

# Design Driven Business Innovation



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**Service Design**

**Design Thinking**

**Co-Design**

**Exploration  
& Discovery**

**Design Research**

**Human Centered  
Design**

# **Design Driven Business Innovation**

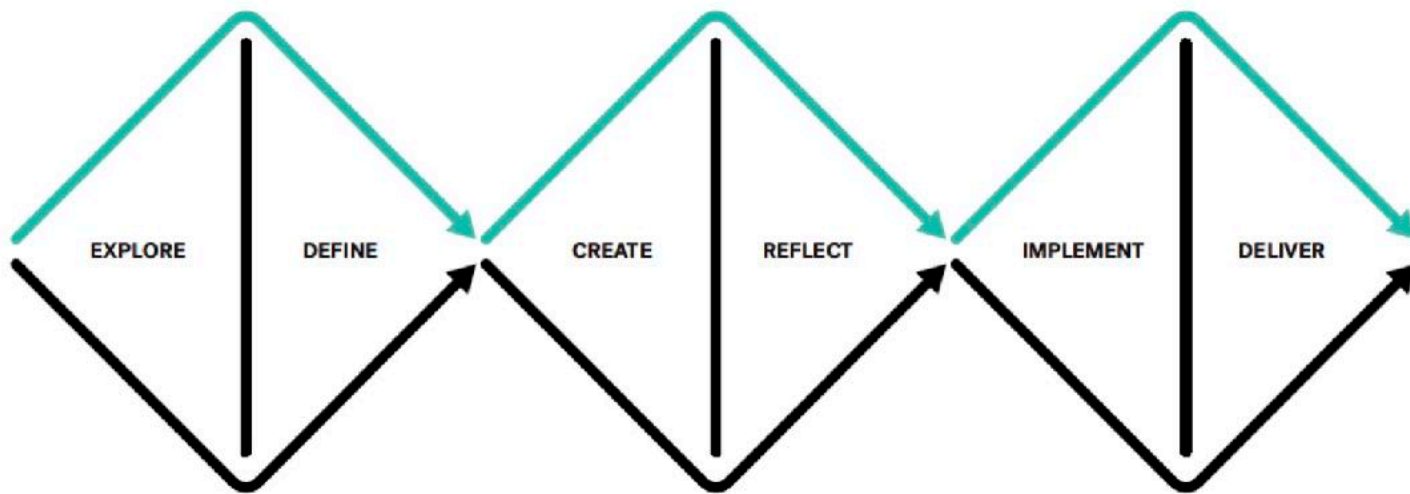
**Open Innovation**

**Lean Innovation**

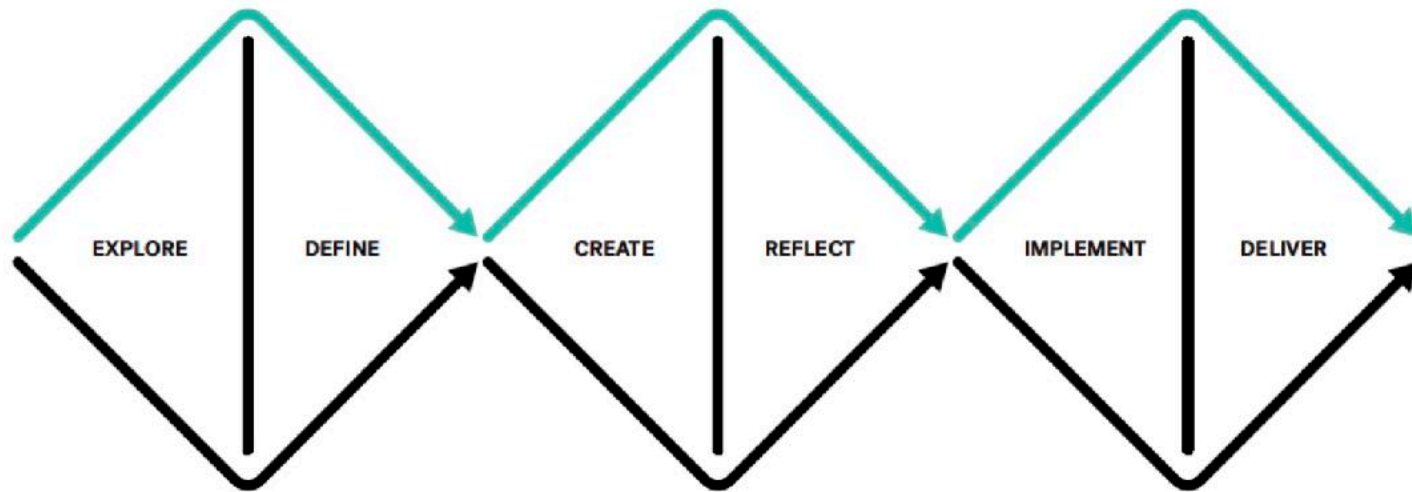
**Agile Innovation**

**Business Model  
Innovation**

# Design Driven Business Innovation



# Design Driven Business Innovation



## IMMERSION

Stakeholder Map  
Service Safaris  
Observations  
Context. Interviews  
Shadowing  
Cultural Probes  
Mobile Ethnography

## ANALYSIS

Customer Journey AS IS  
Personas  
Expectation Maps  
Five Whys  
Causes Diagram  
Problem Definition  
SWOT Analysis

## IDEATION

Fast Idea Generator  
What If  
Design Scenario  
Improvement Triggers  
