

GIJS VAN WULFEN

CUSTOMERS ARE SCARY CLIFFS



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A VISUAL TOOLKIT TO START INNOVATION

BUSY BUSY BUSY
ESCAPE HARBOUR

OUR OWN BLIND SPOTS

II.

Innovate the

A photograph of Uluru, a large sandstone rock formation in Australia, illuminated by the warm, orange light of a sunset. The foreground is filled with dry, yellowish-brown grass and shrubs on a reddish-brown soil. The sky is a clear, pale blue with a hint of orange near the horizon.

Expedition Way

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21 Situations When You Should Not Innovate

Innovation can either be 'doing things differently' or 'doing different things'. There's currently a lot going on in the field of innovation, like '*Sustainable Innovation*', '*Business Model Innovation*', '*Service innovation*', '*Collaborative Innovation*', '*Participatory Innovation*', '*Social Innovation*', '*Employee Driven Innovation*', '*Brand Driven Innovation*', '*Agile Innovation*' and '*Frugal Innovation*'.



You might get the impression that innovation is the right management tool at any moment for any and every market or organization. Well, in my opinion it's not. To illustrate, let's take a look at historical expeditions and why many of them failed. Expeditions that never succeeded due to the cold, heavy storms or starvation. Expeditions like that of John Franklin, whose entire fleet perished while looking for the legendary Northwest Passage in 1845. Or those who were inexperienced like Andrée who set out for the North Pole in a hydrogen balloon in 1897. Or expeditions that suffered from design faults and equipment malfunctions like the *Soyuz 1* in 1967 or *Apollo 13* in 1970. Or expeditions that lacked the right leadership and team spirit like the expedition leader Charles Francis Hall who was poisoned by his crew in 1871 on a Polar expedition.

Drawing from the learning experiences of both successful as well as failed expeditions, I have compiled a list of 21 situations when you should not innovate. I am aware that this can be provoking. It's meant to be. This is where innovation starts: opening people's minds, challenging current opinions, habits and practices.

21 Situations when you should not innovate:

1. When you are sure your market is not changing in the coming five years.
 2. When your clients are even more conservative than you are.
 3. When your old formulas are still giving great risk-free results for the coming years.
 4. When brand and line extensions bring you a lot of extra turnover and profits.
 5. When the urgency to innovate is completely absent.
 6. When you don't receive enough money and manpower to do it.
 7. When your company is in a short-term crisis.
 8. When your organization is working at full capacity to meet the current huge demand.
 9. When everybody says: "Innovate!", but no one wants to be responsible.
 10. When you're clueless about what you're looking for.
 11. When there is no real business need and it's only nice to have.
12. When you can't form a capable harmonious team that really goes for it.
 13. When there is no support at the top.
 14. When the people in your organization are not (yet) prepared to break their habits.
 15. When people in your company are lazy; content to copy from others.
 16. When the organization doesn't have any kind of vision about its future course.
 17. When long term planning means looking three months ahead.
 18. When everyone fears failure.
 19. When everyone will attack and ridicule the newness of an idea.
 20. When important stakeholders will block it at any time.
 21. When your latest innovations are so successful and still need further exploitation.

So, what *is* the moment to innovate? Well that's when you don't recognize any of the circumstances above. Be aware though. I learned as a young manager that you can invent alone, but in an organization you cannot innovate alone.

You need an awful lot of colleagues and bosses to make innovation happen. That's because after the ideation of your product, you'll need to design it, to develop it, to prototype it, to test it, to produce it, to sell it, to invoice it and to service it. So, keeping these situations in mind; remember to wait for the right moment, as you'll only have one chance to start innovation for the first time.

6 Ways of Committing Innovation Suicide

Customers change. Competitors change. Technology changes. If you don't do anything; new, competitive products and services will catch up and overtake your products and services. A study by Arthur D. Little has shown that the life cycle of products has shrunk by an average of 400 percent over the last fifty years¹. Innovation, therefore, is essential.

When starting innovation, a lot of the same mistakes are made over and over again. That's why you need to be aware of these six ways of committing innovation suicide. And how to avoid these pitfalls in practice.

1. Start without a business need.

Think about the last time you tried to make a dramatic change in your personal behavior. We, as innovators, are faced with the same difficulties. We are all stuck in our habits; doing things in fixed patterns. For years, we continue to read the same journals, drive the same

cars, and have the same insurance. The only reason for us to change is when a new, simple and attractive solution comes along, relevant to our needs. It's as simple as that. So, if your company's current business is booming; it's unlikely that the people in your organization will readily break with their habits. Remember: necessity is the mother of invention. The 1494 Treaty of Tordesillas granted Portugal exclusive rights to the eastern routes that went along Africa. That's why on March 22, 1518 the King of Spain was persuaded to appoint Magellan and Faleiro joint captains; the Spanish Crown felt an urgent need to travel west to find a new commercial route to the Spice Islands. So, don't try to convince others to innovate when there is no business need; you will be turned down.

2. To first appoint an innovator.

Okay, we need to innovate, so who do we put in charge? A lot of organizations will make the most innovative colleague responsible for innovation. That may seem like the smart thing to do, but it's not. He or she will only end up a lone

wolf, because inventing and innovating are two very different things. You can invent on your own. But in an organization you can never innovate alone! You need R&D engineers, production managers, IT staff, financial controllers, marketers, service people and salesmen to develop or service the product, produce it and get it on the market. The moment you appoint an innovator, you run the risk that everyone else will lean back and wait for the appointed innovator to come up with his or her innovations. The others won't take their responsibility anymore.

3. Start with your idea.

Innovation isn't just about ideas; it's about getting the right ones and realizing these ideas in practice. The global symbol for innovation is a bright, shining light bulb. Once an idea comes to you, you'll probably fall in love with it. That's a great feeling. But, unfortunately, love is blind. The psychological phenomenon of selective perception will make you see only the positive points of an idea and only listen to people who are supportive. What happens when you tell your idea to someone else? The first reaction will often be 'Yes, but...' Others within your group will be critical of your idea the moment it is told to them. An important reason for this is that it is your idea and not theirs.

