ALL ABOUT YOU!

Experiential
Innovation

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THINK OUTSIDE THE BOX

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Chapter 1:
Experiential Innovation in the Workplace

Strategic consultant Hutch Carpenter beautifully defined innovation as, "A change in a product offering, service, business model or operations which meaningfully improves the experience of a large number of stakeholders."

But, Carpenter's definition may be better suited to a particular type of innovation, called experiential innovation.

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WHAT IS EXPERIENTIAL INNOVATION?

Experiential innovation is the process of designing offerings that improve the experience that customers have with that product/service and the brand.

Take Apple's Siri, for example. It is an intelligent assistant that enables voice search. Siri has made customers' experience with their iPhones significantly better because it eliminated the need for manual actions.

BENEFITS OF EXPERIENTIAL INNOVATION TO THE COMPANY

The objective of experiential innovation is to stimulate positive emotions and experiences during customer-brand interactions. The benefits this type of innovation offers include:

- It makes the brand unforgettable.
- It strengthens brand patronage, as the product/service is more meaningful to customers.
- It increases the likeability and user-friendliness of the product.
- It solves a problem that the entire customer group is plagued by.

Chapter 2:
Creativity and Experiential Innovation

We can't begin the conversation about experiential innovation without first talking about creativity.

Creativity is the primary ingredient for any innovation, and especially so for experiential innovations, since product/service developers need to think outside the box to create exciting and meaningful experiences for their customers.

Creativity enables your team to see hidden problems, which are invisible to others. It helps them find and nurture ideas/solutions which can help the company solve these hidden problems. Finally, creativity gives your team the ability to convince others to buy-into their ideas.

This is how innovations are born.

IS CREATIVITY INHERITED OR DEVELOPED?

Since creativity is so important for teams, we need to ask ourselves if being creative is a genetic gift or a skill that is acquired.

As the 1968 study by George Land and subsequent research shows, creativity is a trait that everyone is born with, but a skill that few hone.

Children are born without any preconceived notions of failure, they're without fear, and they're very curious about the world around them. Creativity, as a genetic trait, shines through during these early years of development.

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However, as children mature into adults, new behaviors and beliefs are learned, and many lose the fearlessness, curiosity, and confidence they were born with. Creativity goes out of the window too.

If proactively developed, creativity can become a lifelong skill. The good news is, creativity can be taught to people and nurtured. In fact, with practice, creativity can flourish and lead to amazing innovations.

FOSTERING CREATIVITY TO ENABLE EXPERIENTIAL INNOVATION

Now that we know that creativity can be nurtured, let's look at some ways you can foster creativity in your team, to enable experiential innovations:

1. Understand your people

The reality is, creativity is all about "connect(ing) experiences" (Steve Jobs).

According to Jobs, people become creative when they're able to really tap into their life experiences and connect them to the problem at hand. In fact, these types of personal experiences will help employees create new experiences for customers, in the form of experiential innovations.

This is where your leadership skills come in.

As a manager or team leader, you need to understand exactly who your team members are. What kind of life experiences have they had? Can these experiences enrich their professional lives?

Asking these questions can help you understand how creative your team members are and how much or what type of work you need to put in to empower them to become ingenious.

While we're on the topic of how creativity manifests in your employees, it's important to cover Roger Von Oech's creative types.

- **Explorer –** One who is ever-curious and who searches for new ideas.
- **Artist –** The inventor who creates things from scratch.
- **Judge –** One who vets the ideas of the explorer and the inventions of the artist, to check if they're practically viable.
- **Warrior –** The person who develops an implementable strategy and gets the resources needed to make the chosen idea a reality.

While the explorer and artist seem like the primary creative roles, the judge and the warrior are equally important and are creative in different capacities.

2. Inspire them to get into the creative mindset

The truth is, no person is without creativity. Even if it isn't honed yet, your employees will still be in possession of creativity, and they will belong to one of the above categories.

You will need to implement different measures to get your team's creative juices flowing:

• Explorer

- Give them riddles or problems that they can explore. Ask "what if" questions.
- Share with them interesting books, news clippings, podcasts, and videos you come across.
- Encourage them to network with people outside your team.

• Artist

- Tell them to keep an 'idea log', which they share with you at the end of each week. The ideas could be about anything.
- Host weekly team games and interactions and encourage them to plan the activities.
- Allow them to introduce unconventional lines-of-thought into your brainstorming session.

• Judge

- To Be upfront about your expectations and lay down the rules.
- Help them hone their critical thinking skills by challenging their preconceptions.
- Encourage them to identify and get rid of their mental traps and biases.

• Warrior

- Encourage them to engage with the team and spark conversation about the proposed innovations.

- Allow them to find ingenious ways to make more out of less.

- Train them to become great personal salesmen.

  It's very important for you to know that your employees may switch between creative roles i.e., your judge may become an artist if the proposed ideas don't meet her expectations. Then she may take on the task of creating a new experiential innovation upon herself.

  The great thing about creativity is that, once you start nurturing it, your creative scope widens considerably. Soon, you can empower your employees enough so that each person can fulfill multiple creative roles.