Thinking Hats  
Co-creation  
Blue Ocean Grid

## PROTOTYPING

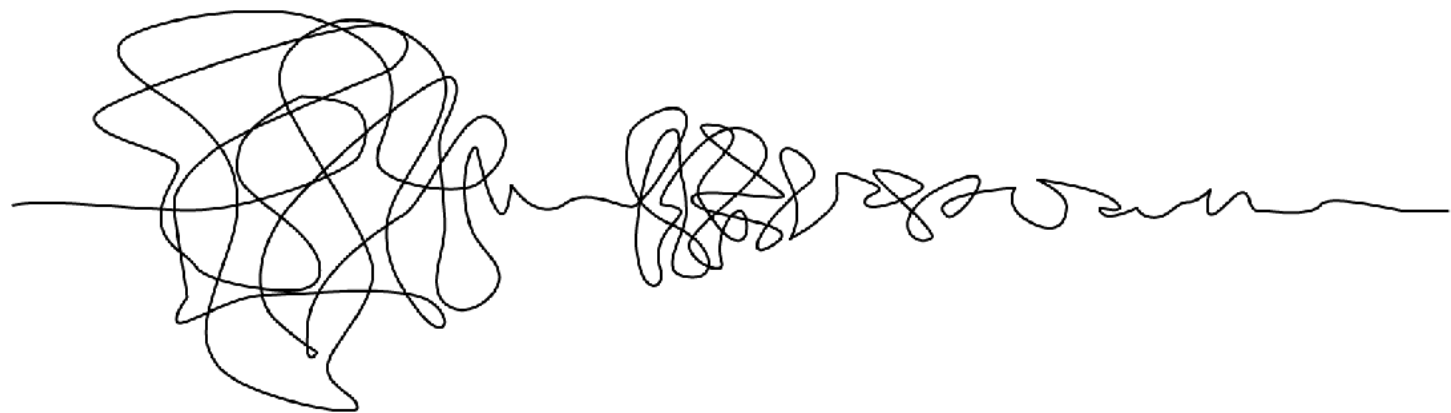
Customer Journey TO BE  
Desktop Walkthrough  
Service Prototype  
Service Roleplay  
Value Proposition  
Evidence Planning  
Ten Types of Innovation

## BUSINESS CASE

Service Blueprint  
Value Map  
Customer Lifecycle  
Business Model  
Promises & Potential  
Marketing Mix  
3 Horizons

## PITCH & PLAN

Storytelling  
Scaling Plan  
Learning Loop  
Organisational Planning  
Partnerships  
Project Score Card  
Critical Task List



# In-house innovation training



# Professional evening course (see info at [Amsterdam Business School](#))





## Challenges of innovation management

- 90 % of executives believe their company's long-term success depends on the ability to innovate
- About 20 % of them believe their own innovation strategy provides a clear competitive advantage

