Take Innovation Beyond Product Development

by Scott Siegel

At the current churn rate, approximately 75% of companies listed on the S&P 500 today will be replaced in the next decade. The pace of change is accelerating. The future will be littered with underperforming companies that did not effectively evolve to meet it.

To avoid the fate of the majority, companies will need to deliver better results from innovation. But innovation as we’ve known it no longer offers a competitive advantage.

What will it take to compete and win in a dynamic, digital world? We’ve identified 21 innovation imperatives to help you prepare, equip and evolve to compete and grow in the 21st century, and here’s one of our favorites. This imperative highlights how critical expanding the scope of innovation beyond products.

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Systemically expand innovation scope to include services, experiences, business models and new markets by formally embedding this consideration across all NPD processes

Whenever organizations struggle to identify new growth opportunities, the conversation often turns to expanding the innovation lens to consider not just products, but services, experiences and new business models as well. Within this broader view, bundling opportunities, new applications for technology, market adjacencies or alternative routes to market are all viable options to explore.

Currently, however, this mindset and approach is usually fleeting and limited to jumpstarting only front-end ideation.

To identify the biggest growth opportunities, organizations must formally embed a mindset and framework into their new product development (NPD) process that forces teams to consistently consider more holistic options throughout the entire development lifecycle. This discipline must start as a standard element of the ideation methodology, but then continue as a required component of project selection, questioned at gatekeeper reviews and taken into account when making portfolio prioritization decisions.

The ability to expand beyond product will not always be there, however to drive real, significant growth, organizations will need to push and at least consider the potential to broaden the scope for every opportunity at every point along the ideation, development and commercialization path.

Explore all 21 innovation imperatives, including:

- Data First
- Digital Operations, Skills and Processes
- Start-Up Mentality
- Discover all 21 Innovation Imperatives for the 21st Century here

Original publication date: May 23, 2017

What’s your view? Add your question or comment
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