4. Bet on one idea.

For every seven ideas for a new product, about 4 enter development, 1 to 2 are launched and only 1 succeeds.² It resembles the outcome of Magellan's expedition. On September 20, 1519 five ships under Magellan's command – *Trinidad*, *San Antonio*, *Concepción*, *Victoria* and *Santiago* – left Spain to discover a route to the west. Three years later only one ship, the *Victoria*, returned

to the harbor of departure, completing the first circumnavigation of the Earth. However, the spices on the *Victoria*, were so valuable, it was enough to pay for the entire expedition. Therefore, never bet on one ship. There's a huge risk that it won't return.

5. Start with a brainstorming session.

When there's a need to come up with something new, people generally start by organizing a brainstorming session. Ironically, often times nothing innovative ever materializes. That's why brainstorming holds such negative connotations in lots of companies. It's because it is usually the same group of colleagues who get together to brainstorm without any preparation. You might think the problem is their inability to generate new ideas. But you would be wrong. The problem is their inability to let go of the old ones! I love this quote by the American businessman Dee Hock, he says: "The problem is never how to get new, innovative thoughts into your mind, but how to get old ones out. Every mind is a building filled with archaic furniture. Clean out a corner of your mind and creativity will instantly fill it. Once you get the old ideas out of your mind, new ones come automatically!"

6. Start by neglecting customers.

Starting with ideas or new technologies gives a lot of energy and inspiration. It's also fun to do. But effective innovation is all about getting new ideas for simple solutions for relevant customer problems or needs. Meeting potential customers to discover their frictions belongs to a set of highly effective techniques you want to apply when creating new product ideas. Robert Cooper and Scott Edgett confirm this in their study concerning ideation techniques.³ Don't go looking for what your customer wants. This is because customers, themselves, aren't always able to articulate their needs. Start by exploring customers' relevant future problems. You'll soon find that neglecting customers in your innovation will lead to a dead-end street for sure.

1. Source: A.D. Little as cited in C.F. von Braun 'The Innovation War' (Upper Saddle River, N.J.: Prentice Hall PTR, 1997).

2. R. Cooper (2005), *Product Leadership*. New York: Basic Books.

3. R. Cooper & S. Edgett (March 2008), "Ideation for Product Innovation: What are the Best Methods?" PDMA Visions.

40 REASONS WHY PEOPLE STRUGGLE

1. Are we creative?
2. How do we change our habits?
3. We don't dare to think innovative.
4. We are lazy.
5. We lack curiosity.
6. We are not aware of the need.
7. We don't believe innovation is going to happen.
8. We have always done it this way.
9. We do not have the guts.
10. Our failures blocks new initiatives.
11. We have a short-term mindset.
12. We don't have a vision.

13. When do we have to start?
14. Our ideas seem unfeasible.
15. We find it hard to imagine the future.
16. We fear failure.
17. Others will ridicule us.
18. We don't know if it leads to profits.

19. How do we get support on the work floor?
20. How do I share my ideas?
21. How do we create sponsorship at the top?
22. How do we communicate ideas to the right people?
23. How do we convince stakeholders they benefit?
24. It does not work in our company.
25. How do we get consensus on a solution?

WITH INNOVATION

- 26. Our customers don't know what they want.
- 27. We struggle to get inside the head of the customer.
- 28. How do we uncover true customer needs?

- 29. Our innovation process is not organized.
- 30. There are too many ideas.
- 31. We do not stick to the idea and take the easy way.
- 32. How do we decide what is a good idea?
- 33. We don't know when to stop ideas.
- 34. We don't know how to make ideas happen.
- 35. How do we select of the right technology?
- 36. How do we translate user studies into technology?

- 37. How do we guide innovation in line with strategy?
- 38. We do not have the right people.
- 39. We do not have the talents needed.
- 40. Teams cannot think beyond our current successes.

Source: massive response on a post in 20 LinkedIn Groups.

Harvard Business
Review: *It's tough
change and
within the*

*when markets
your people
company don't.*

You Can't Innovate Alone

My first innovation job was marketing dried soups for Honig, the leading Dutch brand and market leader in the Netherlands. We sold around 50 million consumer packets in the Netherlands per year. Not a bad figure, considering the country's population is only 16 million. Honig had a market share of more than 60 percent. There was just one problem; the dried soups market had stopped growing.

As 'the new kid on the block', I was invited to provide fresh input into their marketing and innovation strategy. Together with the senior managers we did field research on how consumers used our soups, researched consumer trends, investigated what our competitors, Unilever and Knorr, were working on and looked into new technologies. We concluded our current market would not be able to generate growth. Therefore we knew we had to innovate and do something unique. This was in the late 1980s, the era when microwave ovens were becoming commonplace in European households. A lot of other food producers were already innovating in fresh,

frozen or chilled microwavable meals that took seconds to cook. We believed we had to be part of this new market.

In addition to being involved in market strategy, senior management also had me take on a hands-on innovation assignment of my own. My challenge was to increase the long term sales of, *Honig Vermicelli Bouillon Soup*, the instant soup mix in our assortment with the lowest sales, some 750,000 packets sold annually. It was an old-fashioned clear soup with lots of vermicelli noodles. Studying the world of soup broths, one thing struck me. Broth cubes were a success as were clear broth beverages. However, our broth soup with vermicelli noodles was not. Why not just leave out the noodles? And, that's exactly what we did. We re-launched the soup as the first clear broth soup without noodles. And what happened? Sales doubled within 1 year to 1.5 million packets and margins rose by 50 percent as we saved on the costs of producing and packaging the vermicelli.