Kuratko, Covin, & Hornsby (2014). Why implementing corporate innovation is so difficult. *Business Horizons*





## Why is it so hard to do ?

Different types of challenges:

1. **Why & What ?** Ambition, types of innovation
2. **Who ?** Organization structure , coordination, culture
3. **How ?** Innovation process, stages, methods, tools, co-creation
4. **with Whom?** Skills, mind-set, attitude

Kuratko, Covin, & Hornsby (2014). Why implementing corporate innovation is so difficult. *Business Horizons*

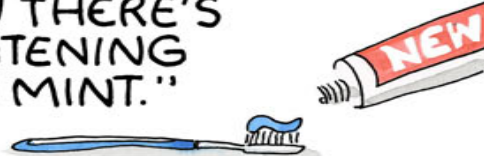
# 8 TYPES OF INNOVATION

TOM  
FISH  
BURNE



INCREMENTAL

FROM THE MAKERS OF  
"MINT WHITENING,"  
NOW THERE'S  
"WHITENING  
WITH MINT."

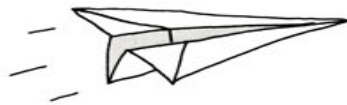


LINE EXTENSION



COPYCAT

OUR ORIGINAL  
CONCEPT WAS  
A DRONE.



WATERED DOWN

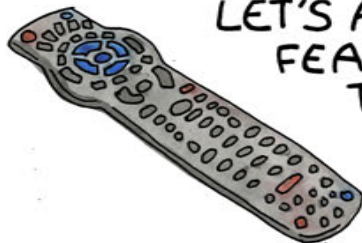


FAD

WE'D BETTER  
DO ANOTHER  
IN-HOME  
TRIAL TO TEST  
THE FONT.



OVERANALYZED



LET'S ADD MORE  
FEATURES ON  
THE BACK.

OVERCOMPLICATED



THAT'LL  
NEVER  
WORK.

BREAKTHROUGH

# Ten types of innovation

- Too often only *offering innovation* is pursued. This is the easiest to copy
- Successful companies focus on multiple types of innovation
- Innovations can be built up systematically - increasing the odds of success.

	HOW YOU...	SUCH AS...
CONFIGURATION	Profit Model	make money <i>Gillette</i>
	Network	connect with others to create value ◎ TARGET
	Structure	align your talent and assets WHOLE FOODS
	Process	use signature or superior methods to do your work ZARA
OFFERING	Product Performance	employ distinguishing features and functionality OXO
	Product System	create complementary products and services MICROSOFT
	Service	support and enhance the value of your offerings Zappos
EXPERIENCE	Channel	deliver your offerings to customers and users NESPRESSO
	Brand	represent your offerings and business Virgin
	Customer Engagement	foster distinctive interactions Wii

Keeley, L., Pikkell, R. Quinn, B. and Walters, H (2013). *Ten types of innovation – The discipline of building breakthroughs.*



