

DOES YOUR COMPANY HAVE THE DNA TO BECOME AN INNOVATION SUPERSTAR?

BY PETER CLARKE

When considering the most innovative companies, you'll notice that they have at least these three things in common:

1 A consistent champion close to, if not at, the top of the organization who is dedicated to building an innovation culture (think P&G or Apple);

2 A singularly purposed innovation group, liberated from the mundane details and daily bureaucracy of the typical workday; and

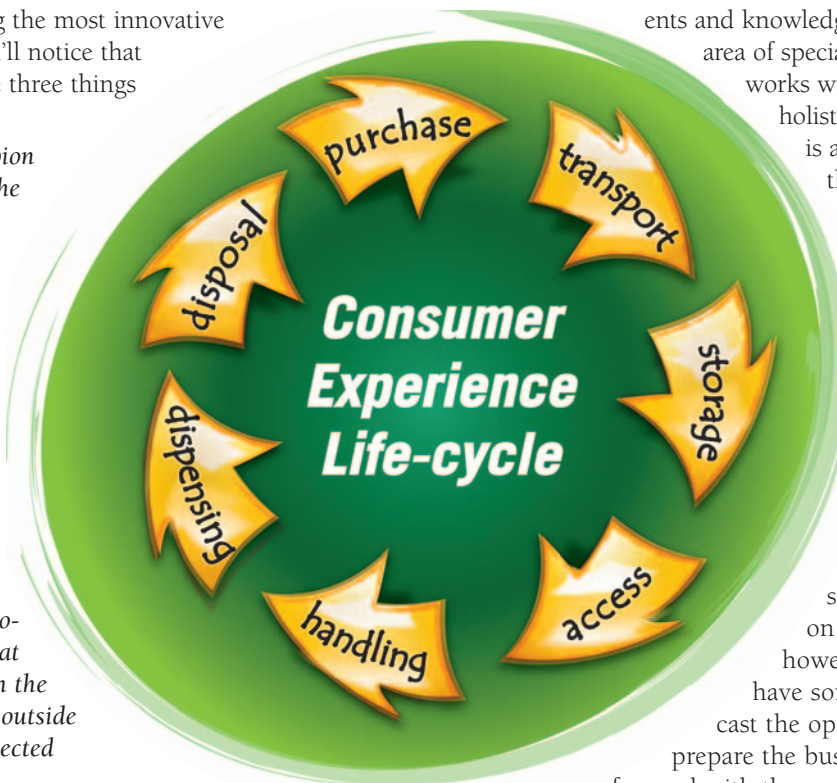
3 A holistic open innovation approach that extends participation in the innovation dialogue to outside perspectives and unexpected internal voices.

OK, chances are you can't control who's seated at the top of your company, but you may be able to influence how your organization's innovation team is assembled and how it pursues open innovation.

The companies that get innovation right are the ones who look to improve the consumer experience. Instead of focusing on a specific brand, product or package, the mission is to solve unmet consumer needs and problems and, in turn, create new use occasions or new and/or better ways of doing things. Rather than try to tailor the solution to an existing product or brand, focus on the consumer need or use—you'll find the purest outcome this way.

The open innovation team

To ensure the best possible innovation outcome, team members should be experts across the various, necessary functions. This way each member leverages his or her tal-



ents and knowledge within the respective area of specialization, but also works with the team to ensure a holistic outcome. The benefit is a nimble group without the cost and complexity associated with a large redundant one.

Team members may include representatives from brand marketing, product development, consumer research, design, sales, supply chain, engineering and finance. You may be surprised to see finance on the innovation team; however it's imperative to have someone who can forecast the opportunity and help prepare the business case for moving forward with the proposed innovation. The truly holistic approach would also benefit from an outside perspective provided by external creative partners (advertising, 2-D and 3-D design) and manufacturing and distribution suppliers.

Finally, the elite 360-degree innovation team will need a leader, a role best served by an individual who has hybrid talents plus the confidence and capabilities to drive innovation through the corporate system. This individual needs to package the concept and supporting data to obtain approval and necessary funding to deliver the innovation to market.

Though a few full-time resources may lead innovation initiatives, in some companies these dedicated resources are often forced to borrow part-time teammates from various disciplines. This hinders innovation, as it usually requires either a fast pace or long-term iterative tinkering. Nothing slows progress down more than an on-loan team

that serves two masters. Instead, the open innovation team should comprise full-time in-house entrepreneurs with one job: to innovate! Their focus should be to seek out new opportunities to improve the consumer experience without the distraction of unrealistic time lines and/or management-driven agendas.

Leveraging external innovation partners

For some companies, it may not be possible to assemble and maintain an expert focus on innovation due to corporate budgets and/or available head count. Here is where external partners can help.

Various external resources may provide a higher level of expertise and experience than can be found internally. Suppliers' strengths are typically derived by the frequency and/or variety of challenges they face everyday. It is important that the internal innovation team be open and receptive to external input to ensure exposure and consideration of all available knowledge and techniques. Suppliers often can provide a fresh, unbiased approach based on their corporate independence.

Further, an agency can provide flexibility based on the ability to be engaged as needed. However, it is important

to fully immerse the agency in the challenge and to treat them as partners in the process as early as possible. It is a common mistake to restrict information or involvement for fear of ownership, personal bias, or budgetary restrictions. Open innovation calls for continual expert input to keep creativity and invention in perpetual motion.

A commitment to success

In the world today, success will not come from continuous line extensions resulting in an over-proliferation of product offerings. One cannot simply compete on cost or rely on brand loyalty. Success will be derived by identifying opportunities to deliver new inventions that create a point of difference by improving the consumer experience. To achieve this, companies should always be searching for opportunities and must position themselves to capitalize on these opportunities immediately. With the open innovation approach, a company aligns itself for success. **BP**

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