

Innovation at Scale

Targeting Innovation
Investments
for Maximum Impact



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Disruption of the status quo is the new status quo.

Ever wonder how some companies routinely introduce new products and services while others struggle to keep their current products relevant?

Companies like Apple, Toyota, LG, and Samsung have fully realized innovation programs, yet they are the exception, not the rule. While a few companies excel at innovation, most companies struggle with identifying, developing, and launching new products. What challenges do these businesses often face?



A Belief That What Got Us Here Will Keep Us Here

The problem-solving capabilities of the past are inadequate to address the speed and complexity of today's problems organizations face.



Lack Of A System To Power Sustainable Growth

One-off problem-solving, playing catch-up, staying relative vs proactive... ingredients for stagnation and vulnerability.



Not Knowing How To Create Great Ideas And Make Them Work

Strong internal talent gets you nowhere with no path for ideas to be implemented. An innovation operating system is needed.

These beliefs take different forms, but the end result is often the same: an underperforming innovation program. The good news is that these, and other, limiting factors, can be changed or eliminated. This white paper provides an overview of how to target investments to reap the highest gains and achieve your goals in innovation.

Where Do We Begin?

The good news is that the art and science of innovation can be applied to many businesses. And this guide will help you to identify and target your investments for maximum impact. We have outlined a series of product and service portfolio assessment tools that very quickly help evaluate your outlook for short- and long-term growth, classify your status as an industry player, and identify lifecycle entry points where new product and service development is most important. The Portfolio View framework will clarify where you stand today and help determine where you start tomorrow.

So, where do we begin? First, let's understand lifecycle dynamics and how products and services travel from birth to death. All products are born from someone's idea. No matter if it is a hamburger, a television, or a service.

Most companies have an inward focus on their products and services – they understand their own metrics and how their products resonate in the market. To evolve your innovation approach, we want to identify the noise – all of the information and data that does not impact our ability to innovate. This is easier said than done, since most businesses struggle to find a repeatable path forward.

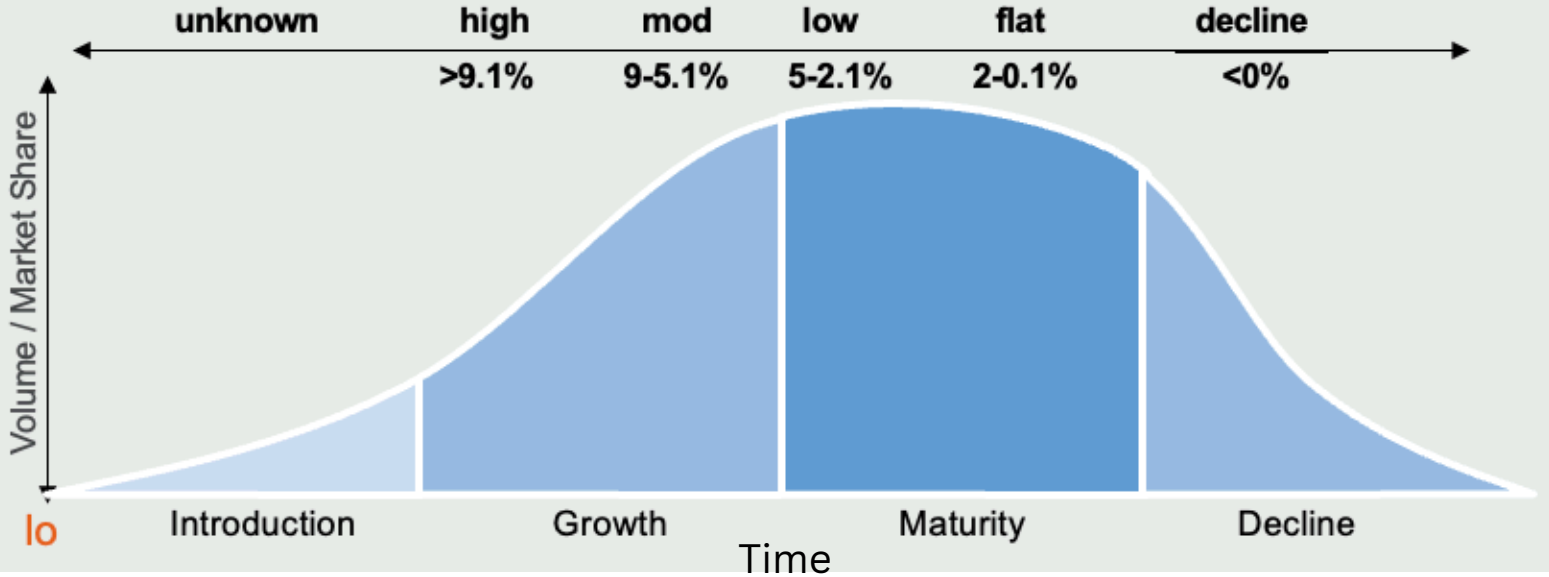
Using this guide, you will be able to make a quick assessment of your firm to understand your place in the marketplace and where to start with an innovation strategy. Finally, this approach will help to filter new product and service ideas to ensure that the most relevant and highest value ideas are getting the investment dollars.