**Network**  
How you join with others to create value

**Process**  
How you develop and create your offerings

**Product System**  
How you create complementary products and services

**Channel**  
How you connect your offerings with customers and users

**Customer Engagement**  
How you foster distinctive experiences



C O N F I G U R A T I O N

O F F E R I N G

E X P E R I E N C E

**Profit Model**  
How you make money

**Structure**  
How you align your talent and assets

**Product Performance**  
How you differentiate your product or service offerings

**Service**  
How you ensure and enhance the value of your offerings

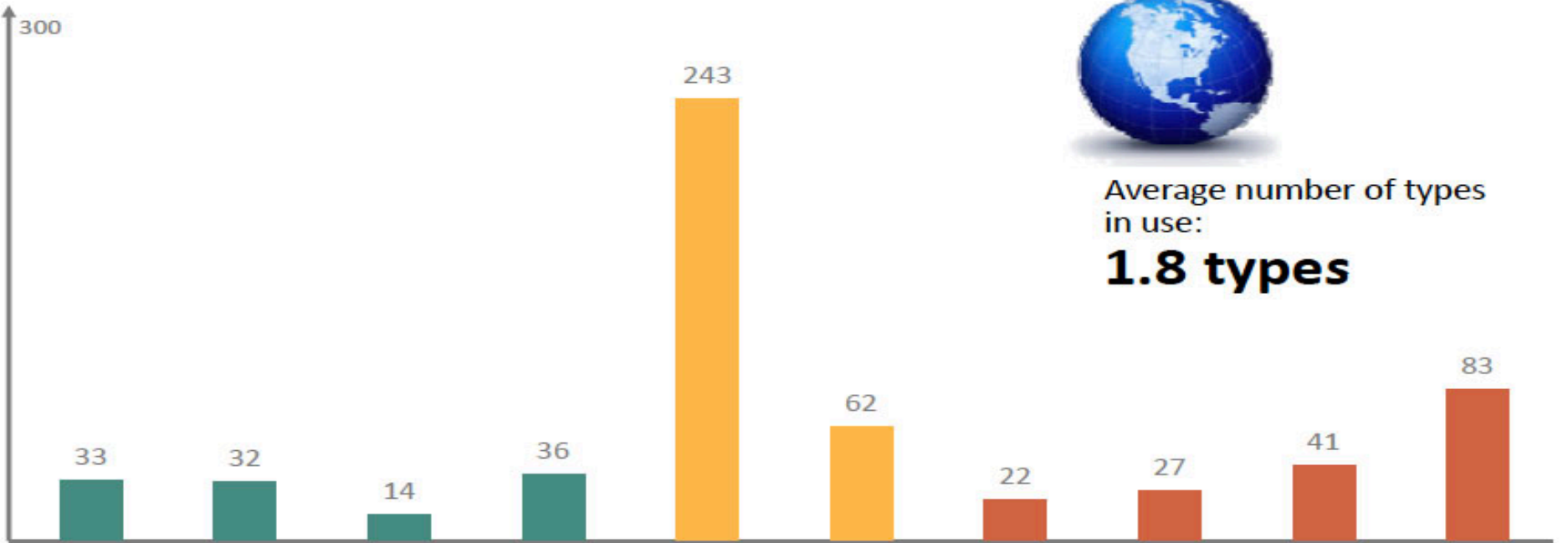
**Brand**  
How you represent your offerings and business





# The average innovator is too focused on product-based innovation

Profit Model	Network	Structure	Process	Product Performance	Product System	Service	Channel	Brand	Customer Engagement
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# Assignment

Quick try out of this tool: [Ten Types of Innovation.](#)

Use the tool to reflect on a recent innovation project in your organisation.

What types of innovation were considered here?



## How to widen your innovation scope?

- Start with real interest in (potential) customers or users
- Understanding needs and behaviours of customers
- Building ideas and solutions on key insights in customers
- Do it in a systematic way



- **Start with a real need** – based on deep customer insights
- Adi Tatarko and Alon Cohen founded Houzz as a side project when they ran into obstacles remodeling their own home in 2009.
- DIY Home Design – [www.houzz.com](http://www.houzz.com).
- 40 million monthly unique users and 1.5 million active home-renovation and design pros
- 15 % commission from the vendors on sales on the platform
- Disrupting: DIY and professional home remodeling and design
- Valuation: **\$4 billion** (PitchBook) - Funding: \$613.6 million
- No. 6 on Disruptor Top-50 list in 2017
- Expansion outside U.S.: India, Australia, U.K., France, Germany, Japan, Italy, Spain, Sweden and Denmark





..STBY..