In the meantime, we discussed our chilled soups market strategy with our colleagues at R&D, logistics and produc-

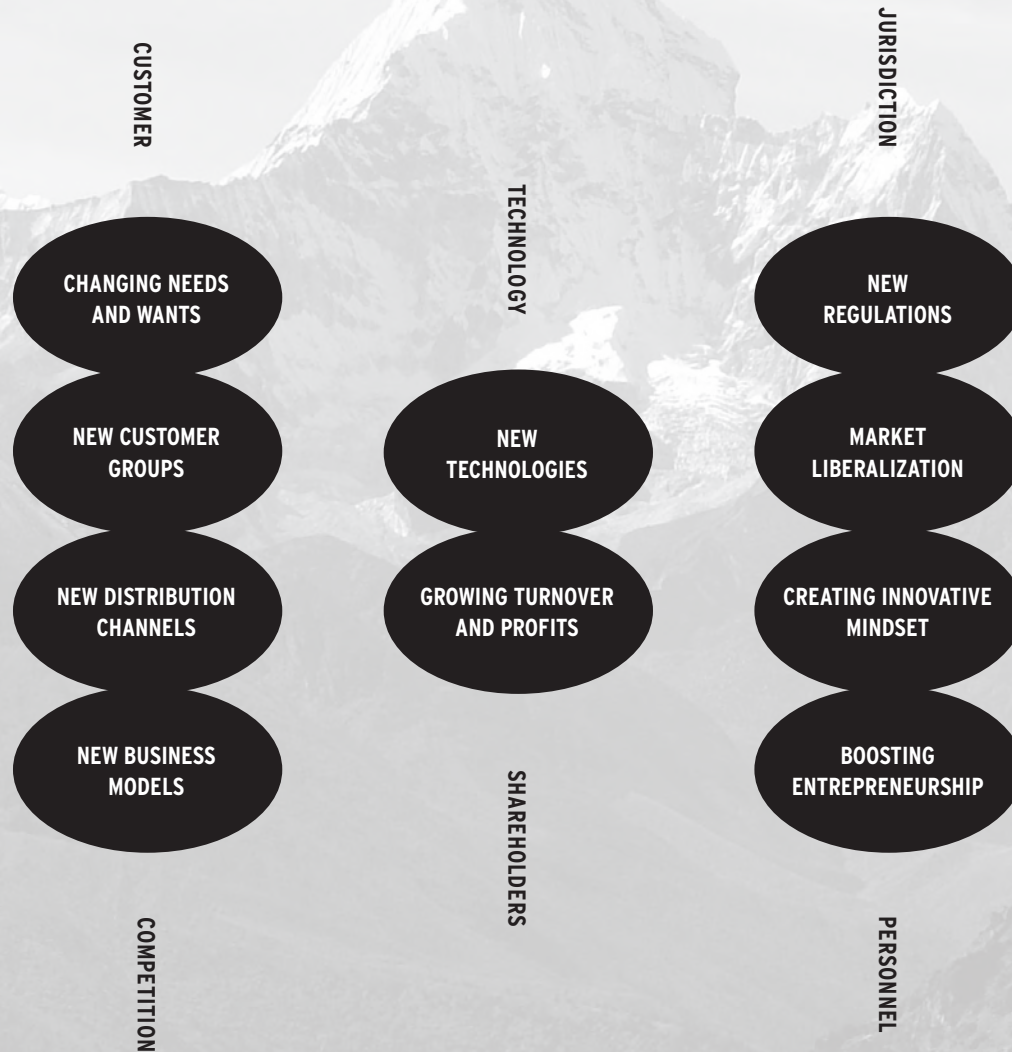
tion on a mid-management level. None of them liked our intention to introduce ready-made chilled soups to Honig's line of products. In their opinion we didn't have the recipe expertise and lacked the R&D capabilities. We also did not have a clue about refrigeration logistics needed to get the product into the supermarkets. We considered our colleagues foolish for once again resisting change. We then decided to take our plans to the top and got ourselves a two-hour time slot in the board room of Honig. We presented the board with all the consumer food trends and growth figures of ready-made microwave products worldwide. We even provided taste tests of competitive fresh chilled microwave products. The board was truly enthusiastic, up until we discussed the business case. This strategy was only going to be profitable after five years in the most optimistic scenario. Both costs and risks were huge as we had to build a new processing and packaging factory for chilled soups. I will never forget the words the CEO said to me at the end of the strategic innovation discussion: "Gijs, without any risk you doubled profits of our 45th selling flavor of dried soup. Innovate the 44th soup flavor and

you'll realize more profits in the coming five to ten years than with an entire line of chilled soups ...” And that's just what Honig did. It continued to be a very successful market leader in dried soups. Fifteen years later H.J. Heinz bought the brand.

The wise lesson I learned as a young marketer is that in an organization you cannot innovate alone. You need an awful lot of colleagues and bosses to share your vision before a big change can truly take place. Therefore you have to give them a chance to discover for themselves what different paths are possible, what

can be developed and what is realistic. If you want to be an effective innovator, then don't make my mistake. Remember the soup lesson: you can't innovate alone. Look for the right moment to involve top management. And let them participate in your innovation expedition.

10 REASONS TO INNOVATE



10 Problems at the Start of Innovation

Many things can go wrong during the process of creating new products, services or business models. Let me give you ten examples from my own experience. You may recognize this as an array of all too familiar scenarios. If so, rest assured, you are not alone.

1. We're not sure what we want. Ideation of new products and services happens ad hoc, usually at a time when a problem arises or the turnover decreases suddenly or when a competitor enters the market unexpectedly. The first question is: "What now?" Then the creed becomes: "We'll get Smith to create a list." From this moment it becomes clear that any current strategic business plans no longer provide much direction for innovation. Ultimately, the lack of clear directives leads to random thought processes and frustration. Frustration because the management, further down in the innovation process, decided to concentrate on something else than what you were focusing on before.

2. We keep coming up with the same thing again and again. When there is a need to get ideas for new products and services, a group of people are summoned together for a brainstorming session. This session usually takes place during a

long and tiring day. It's usually the same mix of colleagues, (known as the creative team) who are brought together, but nothing ever seems to materialize. That's because when you attempt to brainstorm with close colleagues you run the risk of becoming easily irritated by the predictability that comes from knowing one another's personalities and preferences too well. Everyone automatically makes a dash for the same goal. The result is that nothing new appears and everyone leaves the meeting disappointed. At these moments they share a feeling of failure, which no one is able to prevent.

3. Sticking to conventions. Organizations have ample customer information at their disposal, do regular research into the market and are in daily contact with customers, but this process has become routine. Companies pay more attention to their current market share and what the competitor is doing right now. Prod-

ucts start to look alike because everyone is copying each other's market successes. This in turn leads to common conventions in the market while the organization loses sight of what the customer really wants. As a result of this tunnel vision, management develops a 'blind spot'. This makes room for a new competitor to appear unexpectedly with another kind of product, which just might meet some changing demand in the market.