“Researchers estimate that 70% to 90% of innovations fail. And despite new organization structures, internal incubators, big data, and even artificial intelligence, there is no evidence those numbers are improving.”

“How Corporate Purpose Leads to Innovation,” Harvard Business Review

Step #1: Determine How Your Innovation Program Measures Up



Rate your innovation program:

We have...

- Clarified our company status in the industry
- Distinguished new product/service needs based on industry status
- Identified gaps in current product/service mix
- Solidified the role that new products and services must play
- Eliminated one-off innovations with limited growth outlook
- Facilitated better, longer-lasting growth strategy

Not at All *Somewhat* *Rocked It*

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1 2 3 4 5

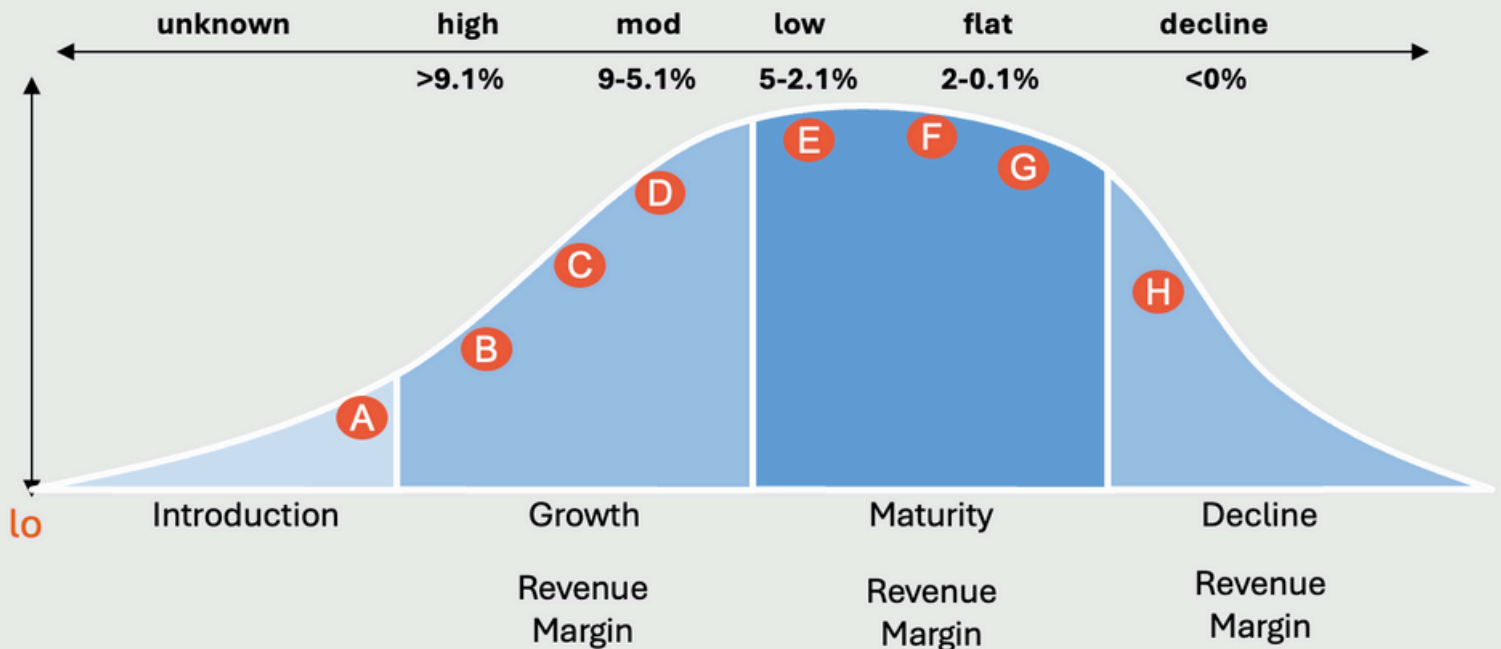
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Step #2: Apply Portfolio Views