**Design Research for  
Service Innovation**

*Amsterdam  
& London*

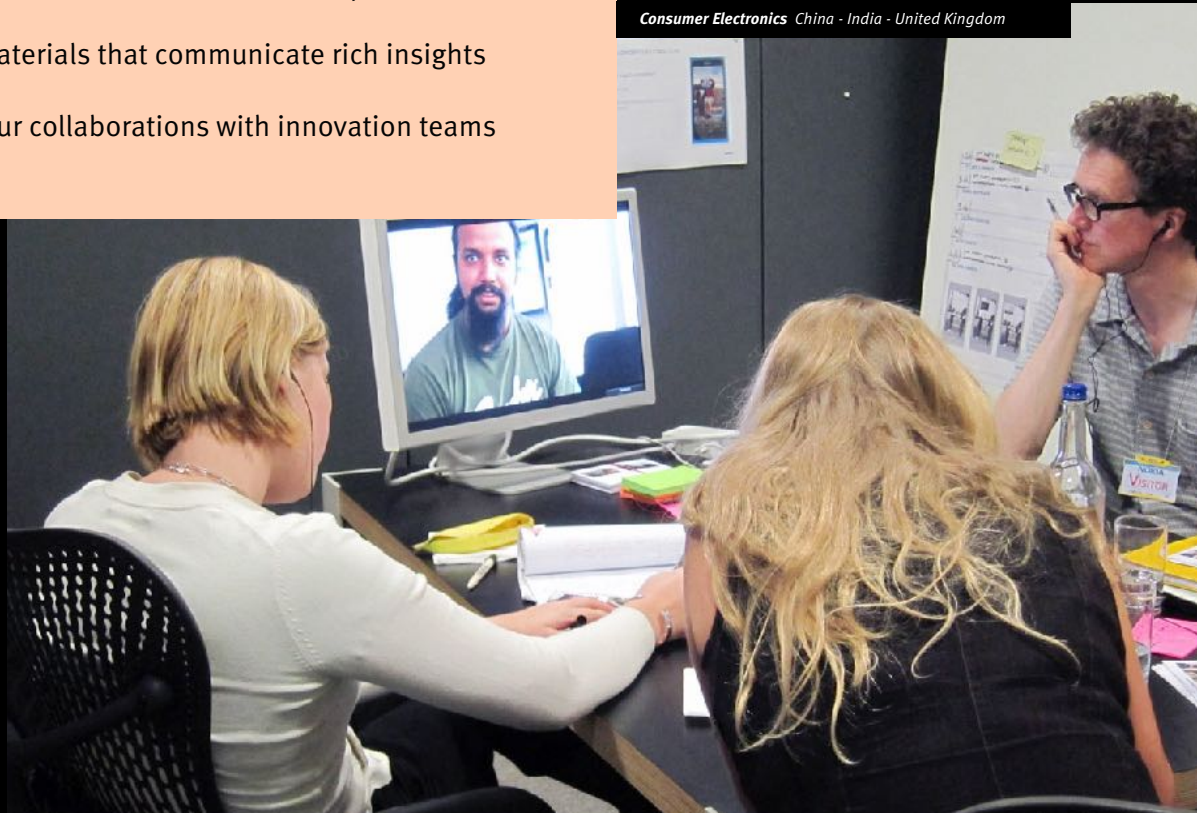
## People are at the centre...

