Transforming the Front End of Innovation for Consumer Goods Companies

Innovation is a top priority for many of today’s consumer goods companies, but success has proven to be elusive. A recent CGT study found that only 18 percent of new products released by consumer goods companies are considered “highly innovative.” A 2012 Nielsen study found that only 6 percent of new products actually led to increased category sales, a critical measure of innovation to retailers.

The reason for this lack of success? Consumer goods companies are struggling to create high-value ideas and concepts to grow new product revenue. This difficulty can be traced to the front end of innovation. For many companies, ideation and concept development lack a repeated, standardized process, and instead are siloed, disconnected from consumer needs, and a recycler of low-value concepts from the past.

To help navigate these challenges, Kalypso and Sopheon have partnered to help consumer goods companies increase the value of new products by improving ideation and concept development processes with FEI Optimizer.

The evolution from idea to concept to concept test is clear, providing the context required to learn about what worked—and what didn’t—in the past.
What is FEI Optimizer?

FEI Optimizer enables consumer goods companies to transform their front end of innovation, developing bigger and better ideas and concepts—that drive bigger and better business results. Combining best-in-class software from Sopheon—via the Accolade Idea Lab platform—with expert services from Kalypso, the acknowledged thought leader in consumer goods innovation, FEI Optimizer enables consumer goods firms to dramatically improve ideation and concept development processes. It provides:

- An enterprise portal for global collaboration on ideas and concepts in a lightweight, easy-to-use environment
- Seamless linkage between front end processes and the insights uncovered in consumer research
- A single system of record for all ideas, concepts and concept tests, enabling discovery and reuse of good ideas across the business

Enterprise System of Record for Ideas and Concepts

All ideas, concepts, and concept tests, regardless of their origin, are now fully available for reuse and leverage, multiplying their business value.
Transform Your Front End of Innovation

FEI Optimizer enables consumer goods companies to transform their idea and concept development processes by improving these areas:

1. **Collaborate** – Broaden the participation in idea and concept development with global collaboration capabilities that eliminate brand, geographical or functional silos.
   
   **How:** At the foundation is Accolade Idea Lab, which enables ideation via diverse forms of virtual collaboration, from the highly structured to the unstructured. For example, ideas may be developed via formal idea challenges, which focus ideation and discussion around a specific business strategy. Or ideation may be ad hoc, facilitated dynamically via communities-of-interest or social networks. These methods enable people to come together in self-organizing groupings—like Twitter or Facebook—but within the secure boundaries of your own company.

2. **Capture** – Capture 100% of both ideas and concepts—including those from virtual and non-virtual sources—to enable “swiping” and reuse.
   
   **How:** The system can also serve as an enterprise system of record for all ideas—those created virtually and those created via other means—as well as for concepts, which are the formal product definitions tested iteratively with consumers. This enables innovation teams to get a head-start by beginning with ideas and concepts that were created elsewhere, and then building better ideas from this foundation. The process of finding relevant ideas and concepts from the past is now instantaneous, and 100% of the front end data are available for reuse.

3. **Connect to Consumer Research** – Gain insights from what worked in the past—and what didn’t—by understanding why concepts evolved over time based on consumer feedback.
   
   **How:** Learning from what worked before requires more than access to data. It also requires an understanding of how concepts evolved over time, including the reasons they were changed in response to consumer feedback. That’s why the system also incorporates consumer research data, from focus group input to quantitative tests such as Nielsen BASES. This enables innovators to trace the lineage of prior concepts, understanding why changes were made to the pricing, positioning, packaging, or to the product itself. This provides the context required to learn what worked, what didn’t, and what should be repeated or avoided based on prior experience.

4. **Connect to Execution** – Seamlessly transition high-value ideas and concepts from the front end into downstream innovation processes.
   
   **How:** To ensure good ideas don’t get “stuck” in a black hole, they can be easily moved into the downstream into execution processes. With the click of a button, an idea or concept can be instantly transformed into a project or initiative that is managed by a gated process. Since all content relevant to the idea comes along with it, this significantly streamlines the work required to create the new innovation initiative. More importantly, your great ideas can now move effortlessly from end-to-end in your process: from idea to concept to project to product.

5. **Change Management** – Speed adoption with consumer goods experts that help you tune industry best practices to your business, plan the change, and communicate the vision.
   
   **How:** Begin with best-practices based on the decades of consumer goods thought leadership of Kalypso’s innovation experts. These gold-standards are adapted to your unique business, and institutionalized in Sopheon’s Accolade software. Then the launch is initiated, accompanied by an effective change management plan to communicate the vision and the benefits of the new processes. As with any effective business process improvement, it is the combination of these leading practices—enabled by the technology—that generates the real business results.
With **FEI Optimizer**, your company will:

- Grow new product revenue by increasing the number of high-value ideas and concepts created in the front end of innovation
- Multiply the business value of good ideas by increasing their reuse across countries, regions, or brands
- Avoid redundant investments in the front end of innovation by ensuring you leverage learnings from the past, not recycle them
- Adopt repeatable, consumer-driven processes for idea and concept development that enable continuous improvement

Ready to transform your front end of innovation?

For more information visit: kalypso.com/transformFEI or sopheon.com/FEIoptimizer.aspx

---

**COPYRIGHT © 2012 SOPHEON CORPORATION AND KALYPSO LP. SOPHEON®, ACOLADE®, AND IDEA LAB™ ARE TRADEMARKS OF SOPHEON.**