

Ten Types of Innovation - Cheat Sheet - from Iron Age Consulting

Innovation does not start and stop with your products. It can encompass new ways of earning profits or engaging with your customers. This book outlines ten areas your teams can focus on to differentiate, to analyze competitors, or to better understand your own business model.

CONFIGURATION				OFFERING		EXPERIENCE			
Profit Model	Network	Structure	Process	Product Performance	Product System	Service	Channel	Brand	Customer Engagement
<i>How You Make Money</i>	<i>Connecting with Others</i>	<i>How You Organize</i>	<i>Signature Methods</i>	<i>Features & Functionality</i>	<i>Complimentary Prod/Serv</i>	<i>Support</i>	<i>Delivery</i>	<i>Presenting</i>	<i>Compelling Interactions</i>
<ul style="list-style-type: none"> • New ways of generating cash • New revenues or pricing models • What can you offer, what can you charge, how can you collect in ways different than your competitors? • Can you charge a premium? • Can you sell a service in a product-centric market? 	<ul style="list-style-type: none"> • Taking advantage of other companies' processes, tech, offerings, channels, etc. • Collaborations to share risk • Who can you work with to develop new offerings? • What suppliers or customers can you work with? • Can your channel be of value to start-ups? 	<ul style="list-style-type: none"> • How can you use company talent and assets in a unique way to create value? • Can your org chart be radically changed (see "Reinventing organizations by Laloux") • Can your incentive systems drive change? • How is professional development managed? 	<ul style="list-style-type: none"> • What is the "special sauce" you can create that competitors can't duplicate? Often this is a series of processes, not just a single one. • What can be simplified? • Can you reduce costs and improve value (Cirque Du Soleil from "Blue Ocean Strategy") 	<ul style="list-style-type: none"> • Can apply to new and existing products • What can be simplified? • What can be customized? • What can't be easily copied by competitors? • What feature can be modified for each customer segment? • What actually matters to your core customers? 	<ul style="list-style-type: none"> • How are you connecting individual products & services? • What interoperability, modularity or integration can you create? • Think ecosystem • How can you leverage your Network to offer new combinations? 	<ul style="list-style-type: none"> • Ensure and enhance the utility, performance and value of your offering • Can you offer maintenance plans, education & training? • Can be a self-service model • Can you leverage community? • What warranties or guarantees can you offer? 	<ul style="list-style-type: none"> • All the ways you connect with your customers • Can customers buy what they want, when they want it, and how they want it? • How can this be frictionless? • What bottlenecks in the industry can you eliminate? • Think multiple channels 	<ul style="list-style-type: none"> • How customers recognize, remember and prefer your offerings • What are your written and unwritten promises? • Addressed across all customer touchpoints and channels • What stories are you telling? • How can you be distinct and relevant? 	<ul style="list-style-type: none"> • Develop meaningful connections • Can you create an experience? • How do your customers want to interact with you? • How does this strategy match your brand? • Can you provide different experience to different segments?
<p>Examples:</p> <ul style="list-style-type: none"> • Product companies shifting to subscription offerings • Dell's original model of customers paying in advance of mfg 	<p>Examples:</p> <ul style="list-style-type: none"> • Partnering with universities for R&D • A BioTech firm licensing active ingredient to mfg's in different markets 	<p>Examples:</p> <ul style="list-style-type: none"> • A product company offering financial training to its smaller customers • Outback's 5 and 10 year comp plans 	<p>Examples:</p> <ul style="list-style-type: none"> • SouthWest flying one kind of aircraft • Tim Ferriss' 4-hour workweek concept • IKEA using the same hardware & instructions globally 	<p>Examples:</p> <ul style="list-style-type: none"> • The Dyson bagless vacuum • UNTUCKit dress shirts • Biodegradable packaging • "Nike By You" co-creation service 	<p>Examples:</p> <ul style="list-style-type: none"> • The App Store • UPS and FedEx stores • Keurig coffee makers • Power tool systems • Oscar Mayer "lunchables" 	<p>Examples:</p> <ul style="list-style-type: none"> • Nordstrom return policy • Zappos shipping and return policy • Men's Wearhouse lifetime pressing service 	<p>Examples:</p> <ul style="list-style-type: none"> • Pop-up stores during the holidays • Buy online, pick-up at store • Netflix moving from CD's to streaming 	<p>Examples:</p> <ul style="list-style-type: none"> • Virgin Cruises, for adults only • BPN Supplements, founder is brand champion • Patagonia, business unusual 	<p>Examples:</p> <ul style="list-style-type: none"> • Wegmans grocery staff helping customers find product • No time limit on Zappos customer service calls