..when we collect stories of service experiences

..in the materials that communicate rich insights

..and in our collaborations with innovation teams

*Consumer Electronics China - India - United Kingdom*



Consumer Electronics United Kingdom



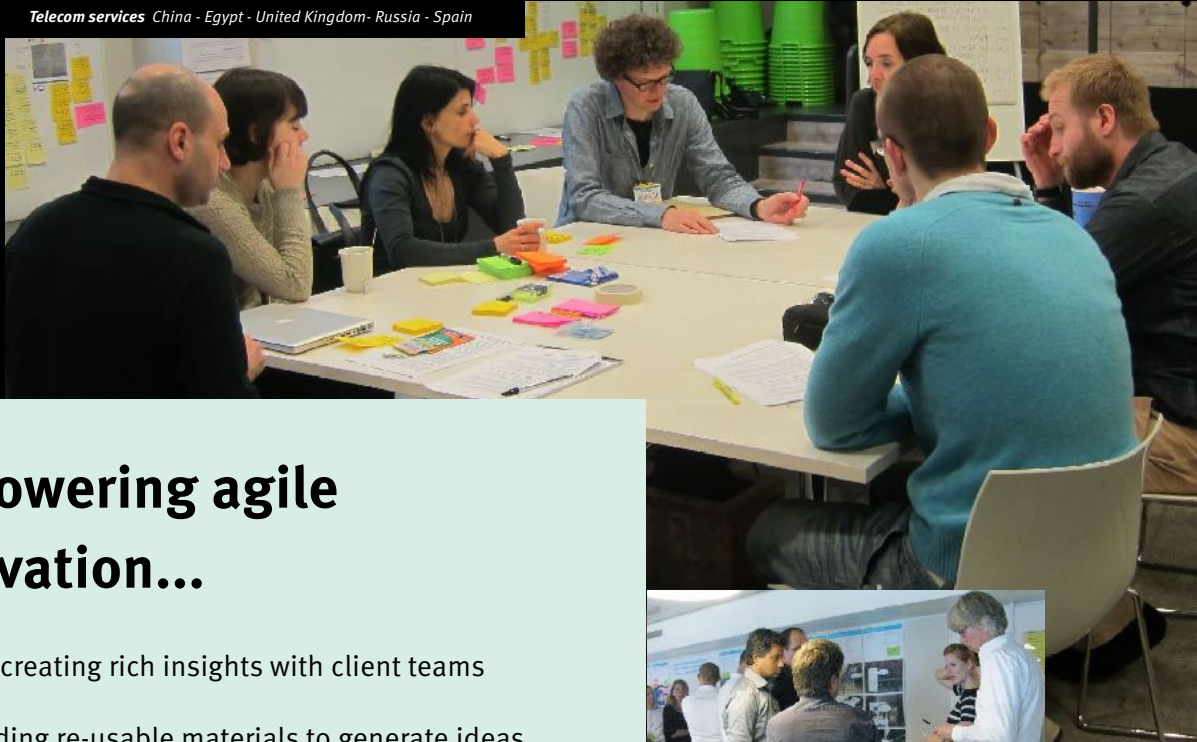
Healthcare The Netherlands



Transport The Netherlands

## Co-creative explorations...

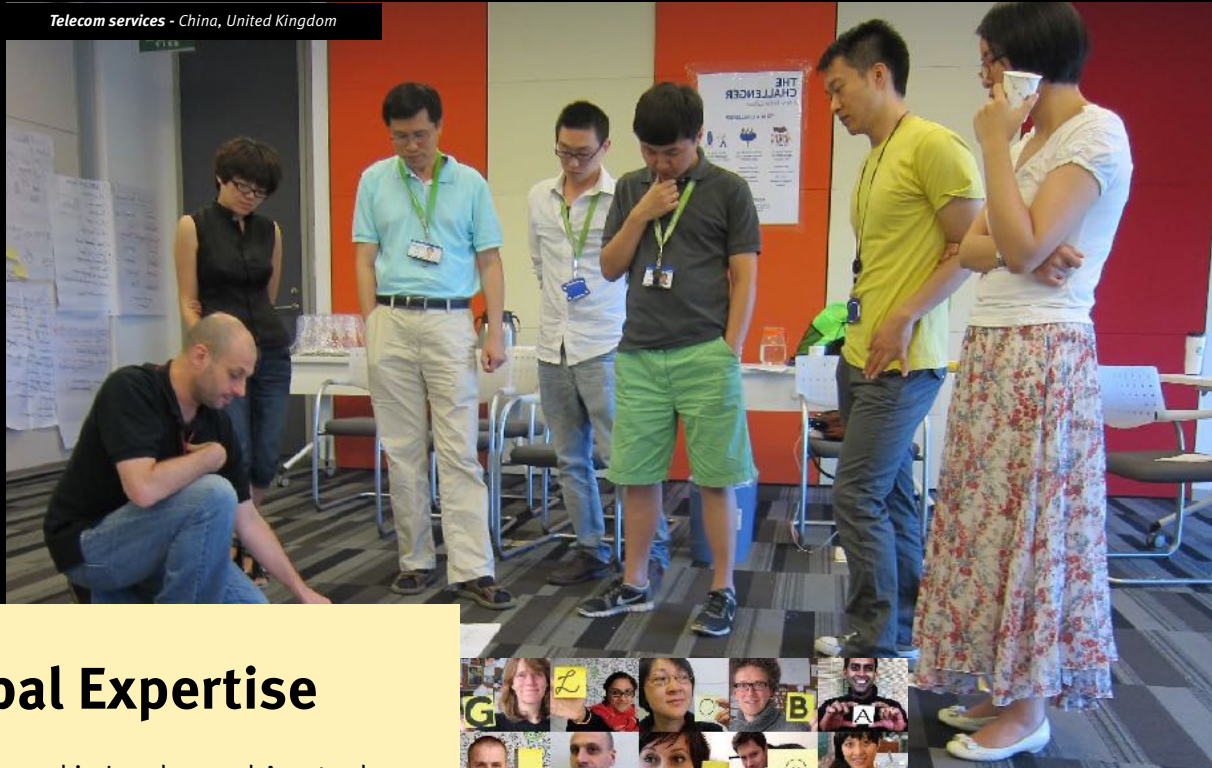
- ..using a range of narrative, visual methods
- ..empowering participants to speak out
- ..involving clients in the fieldwork and analysis
- ..for innovation with impact