4. The dominator. Not everyone will be given a fair chance at a brainstorming session unless there is an expert facilitator. In most cases the dominating forces are either the extroverts or the most senior managers. This makes things extremely difficult and tactically awkward for the manager in charge of leading the session. Especially when his or her manager has to have the final say in the brainstorming session and the rest of the group is silenced.

5. The negative spiral. There are brainstorming sessions where everyone has his say. After all, this is the reason for the brainstorming session, isn't it? Indeed, when you carefully listen, you can start building on the product ideas put forth by others. However, the risk involved is that ideas will be judged with immediate criticism. Remarks such as: "That doesn't work for us", "We've tried it before", "We'll never get permission to do that", or "there's

no way that can be done'. In reality, these negative statements squash real creativity. A spiral of negativity kills any chance of creativity because everyone is silenced within a short period of time.

6. We've got hundreds of post-its. Now what do we do? You generated ideas non-stop at a brainstorming session and covered a wall with post-its. Then, somewhere the process stalls. Where to next? Some good ideas might be among all those post-its; but the question is: how do we make heads or tails of this clutter and choose a concept? I have to admit, in the days when I was still a manager, I didn't have the answer to this either. I thought I had to find the answer on my own. I would thank all the participants for their input and take all the post-its back to my office, where they would just stare at me for weeks, until I finally threw them into the wastepaper basket. There are many places where a brainstorming session can derail.

7. Ideas remain vague. When everything in a brainstorming session goes well and creativity is stimulated, new ideas are often expressed in beautiful, poetic sounding jargon. Be aware! This might be a self-inflicted pitfall. Vague statements such as: 'We are going to make an app whereby we can reach adolescents with trendy virtual mobile marketing', or 'It is going to be a very original product as its authenticity

will appeal to the primitive man inside us'. Ideas at this stage can either represent everything or represent nothing at all and still have a long way to go.

8. The management pre-kill. Ideas are screened at the beginning of the innovation pipeline. This is often done by senior management to reset priorities during the process. Even though the goal is to innovate in a serious way, the most far-reaching ideas are the first ones removed from the equation; either because management is unable to relate or considers the idea to be too far-fetched. The responsible innovators are then left wondering: "Wasn't the intention supposed to be serious innovation?"

9. The development team re-designs. It is great when the final decision is made to develop a new product idea. Subsequently the concept will transfer from the product inventors to the product developers – usually a multi-disciplinary team under the control of a project leader. It seems odd, but usually at this stage most of the life gets sucked out of an idea. The members of the development team have their own opinions as to the direction the product should take and they start dissecting the original idea. It can be helpful. It could be necessary to improve the idea during the development process. What often happens though is that the original product

idea starts to look more like something we already had, as it was easier to produce that way. The risk is that you're throwing out the baby with the bathwater.

10. Line management resistance. During development, the product idea regularly has to be 'sold' to the line management. Should the product reach the finish line of the innovation process, line management will be the ones producing the product and putting it on the market. While you might be expecting applause for your innovation, you end up getting constant comments and questions. Questions you may not have all the answers to. It is only natural to wonder if these comments and questions are meant as genuine practical arguments or whether you have fallen victim to corporate politics or the dreaded 'not my idea' syndrome. Resistance from line management can also be attributed to their regular workloads. When they don't have the time to develop their own ideas, they will not be prepared to spend time on the ideas of others that are imposed on them. Hence, it can happen that a good new product idea is kept in the freezer for years due to a lack of internal support. It is possible that you recognize the above-mentioned situations. Do not despair; you are not alone. And from studying the journeys of great explorers, I can provide solutions.

5 Ideation Dilemmas Solved

Ideation of new products, services or business models is difficult. Research published in the *Economist* shows that nearly 60 percent of companies have difficulty generating sufficient innovative ideas.¹ If you want to avoid problems at the start of innovation, you first have to ask yourself a series of questions. There are at least five choices you have to consider:

- 1. When: now or later?**
- 2. Who: external experts or internal team?**
- 3. What: revolutionary or evolutionary ideas?**
- 4. Which criteria to use?**
- 5. How: the creative or structured way?**

1. When: now or later? It's a myth that companies are continuously innovating. Of course companies all have a R&D or innovation department working on new concepts. And a lot of big corporations even have a stage-gate innovation funnel full of new initiatives, which they monitor on a permanent basis. But if you define innovation strictly as "something really different" a lot of so-called

innovations are in reality additions to or variations on existing product lines and brands. Often the innovation board of the organization will only approve genuine innovation once far less risky concepts have stopped generating growth.

The completion of the innovation process, from conception to introduction, spans an average of 18 to 36 months. So, it is extremely important to anticipate and react in time to be a market leader. Leaks in the roof are easy to spot when it's raining, but it is better to have the repairs done beforehand. The ideation process can only succeed if the company is financially and mentally sound enough to do this. If the board of directors and co-workers are under a lot of pressure you should think twice before starting an ideation project. It is best to wait until the dust has settled and the forecast is clear.

2. Who: external specialists or internal team? Would a small group of external specialists create better ideas than a group of internal managers and co-workers? They might. However, what's the use of brilliant ideas if there's no support within the organization?

Every idea might be rejected because of the 'not invented here' sentiment. You promote positive energy and cooperation within your organization by letting those colleagues, who will play a role in the development and introduction process, participate in the ideation of their own innovations. This is very helpful in the innovation delivery phase. It helps a lot if several people share in fostering an idea. For this reason I support a team approach. What's more motivating than watching your ideas take seed and flourish?

3. What: revolutionary or evolutionary ideas? Which innovation type should be your goal for a new product, service or business model: revolutionary or evolutionary? Evolutionary ideas are typically the "superior" concepts: the better supermarket, the better car rental service or the better street sweeping machine. They are often upscale innovations, which offer more at a higher price. Revolutionary concepts are truly different. Consider the origin of the *TomTom* product line. Existing manufacturers of built-in navigation systems had focused their strategy on the automobile industry and dealers. From the start, *TomTom*

focused on consumer needs. Their route planners were considered consumer electronics and *TomTom* thereby needed to set completely different criteria for the product, such as: portable, easy to use and affordable. The first *TomToms* were half the price of their competitors. *TomTom* revolutionized the market in 2004 and opened a whole new consumer market for route planners.