The objective of the Portfolio View, shown above, is to ascertain the industry growth rates for the specific solution, adjacent solutions, and similar solutions across the industry.

As suggested by the graphic, products and services enter the market as new to world in the introduction phase (A); grow and build large user bases in the growth phase (B, C, and D); consolidate as growth slows in the maturity phase (E, F, and G); and either disappear or service small and sometimes exclusive user bases in the decline phase (H).

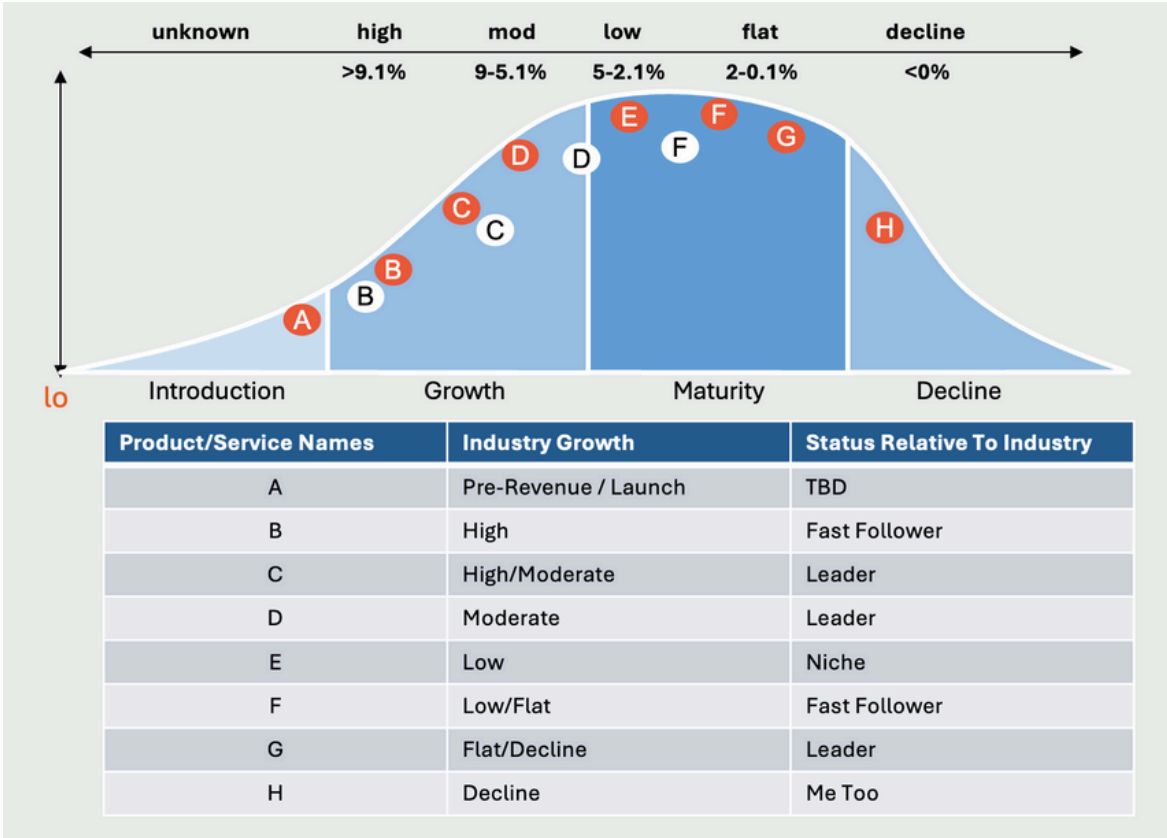
Innovation Game Changer