## Empowering agile innovation...

- ..through creating rich insights with client teams
- ..by providing re-usable materials to generate ideas
- ..through helping teams to collaborate with customers
- ..by supporting teams to implement ideas





## Global Expertise

STBY is based in London and Amsterdam

STBY co-founded the Reach network for global design research



# Innovation partner to...

Ahold  
Cisco  
Ebay  
Egmont  
Elsevier  
Google  
Here  
ING  
Microsoft  
Nesta  
NHS  
NN  
Nokia  
Novo Nordisk  
NS  
Orange  
Panasonic  
Phillips  
Prorail  
Spotify  
Sony  
Southern Water  
Square  
Telekom  
Thames and Hudson  
T-Mobile  
TomTom  
Vodafone  
Volkswagen





[www.thisisservicedesignthinking.com](http://www.thisisservicedesignthinking.com)

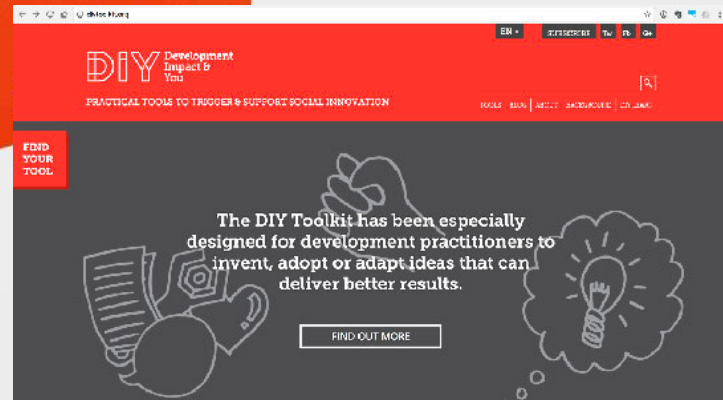
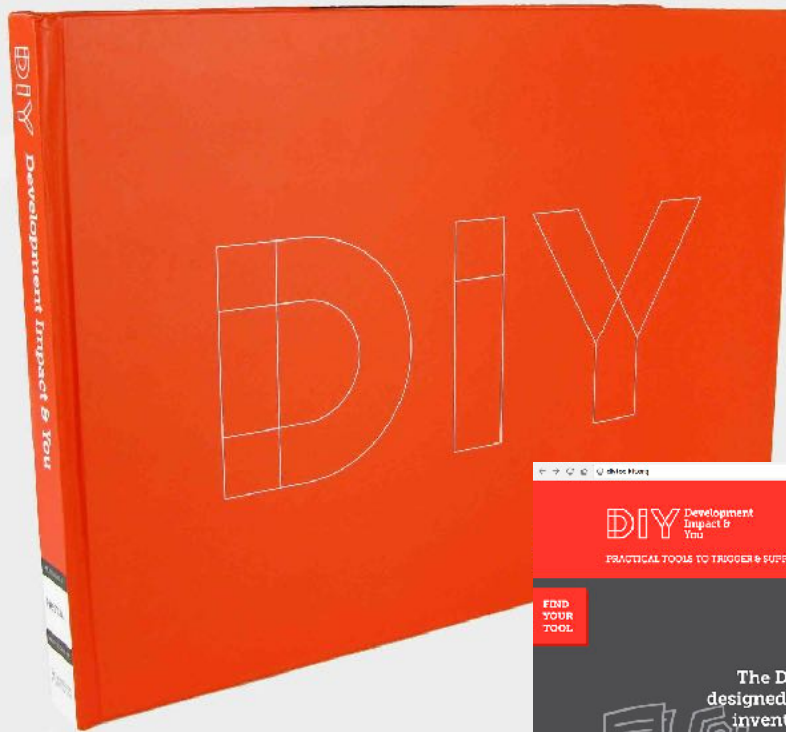
..STBY...