Image Credits: Unsplash

3. Help them find inspiration in the unlikeliest of places

Creativity is like a bright flame. As long as there is oil in the fire pot, it will burn bright. But the moment the oil is over, the flame goes out. Here, the oil is called 'inspiration', and it's essential that you keep your employees highly-inspired and motivated at all times.

The reason this is important is because your team may face multiple failures before finally creating an experiential innovation that clicks with customers. Experience and emotions are fickle, and you never know when something that was liked earlier, may be hated later. So, it's necessary for your team to stay inspired, so they can find alternative ideas to make the experiential product/service/event better.

Be a Medici

In his book, "The Medici Effect- What Elephants and Epidemics Can Teach Us About Innovation", author Frans Johansson talks of how important it is for managers, politicians, architects, teachers, parents - basically anyone managing/caring for people, to become a Medici.

The Medici's were an aristocratic family, who ruled over Florence in the 1500s. They were merchants and bankers by profession, and their most glorious

investments were artists, philosophers, writers, and scientists. The family invested in people who inspired them and allowed them to follow off-beaten paths. More importantly, they truly believed in people and their "absurd" ideas. The Medici's encouraged people to try new things, experiment, and invent. A large number of the scientific, literary, and artistic developments of the world happened because of the patronage of the Medici's.

As a manager, the greatest contribution you can make to facilitate the development of experimental innovations is to become a Medici for your team. Nudge your staff towards ideas or places or people they don't normally use as inspiration. Set the stage they need to become innovators.

Role of experiential learning in creativity and experiential innovation

If there's one important topic that we absolutely cannot ignore when we're talking about creativity and experiential innovation is experiential learning.

Experiential learning refers to the process of learning from our experiences. But that's just a part of the definition. According to Professor D.A. Kolb, experiential learning is the "knowledge (that) results from the combination of grasping experience and transforming it."

So, not only does experiential learning deal with us learning from our past mistakes and achievements, but it deals with our proactive usage of these lessons, and their application to the other stages of our lives. In a corporate setting, experiential learning refers to using your personal and professional experiences to make the right job-related decisions.

Experiential learning is a great tool when developing creativity.

Take baking, for example. You're baking a multi-layer cake. On your first attempt, you use a knife to cut the cake in the middle. But this just makes a big mess and the cake falls to pieces. During your second attempt at baking a multi-layer cake, you learn a hack where you can use dental floss to cut the cake. So, you take the dental floss, wrap it around the cake and pull. But instead of cutting correctly, the floss cuts the cake haphazardly.

What do you do now?

Your experience tells you that dental floss, although effective, needs to be held in place if it's meant to work. But what can you use to hold the floss steady while you cut the cake? There's no tool for this.

You suddenly remember that you've got a bunch of toothpicks. What if you use them to create a scaffolding for the floss?

So, during the third attempt at baking a multi-layer cake, you insert the toothpicks evenly-spaced, into the middle of the cake. You place the floss on the toothpicks and gently tug the floss until it cuts the cake into two layers.

Voila! Your cake is ready.

This example shows how your experience and your knowledge combine to make you more ingenious. The same happens in the workplace when your team learns new things, experiences new workplace challenges, and then uses these experiences to avoid making the same mistakes and find more creative solutions to the problem. They learn how to use the resources they have in new ways and bring new innovations to life.

The best way to use experiential learning to foster creativity and drive experiential innovation is to encourage your staff to open up about their life experiences, mistakes, and victories. Allowing them to express their thoughts, taking their proposals seriously, and encouraging team members to commit to their colleague's vision will create an "I'm Possible" mindset instead of an "Impossible" mindset.

Chapter 3:
Qualifying Ideas for Experiential Innovations

Experiential learning and creativity will certainly help your team come up with valuable ideas for your next experiential innovation. But how do you vet and qualify these ideas and ensure that only the ones with the highest success potential are worked on?

To do this, you need to follow these steps:

1. Determine which innovation archetype your company is

Just like individuals fall under different creative categories, companies too fall under various innovation archetypes. These archetypes tell us how a particular company views innovation as and how they pursue innovation.

According to research by IBM, Innosight, and APQC, there are four innovation archetypes:

- Marketplace of ideas
- Visionary leader

- Systematic innovation
- Collaborative innovation

Here's how they differ:

Criteria	Marketplace of ideas	Visionary leader	Systematic innovation	Collaborative innovation
Source of innovation	Internal –from employees	Internal –from employees	Internal –from employees	External – from a specialist
Leadership style	Leader supports team's ideas and helps them course-correct as necessary. Approach is to lead from behind.	Leader develops select visions for the company and mobilizes resources to achieve these visions.	Leader marks specific priorities based on competitive factors. Allocates resources to teams based on these priorities. Priorities are revised or added-to as market situation changes.	Leader is very talented in acquiring strategic partners who can help the company become innovative and successful.
Culture of innovation in the company	Encourages employees to suggest ideas,	Does not welcome ideas that do not	Welcomes all ideas and inventions that	Focuses on acquiring best-in-market

