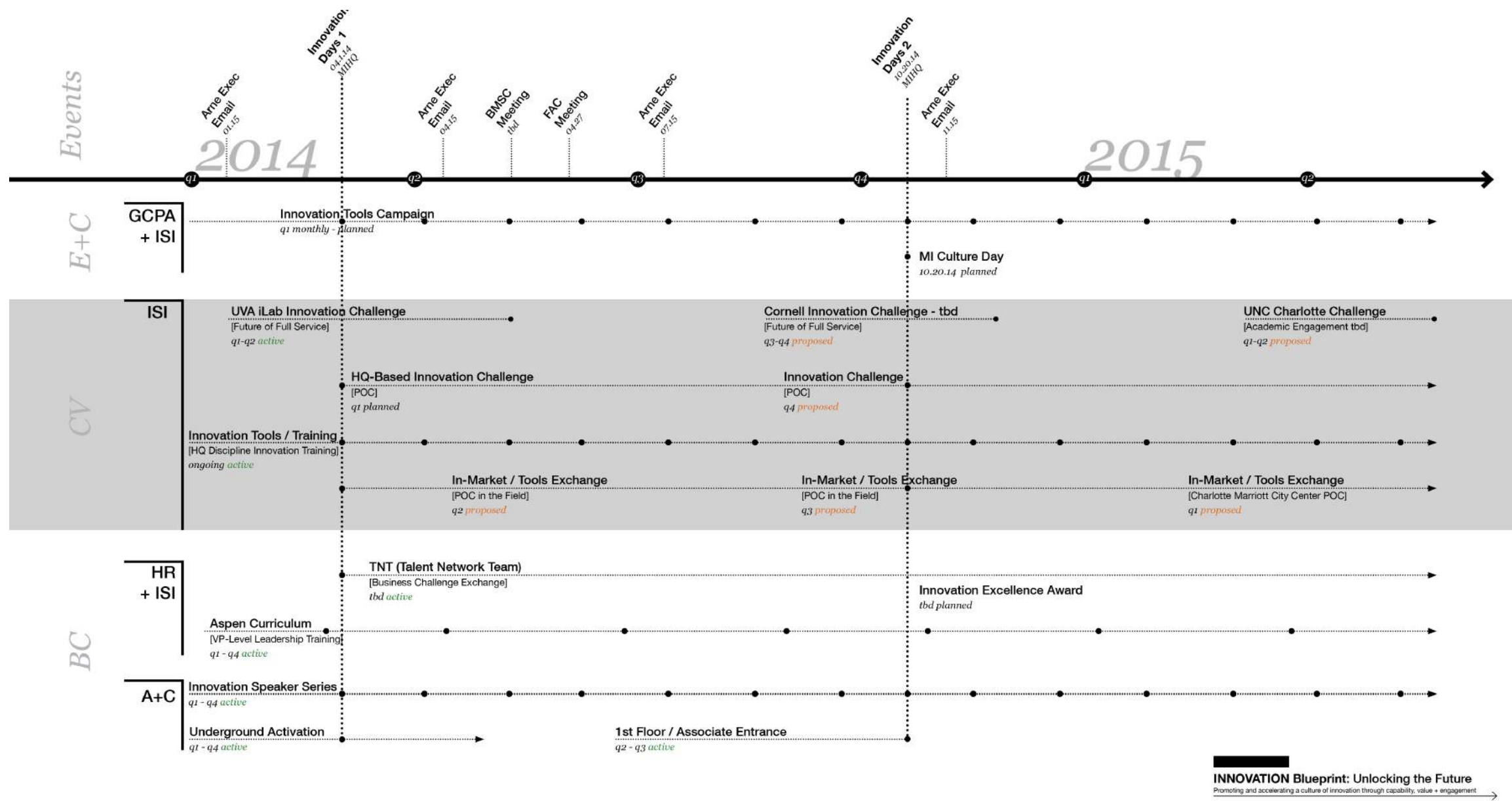
Innovation Days @ MIHQ

Areas / Products + Services
Brands / All
Status / Deployed

The first interactive week of innovation events at [MI HQ](#), igniting awareness and inspiration to advance a culture of innovation at Marriott International.