**Start Consensus Building
With An Inarguable View
Of Your Portfolio**

Know where you are today.

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Step #3: Map Competing Products and Services



Portfolio Views deliver insights through plotting your current products/services/solutions on the lifecycle curve. Use this tool to prioritize strategic moves and create leadership consensus to move forward by:

Innovation Game Changer

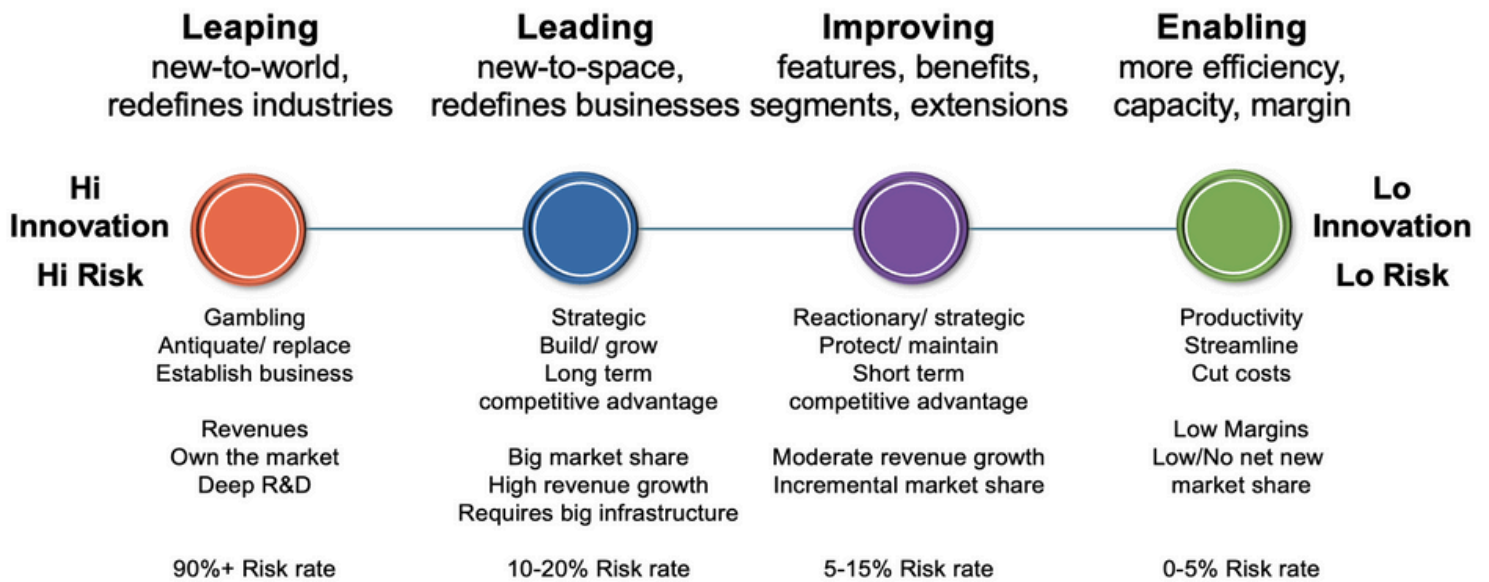
**Embrace Emerging Trends,
Unmet Needs To Assure
Relevancy, Growth,
And A Path To The Future**

Connect to the world around.