The type of innovation you should focus on depends on the characteristics of your market, your company and your ambitions. If you are a market leader in an existing market, with low potential for growth, you should dare to go for new-to-the-market revolutionary innovations in other market segments. However, if you're a relatively small newcomer in an enormous growth market, then I can imagine you would first want to conquer the existing market with new evolutionary concepts.

4. Which criteria to use? Often an ideation project gets started when a senior director says: "We have to come up with something new." And then he or she leaves the rest up to you. And how many times has it happened that when

you presented your innovative business ideas they were all rejected? It's very hard to meet fuzzy expectations. Success starts first by clearly establishing the criteria that new concepts must meet. Discuss with your Board questions like:

How much turnover must the new concept realize in year three after introduction?

What's the minimum profit margin?

Should the new concept be new to the company, new to the market or new to the world?

Should our aim be a specific target group or market?

To what extent should the new product concept be the talk of the town?

To what extent should the new product concept fit the current brand values?

Are we obliged to make the new product concept ourselves (with our own manufacturing facilities) or can we look for partners?

Making expectations explicit before you start will provide you focus.

5. How: the creative or structured way?

Creativity plays a major role ideating new innovative concepts. A lot of people

think you can only be creative if you don't have any constraints to consider; enabling you to really think outside the box. I agree you can't discover new oceans unless you lose sight of the existing shore. However, it's not just crazy ideas that your organization is looking for. It's looking for ideas that meet the criteria we just discussed. Therefore you need to follow a process that will lead you to concrete business cases that are attractive and viable within your organization. Creativity alone will not get you there. You will also need customer understanding, business sense and technical expertise. That's why a structured ideation approach can be a helpful tool in determining: What to do? In which order? When? With whom? And how? That's why I developed the FORTH innovation method.

1. The Economist Intelligence Unit (2008).

"The Innovators: How Successful Companies Drive Business Transformation", p 10.

Albert Einstein,
physicist:

*If you always
always did,
get what you*

*do what you
you will always
always got.*



THE FORTH INNOVATION METHOD

Inspired by great explorers like Columbus, Magellan, Amundsen, Hillary and Armstrong the method I developed for ideating new concepts is a 20-week expedition in which we'll realize a concrete innovation mission and bring back three to five mini new business cases for innovative concepts. Going on an expedition means you'll stop racing down your 'business-as-usual-highways' where you see the same familiar things. You'll explore and visit new sources of inspiration that draw you out of your comfort zone and enlarge your world, preparing you to create new and wonderful concepts.

The urgency of Magellan, the meticulous planning of Amundsen, the focus of the Apollo program, the courage of Columbus and the teamwork of Hillary's conquest of Mount Everest are all part of it. The method has the characteristics of a real expedition, mixed with best practices of creative and business thinking and is -fittingly- designed as a map. Having a map to consult is tangible proof of preparedness. And a large-scale map on the wall with a planned route inspires the crew with all the confidence it needs. Enough even to sail off the map like Columbus did.....

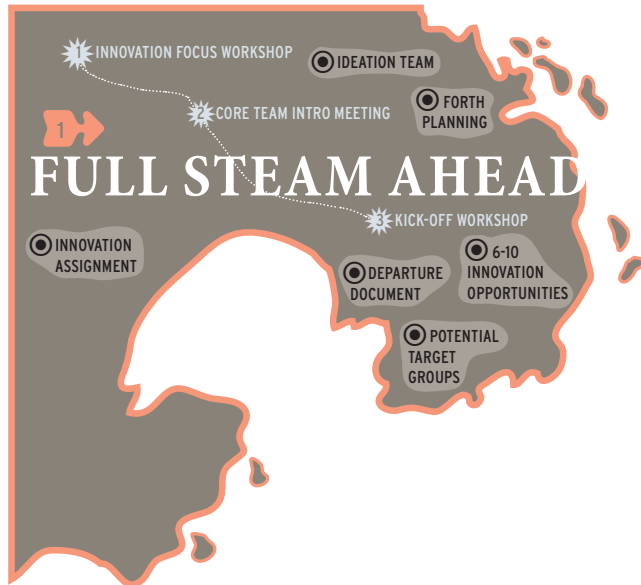
The innovation method for the ideation phase is called FORTH - an acronym found in the first letter of each of the 5 steps: *Full Steam Ahead*, *Observe & Learn*, *Raise Ideas*, *Test Ideas* and *Homecoming*. This method was developed in practice and is used successfully in both B2B and B2C markets and by non-profit organizations.

The FORTH method starts with drafting a concrete innovation assignment. And fifteen weeks after the kick-off, the team presents three to five mini new business cases to the senior management. It's a practical method for the creation of a new concept from idea to mini new business case.

During the first step, *Full Steam Ahead*, you immediately choose the innovation focus. Here you choose your destination and draft an innovation assignment. During the second step, *Observe & Learn*, you discover and understand what the potential target group considers to be important and what they struggle with the most. Furthermore, this step also includes an important condition necessary for generating new ideas: a period of incubation - in other words time to allow ideas to hatch. You will be consciously tackling your assignment as well as subconsciously. Sometimes an idea will enter your mind when you least expect it: in the shower, while on holiday or out jogging. The acquisition of insight into customers' needs and the opportunities available, as well as 'outside-in' thinking lays down the groundwork necessary for step three: an effective, creative process in *Raise Ideas*. Ideas are generated, evaluated and developed into concrete concepts. The last two steps of the expedition concern testing the appeal of the concepts and building support. During step 4, *Test Ideas*, the newly developed concepts are tested among the potential target group. In the fifth and final step, *Homecoming*, the most promising concepts are worked out as mini new business cases and presented to the members of senior management, who have been anxiously waiting in anticipation for the unveiling of the expedition's homecoming.

I have learned from experience that the FORTH method takes about 20 weeks. For the team members, it takes approximately 15 weeks following the kick-off workshop.

In the next section the main features of the five steps are discussed.



STEP 1: FULL STEAM AHEAD

When you go on an expedition, you increase your chances of success by being well prepared; much like Roald Amundsen did to be first at the South Pole. At the start you make four very important decisions:

1. What is the innovation assignment?
2. Who is the internal client?
3. Who would make the ideal ideation team?
4. Which innovation opportunities will be explored?