September 16 – 20		WEEK AT A GLANCE			Our Journey from UNDER INNOVATION to LIVING INNOVATION				
Why Innovation?		What Can We Learn From Ourselves + Others?		How Are We Doing It?		How Can I Do It?		Moving Forward	
9.16 MONDAY		9.17 TUESDAY		9.18 WEDNESDAY		9.19 THURSDAY		9.20 FRIDAY	
EC Living Innovation @ MI		BC The Digital Traveler		BC Learning: The Innovation Engine		BC Think Like Apple		BC Engaging the Next Generation Mindset	
EC Innovation Blueprint: 3 Pathways to Innovation		EC Succeeding In A World Gone Digital What does engagement mean to PepsiCo?		EC Gammification: From Idea to App		BC 3D Printing Revolution		EC Trends Defining Tomorrow	
CV INNOVATION Challenge Jam: Envisioning the Future of Full Service		BC Jam Demo + myLearning Demo		EC CEO's LinkedIn Blog		BC Jam Demo + myLearning Demo			
BC Travel Brilliantly Marriott Hotels Strategy		CV The Hotel as Social Network		BC Brainstorming 1.0 Concepting 1.0		BC Prototyping 1.0			
						BC Feedback 1.0			

INNOVATION Blueprint – Events + Tactics





insight, strategy + innovation

isi

portfolio

process + tools

about us

inspiration+

MISSION

We listen, design and iterate to **deliver new** products, services + experiences - that differentiate our brands and drive **competitive advantage**.

isi

ISI Innovation Tools

Areas / Processes + Technologies
Brands / All
Status / POC

Enabling and enriching innovation across every area of the organization through intuitive, simple, elegant tools.



