Opportunity Validation
Verifying Value and Feasibility
Inovo Has Three Practice Areas

Strategy
Strategic choices about how and where to innovate

Opportunity
Creating and pursuing strategic and differentiated opportunities

Capability
Building the capability for strategic innovation
Opportunity Practice Area

Discovery
What strategically important opportunities can we create in our domains of interest? Which should we pursue? Which could we pursue successfully?

Pursuit
How should we pursue the top opportunities? How do we prioritize and test key assumptions? How do we design the appropriate experiments?

Validation
Is this opportunity that I would like to pursue valid? Does it address real needs or latent desires? Are there other barriers to adoption in the ecosystem? Do feasible technologies and solutions exist and are they available?

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Opportunity Validation in Context

**1. Discovery**

Find novel Opportunities in a domain or set of domains

*Result: A portfolio of compelling opportunities*

**2. Validation**

Further validate critical aspects of an Opportunity before committing to Pursuit

*Result: An opportunity ready for market testing*

**3. Pursuit**

Design, shape, and test an Opportunity from concept to commercial readiness

*Result: An opportunity ready to be scaled*
The Strategic *Opportunity* is Our Focus

- **Offering**
  - Product, service, process or system
  - Needs/desires addressed by *offering*

- **Business Model**
  - **Develop**: how the offering will be created
  - **Produce**: how it will be made at scale
  - **Deliver**: how it will be distributed and sold
  - Needs/desires addressed by *business model*

- **Value Claims**
  - Value to the Adopter
  - Value to the Company
  - Value to the Ecosystem

Our opportunity framework encompasses the A. Osterwalder definition of business models as described in *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*
Four Primary Toolsets Support Opportunity Validation

1. Mind of the Community™
   - Building expert communities
   - Gathering leading edge insights
   - Identifying potential partners

2. Mind of the Company™
   - Online opportunity voting tools
   - Surfacing internal obstacles
   - Exposing organizational biases

3. Futuring
   - Avoiding status quo thinking
   - Generating new opportunities
   - Ensuring against alternate futures

4. Idea Generation
   - Group facilitation techniques
   - Generating opportunity variants
   - Offering AND business model
Toolset #1: *Mind of the Community™* Extracts Key Insights from the Relevant Ecosystem

*The relevant ecosystem is defined by...*
- Who else stands to benefit?
- Who stands to lose if we benefit?
- Who can influence adoption?
- Who has valuable information?

*Insights are gained via...*
- One-on-one engagement
- Contextual engagement
- Virtual ethnography
Knowledge Communities are Built through Structured Networking

Random Networking

Structured Networking

Exploiting a known structure within knowledge communities where each person represents the cluster

- super-nodes (connectors)
- weak links' (bridges to the remote clusters)

Standard sampling of individuals from a random population draw
Mind of the Community™ Employs a Variety of Primary Research Techniques

Phone

Contextual

Online Qualitative

Face-to-Face
Toolset #2: *Mind of the Company™* Taps Into the Wisdom of the Internal Crowd

**The Internal Crowd**

- **Core Team**
  - Role: Research & opportunity creation
  - 1 client project lead at ½ to full time
  - 2-6 client people at ¼ to ½ time
  - 4-5 Inovo people at ¼ to ½ time

- **Advisory Team**
  - Role: Weekly review/voting/debate sessions
  - 5-15 client people at 2-4 hrs/week

- **Extended Team**
  - Role: Monthly pairwise voting events
  - 20-50 client people at 2-4 hours/month

**The Wisdom**

- Individual outliers – why?
- Functional biases – why?
- Vertical disconnects – why?
Toolset #3: *Futuring* Creates a Basis for Assessing the Long-Term Viability of Opportunities

- **Brainstorm Future Trends and States**
  - Generate dozens of future trends and future states

- **Select Subset for Further Analysis**
  - 10-15 in total
  - Combine/divide/redefine as needed

- **Develop Future ‘State’ments**
  - 12-15 one-page analyses of future trends and states

- **Assess Opportunities Against Future States**
  - Assess positive or negative influence on opportunity success
Toolset #4: **Idea Generation** Tools are Used to Refine Opportunities

Our approach is drawn from the general category of Systematic Inventive Thinking (as opposed to random idea generation).

- **Invent & Create**
  - “Right Brain”
  - 60 minutes
  - Future States
  - Contexts
  - Thought Starters

- **Present, Vote & Select**
  - Point of View

- **Design & Debate**
  - “Left Brain”
  - 60 Minutes
  - Artifacts
  - Situations
  - Personas

Four Design Operators
## Touch Displays Driving Supplier Innovation

The adoption of touch displays of increasing size with increasing requirements for visual resolution and clarity is driving rapid technology development. A new type of liquid optically clear adhesive (LOCA) provides an opening for a major new business.

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<th>SITUATION</th>
<th>ACTION</th>
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<tr>
<td>Electronics industry was rapidly adopting touch screen technology. New Henkel liquid adhesive material promising but path to market not clear. Henkel needed to understand industry and device adoption dynamics to support a major investment decision.</td>
<td>Extensive, global engagements with touchscreen experts (tech &amp; market). Technology ‘effects’ evaluation of a dozen adhesive material alternatives. Created Map-to-Market™ plan to establish Henkel as preferred supplier to device manufacturers.</td>
<td>Found market growing more quickly than previously thought. Identified a business model twist that improved odds of product adoption. Client made $40 million investment and now benefitting from high growth, high margin new product segment.</td>
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New-to-the-World Rescue & Access Tool

The Hurst division of IDEX has a dominant position in their market segment with their ‘Jaws of Life’ branded equipment. But competitors were eroding their core business. They needed a breakthrough new product category that would catapult their business outlook.

Had identified a potential opportunity for a new product for first responders.

Needed help engaging influential adopters to identify key product attributes.

Wanted path to market to speed adoption and deter competitive response.

Extensive engagements using Mind-of-the-Community™ technique.

Developed detailed effects profiles and jobs-to-be-done analysis.

Created a Map-to-Market™ roadmap to maximize rapid adoption and value creation.

Fast creation of concept, prototype and product in less than a year.

Product introduced in a ‘soft-launch’ in April 2015 – created a sensation.

Dealer network & first adopters declared new product a ‘home-run’. Hurst now seen as a leading innovator in the field.
Corning was working with Microvision on the development of the world’s first laser-based mobile image projection (MIP) device. Inovo was asked to assist with understanding the nature and expected strength of consumer adoption for a set of solution variants.

**SITUATION**

150-year old glass technology and manufacturing company with strong institutional focus on basic R&D.

History of deep business downturns followed by transformative technology breakthroughs.

Looking for product application for compact green laser technology.

**ACTION**

Conducted 25 one-on-one engagements with consumers and subject matter experts to profile desired outcomes & experiences.

Defined six consumer motivation types or personas.

Defined a set of MIP solution variants.

Modeled the expected adoption rate for each persona and for each MIP variant.

**IMPACT**

Corning and their product development partner, Microvision, introduced the world’s first laser-based mobile image projection (MIP) device, the Pico P, as a mobile phone accessory in 2009.
With Inovo as collaboration partner and guide, clients transform their offerings, cultures and innovation capabilities.

For more information, check out the innovation strategy resources on our website, or send Larry an e-mail.

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