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- Helping you understand the strategic role that each product/service/solution plays in your portfolio
- Identifying growth gaps and necessary type of innovation to fill those gaps
- Evaluating your position as an Industry Player (industry leader, fast follower, niche leader, or me-too)
- Evaluating your short-term and long-term growth/performance outlook to facilitate a better, longer-lasting future
- Providing a filter for evaluation of any new products/services/solutions

Step #4: Explore Innovation Types



There are four Innovation Types: Leaping, Leading, Incremental, and Sustaining. From an impact standpoint, Leaping Innovations are the most innovative and the riskiest. Enabling Innovations are the least innovative, and are also the least risky. Organizations that balance their investments across the risk categories create balanced investment strategies. Many companies tend to focus on Leading, Incremental and Sustaining innovation types. Innovation types distinguish the scale, risk level, and impact of different types of innovation, and assist in the selection of targeting the right innovations to meet revenue, share, and margin goals. Benefits include:

- Distinguish roles of four innovation types to better demonstrate investment objectives
- Clarify pros and cons of each each investment relative to its type
- Guide selection of most appropriate metrics and decision criteria
- Provide common language frameworks for understanding and use
- Fast path to eliminating unproductive or unneeded investments

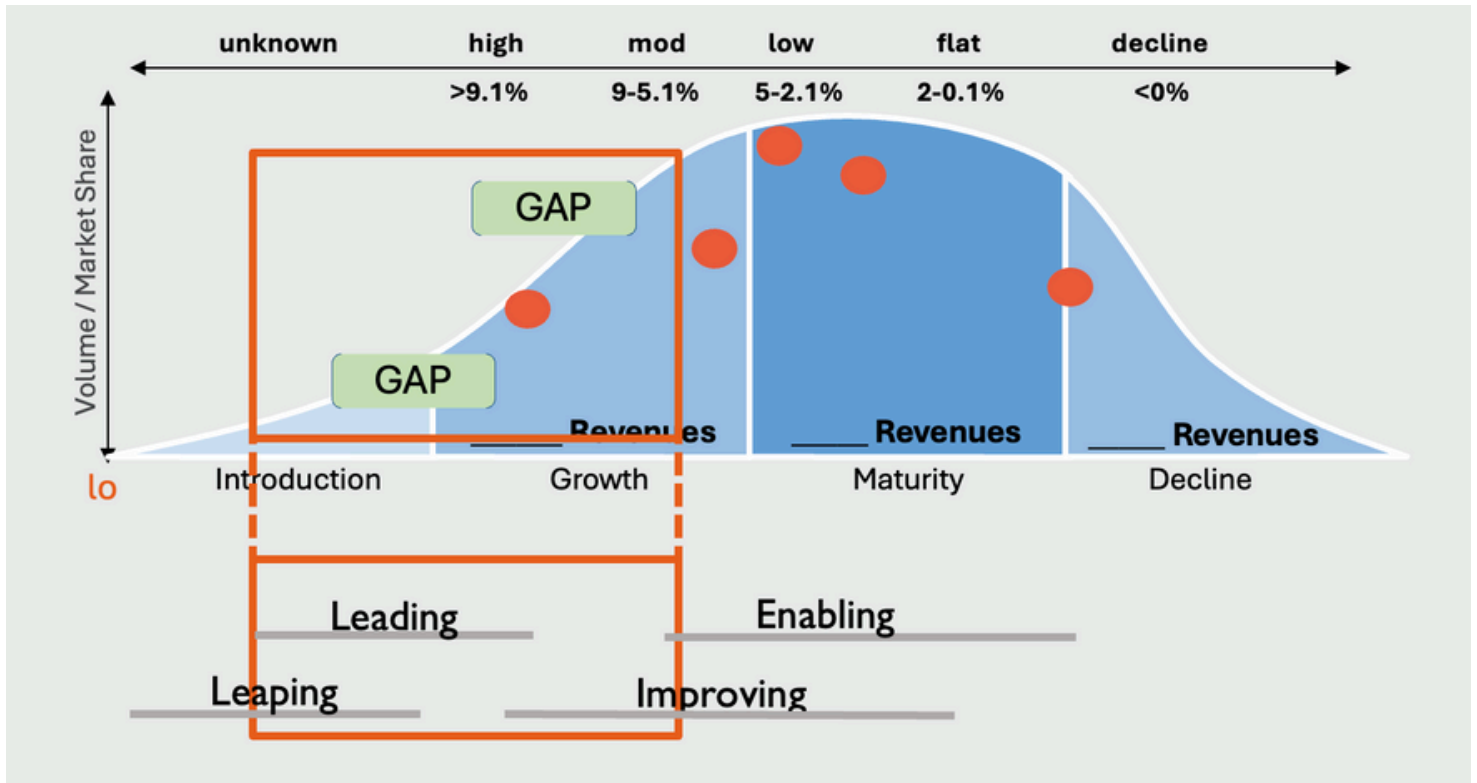
Innovation Game Changer

**Identify Which
Innovation Types
Fill The Growth Gaps**

Know where you want to go.

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Step #5: Link the Product/Service with the Innovation Type



Organizations that maintain portfolios with a balance of products/services across the product lifecycle tend to see greater efficiency and ROI on innovations. The picture above highlights gaps, which inform us of which Innovation Type(s) are required to achieve a balanced portfolio. As with a financial portfolio, an innovation portfolio strives to offset risks by balancing riskier investments with safer investment and through targeted initiatives. A portfolio also serves as a governance medium that supports prioritization and resource allocation.


Innovation Game Changer

Connect A Series Of Product/Service Innovations To A Bigger Disruptive Innovation

No more one-offs.