The Innovation Focus Workshop

First, you have to determine a concrete goal. Together with those who are going to evaluate the new concepts at the end of the ideation phase you will draft an innovation assignment, containing which criteria the concept has to meet and the planning of the expedition.

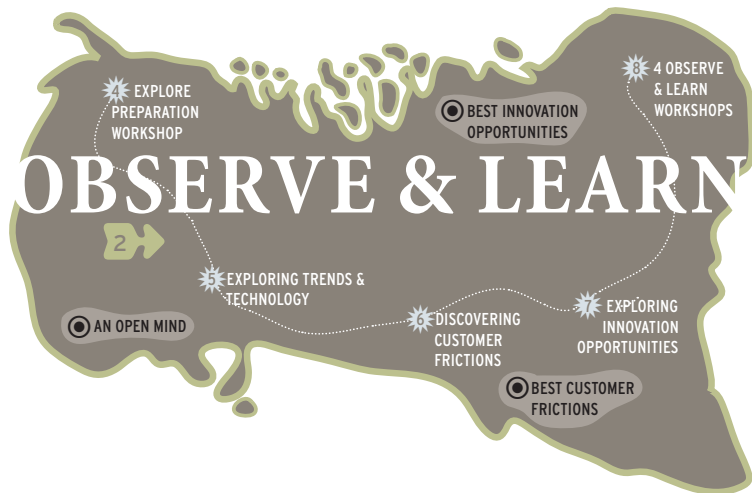
The Ideation Team

You will have to put the team together and decide on the size of the group and who to invite. From experience I find that 14 people is the absolute maximum, made up of 12 internal FORTH team members with the option of bringing in two external members for the brainstorming process. 'Core' team members go through the whole process very intensively. This requires, from the kick-off, a period of about 20 days over fifteen weeks. Extended team members experience the process less intensively- just the highlights. They could be, for example, the internal client, other members of the board or managers. For them, the FORTH method requires approximately seven days. The number of core team members is dependent on how many business cases you want to deliver. A good mini new business case requires the efforts of two core team members. Mostly the core team varies between 6-10 people generating 3-5 mini new business cases. Make sure that you choose a well-balanced internal team.

The FORTH Kick-Off Workshop

The FORTH kick-off workshop is a full-day program striving to achieve three things. First, it is important to break through existing ways and to allow the participants to get acquainted in a creative way. Secondly, the team has to get acquainted with the content of the innovation assignment. Third, we jointly generate innovation opportunities with great potential in realizing the innovation assignment. What potential customer groups will we visit? And which experts, organizations or companies will be a potential source of inspiration?

Going Full Steam Ahead takes about five weeks. An enthusiastic, multidisciplinary team will then be ready to go on an innovation expedition.



STEP 2: OBSERVE & LEARN

The essence of step two is to start viewing things differently, to detach yourself from your own existing thought patterns, and to gain new and fresh impressions. The core team members each explore an innovation opportunity and start to discover customer frictions. They report their findings to each other and to the extended team members in Observe and Learn workshops. During this step the team learns in three ways:

1. Which trends and technology can we take advantage of?
2. Who are the customers and what frictions are they struggling with?
3. Which innovation opportunities offer promising perspectives?

Exploring Trends and Technology

You start exploring different trends and technology that play a role within the parameters, theme or markets of the innovation assignment. In this way the team gets an overall view of what is going on. Promising trends and technology can then be traced and given a role during the new product brainstorming session in the next step.

Meeting Customers

The fundamental question is: who are the customers and what are they concerned with? Meeting with customers in person and finding out the frictions of the customer with the help of focus groups belong to the most effective techniques when wanting to create new product ideas. This technique has been confirmed by a previously mentioned recent American study concerning ideation techniques.¹

It is of the utmost importance to know how the product is being used or which role it plays in a specific production process. Current behavior of customers and the visible difficulties experienced, create an excellent source of inspiration. In this step, all team members will pay a visit to customers to get their own personal impression of their concerns and experiences.

Visits to Sources of Inspiration

All innovation opportunities are explored by the core team members. They contact the selected sources of inspiration and visit them individually in order to explore the direction. In this way they search for the best practices in other companies and for valuable experiences from various other people or companies.

The Observe & Learn Workshops

In four Observe & Learn workshops, core team members share their experiences. During the last Observe and Learn workshop all team members choose the most appealing innovation opportunities and customer frictions. These will be in the spotlight during the brainstorming session in the next step together with the promising trends and technologies.

Observe & Learn lasts six weeks. The ideation team has discovered relevant customer frictions and promising innovation opportunities.



STEP 3. RAISE IDEAS

This step is the pièce de résistance. It consists of a two-day new product brainstorming session and a concept improvement workshop. It is the creative peak of the expedition.

The New Product Brainstorming Session

New concepts are developed with a structured creative process in nine steps during a two-day high-energy brainstorming session. By the end of the idea divergence process, some 500 to 750 ideas will have been generated. The 12 best concepts are selected to be worked out.

The 1st Concept Improvement Workshop

In a dedicated workshop, the core team members improve all concepts produced during the new product brainstorming session before they are tested on potential customers.

Raise Ideas takes just two weeks. The ideation team has developed twelve new concepts for innovative products, services or business models.



STEP 4: TEST IDEAS

How appealing are the new concepts and how many really stand out? Let's reflect on them with customers.

Concept Testing

The appeal of the new concepts is tested directly among the target group on a limited scale to get insight into what was or wasn't liked. It's done in personal in-depth interviews, focus groups or online research. The core team members follow the testing live so they can find new inspiration and make immediate improvements.

The 2nd Concept Improvement Workshop

Based on customer feedback in a brainstorming session, team members find ways to further improve the new concepts. At the end of this workshop, three to five concepts are chosen to be worked out in detail for the presentation of the mini new business cases.

Test Ideas takes three weeks. The ideation team tests twelve new concepts of which three to five are chosen to be developed into mini new business cases.



STEP 5: HOMECOMING

In the final step, the FORTH expedition returns home with three to five attractive new product or service concepts and enough support to fill the innovation pipeline. Homecoming is the climatic step of the 20-week journey.

