

INTENTIONAL INNOVATION

An Introductory eGuide





INTENTIONAL INNOVATION

Everyone seems to be talking about innovation these days. If you search online for innovation, you get 128 million results. Many of them focus on how important it is to innovate in your business, but few really tell you what that means or how to do it.

It is important to first come up with a working definition of what innovation actually means. We define innovation as...

“The art of applying creative ingenuity to either solving business problems or creating material value through a product, service, or experience.”

But like any definition, it doesn't tell us how to innovate. That's where the concept of Intentional Innovation comes in.

Intentional Innovation is the practical alignment of strategy with the capabilities of an organization.

This guide will explore the key concepts that make up Intentional Innovation, including:

- Avenues of Innovation
- Types of Innovation
- Dimensions of Innovation

AVENUES of Innovation

“... solving business problems or creating material value.”



Upon a closer examination of this portion of our definition of Innovation, you will see there is room for innovation everywhere in your organization.

Innovation is not limited to new products but can be found in all parts of the business.

These different sources of innovation are what called **Avenues of Innovation**

Avenues of Innovation include:

- Experience
- Offering
- Process
- Business



Experience

The **EXPERIENCE** avenue explores ways in which a company can create innovation through each encounter with customer.

Experience is broken down into three areas: Customer Experience, Brand, and Channel.

Think about where there is room for innovation in each area:

CUSTOMER EXPERIENCE

What is your overall connection to your customers? Are you enhancing all touch points with your customers?

BRAND

How do you present yourself to the world?
What are you known for in your offerings as well as your impact on the world?

CHANNEL

How are your offerings made available to customers? Is it easy to do business with you?

KEY TAKEAWAY:

Consider the experience from the first time a customer hears of you through becoming a life-long customer.



Offering

The **OFFERING** avenue explores ways in which a company can create innovation through a product or service.

Offering is broken down into three areas: Customer Service, Ecosystem, and Product.

Think about where there is room for innovation in each area:

CUSTOMER SERVICE

How do you serve your customers? Are you able to meet and exceed their ongoing needs?

ECOSYSTEM

How can you extend your environment around a specific offering?

PRODUCT

What are the features and functionality you deliver? What products and services will deliver material value to your customers?

KEY TAKEAWAY:

Evaluate all products and services delivered to your customers for opportunities to innovate



The **PROCESS** avenue explores ways in which a company can create innovation in external and internal processes.

Process is broken down into two areas: Central and Acquired

Think about where there is room for innovation in each area:

CENTRAL

What are the essential processes that enable your organization? How are you more efficient than others in your industry? Are there innovative methods you can apply from other industries?

ACQUIRED

What efficiencies can you obtain through partnerships or leveraging other company's offerings?

KEY TAKEAWAY:

Innovation in the processes of your organization will often enable increased capabilities in other areas.



The **BUSINESS** avenue explores ways in which a company can create innovation in the structure of the organization or in its relationships.

Business is broken down into two areas: Business Model and Partners

Think about where there is room for innovation in each area:

BUSINESS MODEL

What do trends reveal about where future revenue will be earned? Are new delivery models or offerings going to affect how you run your business?

PARTNERS

What other organizations could you partner with to further your business? Depending on the size of the company, these partnerships could be with internal or external organizations.

KEY TAKEAWAY:

Look for ways to capitalize on investments in business models. New lines of business can arrive as a result of key partnerships.

TYPES of Innovation

“... solving business problems or creating material value.”



The natural inclination when thinking about innovation is to only consider breakthrough ideas as innovative.

By expanding your thinking beyond the spectacular to also include the incremental, you are able to open up to a much larger set of possible innovations.



The three **Types of Innovation** cover the spectrum of possible innovations from Core to Extending to Transformational.





CORE

Innovation

Core innovations tend to be either incremental changes to existing products or incremental inroads to new markets. To be successful at core innovations you need to have:

- Roadmaps for existing avenues
- Resources
- Understanding of users

Core innovations can be achieved inside a product team or business unit and can be done at any stage of product lifecycle.

KEY TAKEAWAY:

Small and incremental innovations can add up to a large impact.



EXTENDING

Innovation

Extending innovations leverage what the company already does well into a new space. To succeed with extending innovation you will need

- Fresh insight into customer needs
- Demand and technology trends
- Analysis of adjacent markets

In most organizations, extending innovation can be achieved at the business unit level. These are often done near mid-life for a product or service.