[www.thisisservicedesigndoing.com](http://www.thisisservicedesigndoing.com)

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[www.diytoolkit.org](http://www.diytoolkit.org)

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# Better services for train travellers



*For Prorail & NS*

*In collaboration with Edenspiekermann\_*










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# Assignment

Quick try out of this tool: [Fast Idea Generator](#).

Use the tool to come up with new ideas for the project you just reflected on.

But first, some explanation.....

THE APPROACH		→	THE NORMAL RULE	→	BENDING, BREAKING & STRETCHING THE RULE
	Inversion		Turn common practice upside down	→	
	Integration		Integrate the offer with other offers	→	
	Extension		Extend the offer	→	
	Differentiation		Segment the offer	→	
	Addition		Add a new element	→	
	Subtraction		Take something away	→	
	Translation		Translate a practice associated with another field	→	
	Grafting		Graft on an element of practice from another field	→	
	Exaggeration		Push something to its most extreme expression	→	

**DIY**

**FAST IDEA GENERATOR**

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## FAST IDEA GENERATOR

I want to generate  
new ideas  
by thinking differently

DIY

Development  
Impact & You












**WHAT** Comprised of seven approaches, the Fast Idea generator helps frame ideas, problems or opportunities in relation to different scenarios.

**HOW** Step 1 is to start from an existing concept, problem or opportunity and then apply the seven challenges suggested in the worksheet. Step 2 is then to review the ideas and select the best ones to further flesh them out into workable innovations.

**WHY** The tool stretches the thinking around a concept in different directions, providing a stimulating discussion that will further strengthen the concept.

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 <b>Inversion</b>	Turn common practice upside down
 <b>Integration</b>	Integrate offer with other offers
 <b>Extension</b>	Extend the offer
 <b>Differentiation</b>	Segment the offer
 <b>Addition</b>	Add a new element
 <b>Subtraction</b>	Take something away
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 <b>Exaggeration</b>	Push something to its most extreme expression

→ What if students become teachers?

→ What if there would be no more prisons?

→ What if patients can access care anytime and anywhere they choose?

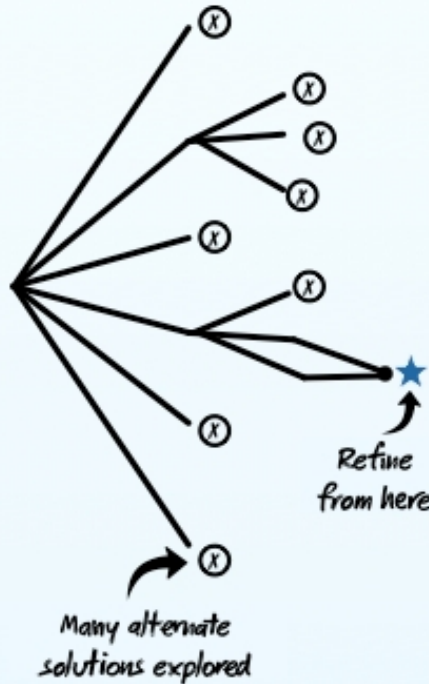
## Refinement



Best solution  
is missed



## Exploration



## **Joint reflection**

**Any observations, questions or comments**

**about the Design Driven Business Innovation framework**

**or based on the two exercises you did?**



# ..STBY...



UNIVERSITEIT VAN AMSTERDAM

CRM ASSOCIATION NL  
VOORT  
**PLATFORM**  
**KLANTGERICHT**  
**ONDERNEMEN**

## DOEL:

- Ontwikkel nieuwe concepten
- Toegevoegde waarde voor klant en organisatie

## MANIER WAAROP:

- klantbeleving centraal
- Werk design-driven en human-centered
- Met deep customer insights