	experiment, and invent, no matter how off-beat.	fit-into the larger corporate vision developed by the leader.	can facilitate diffusion of multiple product/service lines.	skills and competencies through strategic alliances that can help the company differentiate its offerings from competitors'.
Corporate objective	To become the single repository of all products/services, across multiple categories.	To gain innovation leadership and become the number one service/product provider in the category the company serves.	To offer the best alternatives across product lines/categories and provide the highest value to the customer.	To maximize revenue and market share through planned strategic alliances.
Innovation strategy/process	Decentralized system that provides equal focus on corporate objective achievement and employee goal	Highly-structured process aligned to leader's visions. Resources and processes fully aligned to achievement of these visions.	Process takes advantage of market opportunities. Conducive for cross-functional collaboration, to	Processes in place to easily onboard external specialists. Company is very flexible/open to digital

	achievement (for example: 80-20 or 70-30 focus). Mandated rules provided for corporate goals, with leadership support for personal goals.		create multiple product/service lines.	transformation and automation.
Examples	3M & Google	Apple & Fordcompany serves.	P&G, Goldman Sachs & Samsung	Facebook & Vodafone

Once you identify what type of company you are most-like or what type of company you'd like to become, it becomes easier to develop a successful experiential innovation.

2. Choose an experiential innovation that is in-line with corporate objectives

While your employees may bounce numerous ideas off you, it's imperative that you keep the business objectives in mind before selecting an idea. Just imagine what would have happened if Steve Jobs had run Apple like Google, given

his vision. Apple wouldn't have been half as successful as it is today.

Similarly, you need to make sure there is a fit between your innovation strategy, your objectives, and your new idea/proposal.

3. Select creative ideas that are relevant to the customer

A single proposed idea can have so many interpretations. Before you start developing your product/service, it's important to know which version of your idea will seem irresistible to your customers.

The trick is to think like your customers and narrow down on those experiential innovations that are likely to receive a very positive response.

You can check for baseline interest from prospects by conducting online or face-to-face surveys and administering questionnaires. You can also show them low-fidelity prototypes of the proposed innovation to know what they feel about it.

Image Credits: Unsplash

4. Cross-reference the innovation with your product portfolio

The experiential innovation you wish to develop should complement your existing product lines and not threaten them. Your new innovations shouldn't make your existing innovations obsolete.

Additionally, you should also cross-reference your portfolio to check if your experiential innovation will be the next big thing in the market. Does the new innovation fit-into the overall business you're in?

If it does, charge ahead. You don't want to make the wrong decisions and end up like Kodak.

5. Check for resources and budget-fit

Not all innovations are budget-friendly, and it's best to skip experiential innovations that are very expensive. Similarly, make sure you have the right resources – technology, people, etc. – to create your new offerings. If you don't have them, identify where you can source them from.

Here you need to consider which innovation archetype your company is like. Trying to partner with external specialists when you don't have the strategy, process, experience, and budget in place, can be devastating for your brand.
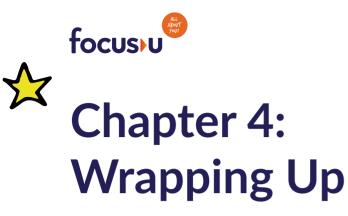
Similarly, looking inwards for creativity, when your staff hasn't been trained, can also be bad for your new experiential innovation.

6. Let prospects experience the prototype

If all of the above criteria meet your bespoke requirements, it's time to create the prototype. At this stage, you should focus on creating high-fidelity prototypes. By now, you have a very clear idea of what the customer expects from your innovation, and you're also aware of your own ability to create such an offering.

Enabling prospects to see, use, and experience your innovation is the best way to fine-tune your experiential innovation. If there are any challenges or problems in the offering, you can address them.

Finally, after a few more rounds of customer trials, you can qualify the experiential innovation.
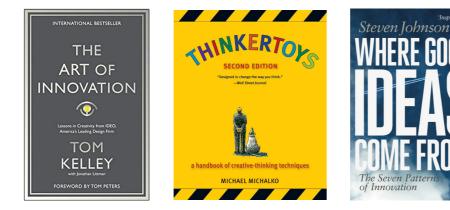
Chapter 4:
Wrapping Up

Experiential innovations are immensely effective in reducing customer attrition. They offer your company the competitive advantage it needs to become a market leader.

The process of experiential innovation starts within the company, and it starts with your team. With the help of a personalized approach, you can foster creativity in your employees and enable them to transform into innovators.

Once your team is creatively-inclined, it becomes easier to plan for and create experiential innovations that are memorable, enjoyable, and easily convertible.

A few books that we recommend:

INTERNATIONAL BESTSELLER

THE ART OF INNOVATION

Lessons in Creativity from IDEO, America's Leading Design Firm

TOM KELLEY
with Jonathan Littman

FOREWORD BY TOM PETERS

THINKERTOYS
SECOND EDITION

"Designed to change the way you think."
—Wall Street Journal

a handbook of creative-thinking techniques

MICHAEL MICHALKO

'Inspirational'
INDEPENDENT

Steven Johnson

WHERE GOOD IDEAS COME FROM

The Seven Patterns of Innovation