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Step #6: Confirm Which Innovation Type Is Needed

	Introduction Stage (proof of concept)	Growth Stage (from high to low growth)	Mature Stage (from low to flat growth)	Decline Stage (from flat to declining)
Industry Situation	no to low competition	growth	peak	decline
Competitive Landscape	many different business models; focus on early differentiators and IP protection	moderate building to intense competition	saturated competition, consolidation begins	consolidation complete, few players left
Marketing Strategy	product education, trial, and endorsement	build market share	target new market segments	abandon or repurpose
Spend Strategy	investment spend	return-on-investment spend	maintenance spend or cash cow for new investment	reallocate spend
Entry Point Rationale	lead in market share, revenues, and margins	fast follower or me-too share, revs, and margins	consolidation for roll-up, core asset for bigger play	minimal, acquisition for leverage to bigger play

What's Next?

**Focus on a Disruptive Future State,
then implement in a series of incremental launches.**

To make your disruptive idea a reality, you need to create an Innovation Series. An Innovation Series shows how to connect to your Disruptive Idea from where you are today. The very first stage in the Innovation Series should be easy to do, provide an immediate impact for your customer, and lay out the infrastructure for your Disruptive Idea.



**Want to complete
this puzzle?**

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workshops / training / projects

Move With Purpose



About Teaming Worldwide

Teaming Worldwide is a global innovation and change consultancy, specializes in innovation & design, business transformation, and capability development in large complex organizations and markets. We deliver the Intentional Innovation® methodology as well as business transformation services that help organizations meet the moment and accelerate growth.

About Intentional Innovation®

Intentional Innovation® solves the challenge of scattered, chaotic innovation for large enterprises by delivering a time-tested, proven platform for repeatable, scalable innovation. Implemented across more than 30 industries and 250 individual brands, Intentional Innovation® is an innovation operating system. Our training and workshop programs make it easy for teams to embrace innovative practices that drive growth and customer engagement. Our playbooks are derived from the best practices of the most innovative companies and are designed for organizations of all sizes.