The Mini New Business Case Workshops

In core team duos, the best concepts are worked out as mini new business cases in four full-day workshops. The advantage of drafting mini new business cases is that it makes every team member aware that not just creative aspects, but also commercial, professional and financial aspects contribute to the decision to adopt the new concepts for further development in the innovation process. In addition, it strengthens the concepts, as they are based on strategic, commercial, technical and financial indicators.

The Final Presentation

It is very important to get those who have not been working closely with the FORTH innovation method, enthusiastic about the con-

cepts. An 'outside the box' presentation of the FORTH expedition, in the form of a guided tour in their own 'innovation room', is usually a good way to get them involved. Next, it is important to present the mini new business cases to the senior managers who make the official decision whether or not to develop a product.

The Concept Transfer Workshop

The ideation phase ends with the adoption of the new concepts into the development process. After the decision has been made to develop the new concepts, a concept transfer workshop organizes the transfer of responsibility from the ideation team to the development team and is also responsible for securing the essence of the concept.

Homecoming takes about four weeks. The expedition ends there with three to five attractive new product or service concepts with internal support for development.

The good news is that all FORTH expeditions returned home safe and successful. Furthermore, participants in the past have all described it as an unforgettable experience. Many of whom felt that the journey itself was just as rewarding as the expedition reaching its destination successfully.



GO TO THE WEBSITE AND
DOWNLOAD ALL THE
CHECKLISTS OF THE FORTH
INNOVATION METHOD

www.forth-innovation.com

1. Robert G. Cooper, Scott Edgett (March 2008). Ideation for Product Innovation: What are the Best Methods? *PDMA Visions*.

THE 66-POINT INNOVATION CHECKLIST

The fuzzy front end is the nickname for the start of innovation or innovation phase. Why? Because getting innovative ideas is a vague process. It's considered hard to do. That's exactly why I like to unfuzzy it. Connect creativity and business reality in five steps: Full Steam Ahead, Observe and Learn, Raise Ideas, Test Ideas and Homecoming. Here is a practical 66-point innovation checklist to help you.

FULL STEAM AHEAD

FULL STEAM AHEAD

1. "If you always do what you always did, you will always get what you always got." [Albert Einstein].
2. Create momentum for your innovation project. There must be urgency otherwise innovation is considered as playtime and nobody will be prepared to go outside the box.
3. Manage the expectations of your bosses and the line management before you start your innovation project(s).
4. It is essential to start your innovation journey with a clear and concrete innovation assignment to give focus.
5. Be concrete about the market/target group for which the innovations must be developed.
6. Define which criteria the new concepts must meet. This forms the guidelines throughout the process.
7. Use a team approach to improve innovation results and increase internal support for the innovative outcome.
8. "They always say time changes things, but you actually have to change them yourself." [Andy Warhol].
9. Invite people for whom the innovation assignment is personally relevant.
10. Invite people for both content and decision-making.
11. Be sure to invite people who think outside the box.
12. Also include a few outsiders.
13. Get a good mix of men and women, young and old, and so on.
14. Let top management participate in the innovation team.
15. Identify potential target groups for innovation.
16. "The reasonable man adapts himself to the world; the unreasonable persists in trying to adapt the world to himself. Therefore all progress depends on the unreasonable man." [G. Bernard Shaw].

OBSERVE & LEARN

OBSERVE AND LEARN

17. "Man cannot discover new oceans unless you have the courage to lose sight of the shore." [André Gide].
18. It is essential to get fresh insights before you start creating ideas.
19. Ask questions.
20. Use web searching and crowd sourcing to open up the minds of the innovation team: what do we learn from this?
21. Postpone your judgement.
22. Ask the most important question again and again: why?
23. What are the trends among potential target groups? Why?
24. What are emerging relevant new technologies? Why?
25. Visit customers, observe their behaviour and ask yourself the question: why?
26. Visit companies in other sectors that serve as a source of inspiration to discover innovation opportunities. Ask yourself: what do I learn from this?
27. Look for problems: start discovering relevant customer frictions to solve.



RAISE IDEAS

RAISE IDEAS

28. "The best way to have a good idea is to have lots of ideas."
[Linus Pauling].
29. Look for a special environment for your innovation workshops (special place, special theme, special music, special food et cetera).
30. Create an emotionally safe environment where you can be yourself.
31. Focus 100%: do not ever allow ringing and flashing iPhones and Blackberrys.
32. Never, I really mean never, brainstorm at the office.
33. Take at least two days for an effective brainstorming session for concrete new concepts.
34. Plan and prepare an effective combination of idea generating techniques.
35. Spend twice as much time on the convergence process as on the divergence process.
36. Make sure the innovation workshops are enjoyable. Fun promotes good results.
37. Monitor all participants and simultaneously involve them in the innovation process.
38. Time box. Work with strict deadlines. They help you to get people thinking outside the box. And to make choices.
39. Be open to ideas or suggestions from your innovation team to adapt the process.