KEY TAKEAWAY:

Translate what you do well into a new form, market, or customer base.



TRANSFORMATIONAL Innovation

Transformational innovations are all about “new”. Either new offers, new businesses, new processes, or new experiences. Breakthrough or disruptive innovations fall into this type.

To be successful, teams working on transformational innovations need to have

- A deep understanding of customers
- Laser-like focus
- Clarity in goals and vision
- An understanding of the costs in the entire value chain

Unlike core or extending innovations, transformational innovations require significant commitment across the entire organization.

KEY TAKEAWAY:

Work across your organization to collect ideas and gain buy-in for breakthrough innovations.



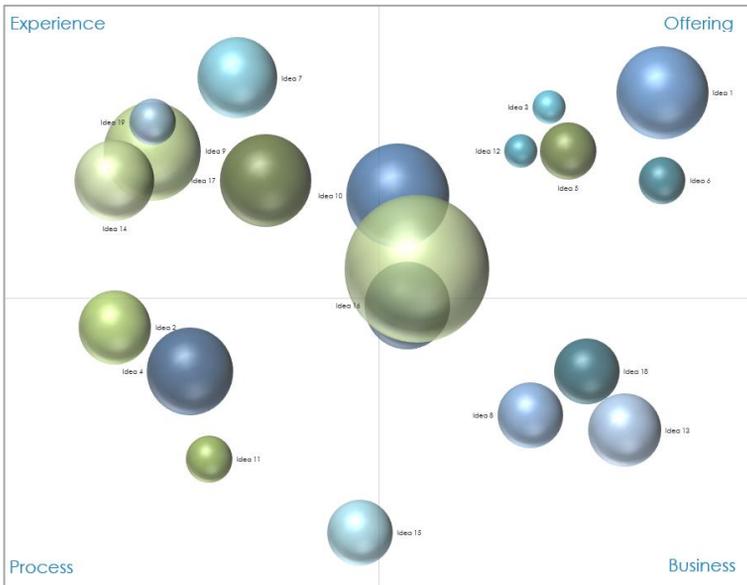
DIMENSIONS of Innovation

Combining the *Avenues of Innovation* with the *Types of Innovation* creates twelve different *Dimensions* that provide a richer view of the innovation potential in an organization.



The dimensions allow us to better map ideas against the entire organization and against the corporate strategy. For example, a core offering could be a product line extension and a transformational process could be breakthrough efficiencies in warehouse management.

DIMENSIONS of Innovation



Visualizing the dimensions of innovation combined with the potential impact on the business provides a new way to evaluate innovative ideas.

When plotted, each color should represent a type, each quadrant an avenue, and the size of the bubble should represent impact to the organization.

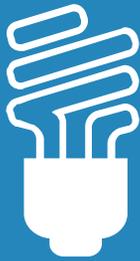
- Core
- Extending
- Transformational

KEY TAKEAWAY:

Evaluating the dimensions of innovation across all aspects of your business enables you to better capitalize on the innovative ideas in your organization.

GET STARTED TODAY

Now that you know the fundamentals of Intentional Innovation, the first step to applying in your organization is assessing your readiness. As an objective third-party, Intellinet can help evaluate your organizational and cultural readiness. Contact us today at 877.362.4530 or by clicking on the tabs below to schedule your Innovation Jumpstart or Organizational Assessment.



INNOVATION JUMPSTART

During Intellinet's *Innovation Jumpstart* our consultants will work with your team to:

- **Teach the principles** of innovation
- **Assess the ability** to align strategy to innovation
- **Evaluate** organizational and cultural **readiness**
- **Identify a champion** & executive sponsor
- **Create change management** plan for rolling out innovation

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ORGANIZATIONAL ASSESSMENT



During Intellinet's *Organizational Assessment* management consultants will review and define:

- Roles & Responsibilities
- Skill set alignment
- Service delivery alignment to various stakeholders and users
- Consolidation of independent organizations
- Performance measurements
- Continuous improvement

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Strategic,



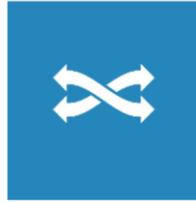
**Technology
Enabled**



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Innovative.



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