ISI Innovation Tools

Areas / Processes + Technologies

Brands / All

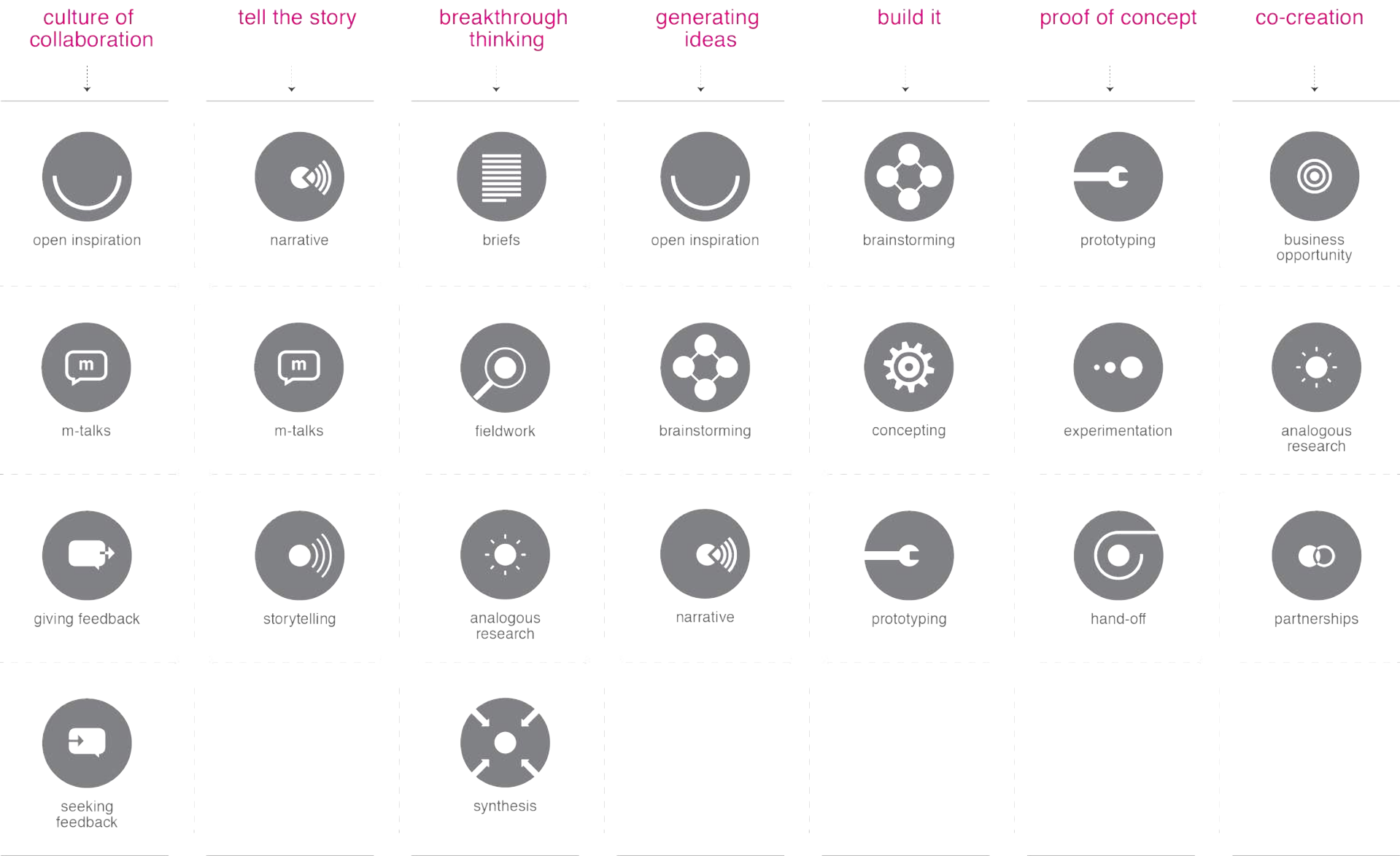
Status / POC

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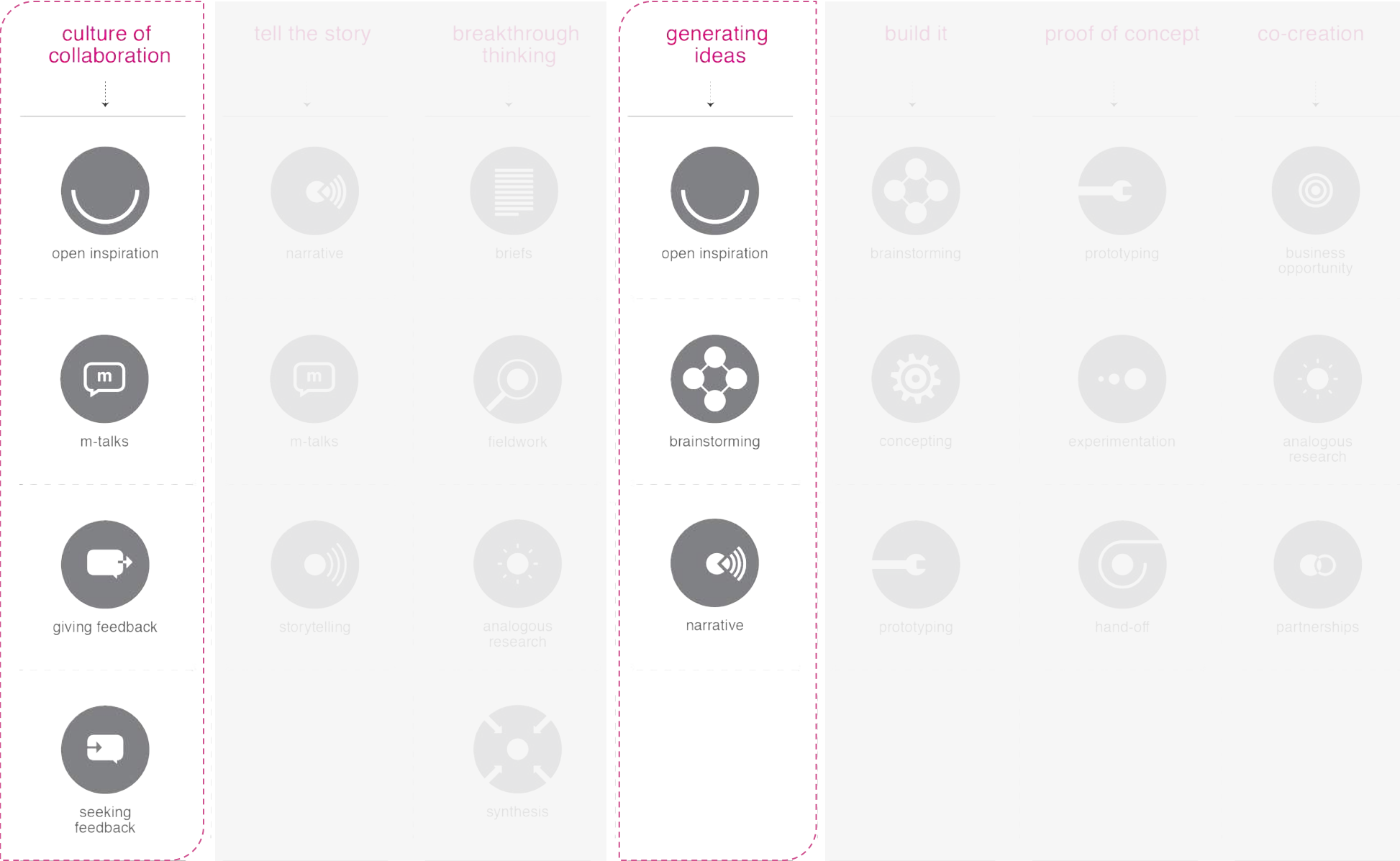
Innovation Tool Bundles

Areas / Processes + Technologies
Brands / All
Status / POC



Innovation Tool Bundles

Areas / Processes + Technologies
Brands / All
Status / POC



how might we...

C A T A L Y Z I N G I N N O V A T I O N

T H A N K Y O U !