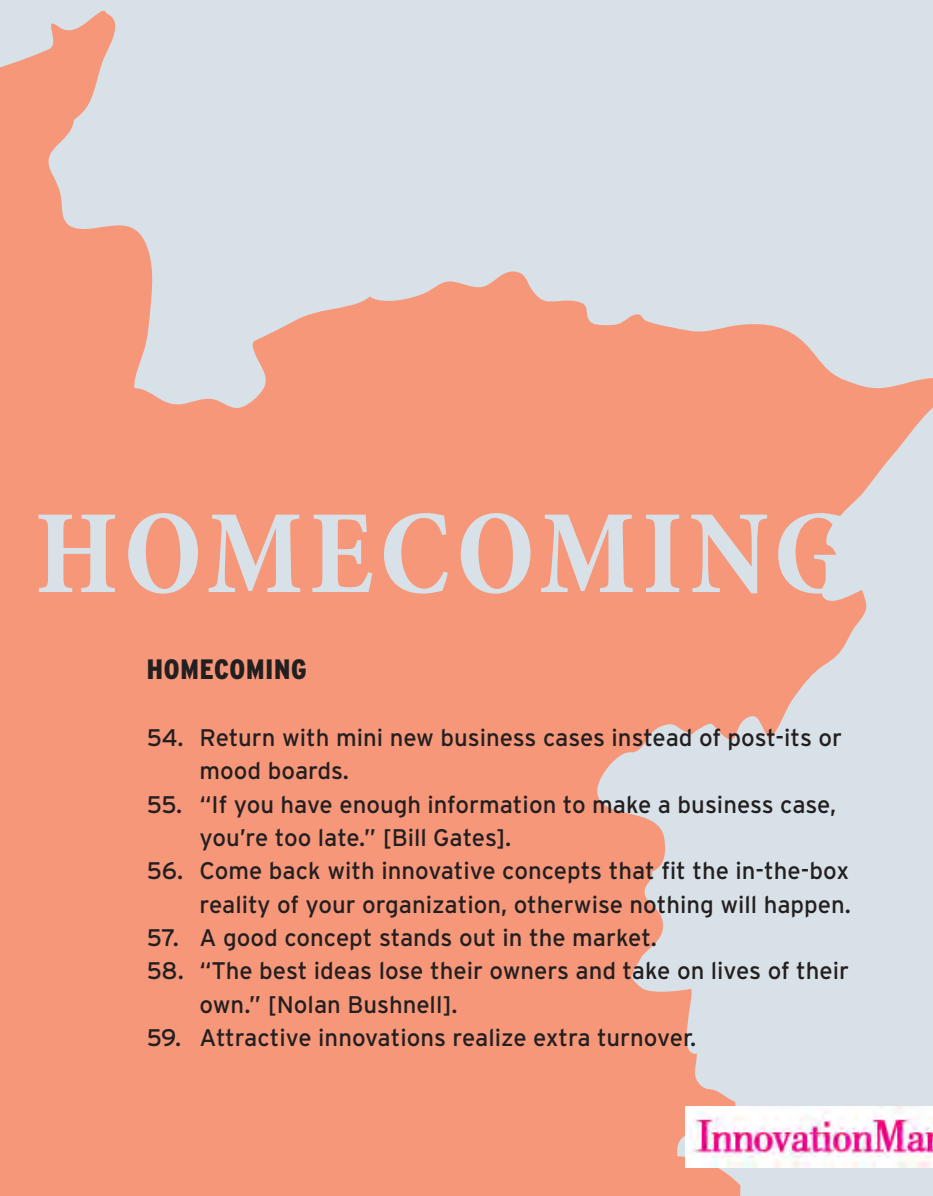
40. Allow people to choose which innovation opportunity, idea, concept board or mini new business case they want to work on.
41. Appoint an (internal) expert facilitator, who oversees everything while remaining in the background.
42. As facilitator give the opposite energy to the group. If the group is too active: be calm. If the group is too calm: be more energetic.
43. Visualize the results.
44. Keep up the momentum; otherwise it becomes long-winded and the team will get bored.



TEST IDEAS

TEST IDEAS

45. "The audience liked it, so I kept it in. I would try a line and leave it in too if it got a laugh. If it didn't, I'd take it out and put in another." [Groucho Marx].
46. Check the strength of the newly created concepts right away at the front end.
47. Great ideas are the ones appealing to customers.
48. Use the voice of the customer internally to get support.
49. Use online tools to check ideas if speed is important.
50. Successful innovations will solve relevant problems of customers.

- 
- 51. Check if the innovation fits the brand.
 - 52. Would you really use this concept yourself?
 - 53. Use customer feedback to improve the concepts.

HOMECOMING

HOMECOMING

- 54. Return with mini new business cases instead of post-its or mood boards.
- 55. "If you have enough information to make a business case, you're too late." [Bill Gates].
- 56. Come back with innovative concepts that fit the in-the-box reality of your organization, otherwise nothing will happen.
- 57. A good concept stands out in the market.
- 58. "The best ideas lose their owners and take on lives of their own." [Nolan Bushnell].
- 59. Attractive innovations realize extra turnover.

- 60. Ideas get approved when they have adequate profit potential.
- 61. Be sure innovations fit management's personal goals.
- 62. You only get support when innovation is (somehow) considered feasible.
- 63. Winning new concepts give potential customers a concrete reason to switch.
- 64. Make use of the specific expertise of others from within the organization as much as you can in an early phase in the innovation process.
- 65. Substantiate, in a businesslike and convincing manner, to what degree and for what reason the new concept can meet the criteria.
- 66. "Ideas are useless unless used." [Theodore Levitt].

**GO FOR IT! FOLLOW YOUR PASSION
AND MAKE YOUR INNOVATION DREAMS
COME TRUE.**

30 TIPS FOR INNOVATION SESSION FACILITATORS



1. Choose a way of working that best suits you.
2. Stay genuine and be yourself.
3. Be open to ideas from the group to adapt the program.
4. Give the opposite energy to the group.
5. Give a time box. Make sure everybody knows the time limit for an assignment.
6. Always have a clock available.
7. Always explain what you are going to do and why.
8. Have everyone use the same color post-its and pens so that it does not stand out whose idea it is and it will not influence the choices.
9. Always write clearly and concisely.
10. Check with the project leader how to divide everyone into teams.
11. Choose appropriate music to create the right atmosphere.
12. Make sure the session is enjoyable. Fun promotes good results.
13. Control the process; don't try to control each individual. Respect everyone's own space.
14. Expect the unexpected; as things don't always go as planned.
15. During disagreements in the group, follow your own instinct, opinion and feeling.
16. Remind the group of the agreement to be respectful towards one another.
17. Give credit where appropriate; stimulate, motivate and enthuse the group publicly.
18. Let the group do the work. Not you.
19. Keep up the momentum otherwise it becomes too long-winded and the group will get bored.
20. Always stay one step ahead of the group so you can apply the next technique immediately.
21. Ask the group for help if you are not sure how to continue.
22. Always treat everyone with respect, but also tell them when you do not approve of something.
23. Pay attention to the body language of the participants.
24. Regularly check what the groups are working on so that, if necessary, you can guide them.
25. Allow people to choose which innovation opportunities, ideas or concepts they want to work on.
26. As facilitator be present, but do not overdo it.
27. Have confidence in the quality of the group and allow them to work independently.
28. Intervene only when absolutely necessary.
29. Give the project leader and the client a 'wild card' during the selection process.
30. Preparation, preparation, preparation.