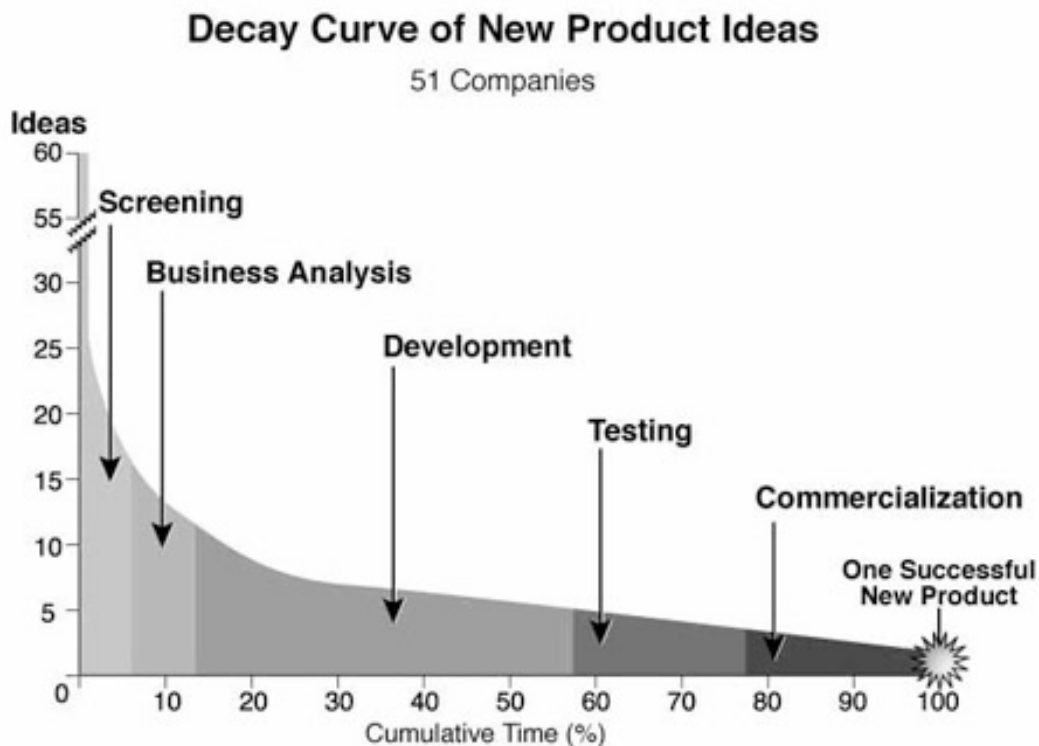# Looking for Ideas in All the Wrong Places
## An Argument for Staying in the Box

by

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Many issues are still debated when it comes to new product innovation, but fortunately marketers and product developers seem to have stopped debating the issue of whether or not it's important to keep the product and service development pipelines full. This is critically important. Study after study has demonstrated that new product and service success is relatively rare, such as the London Dun and Bradstreet study in which the following chart was found. As the chart indicates, for every profitable new product, there are approximately sixty ideas or concepts that do not make it to market successfully.

Decay Curve of New Product Ideas
51 Companies

Ideas

Screening

Business Analysis

Development

Testing

Commercialization

One Successful New Product

Cumulative Time (%)

Source: London Dun and Bradstreet 1998

Much has been said regarding the importance of having a structured, repeatable process for new product and service development. Experts such as Dr. Robert Cooper and his colleagues have spent countless hours laboring on defining exactly what such a development process should look like, resulting in familiar charts such as this one:
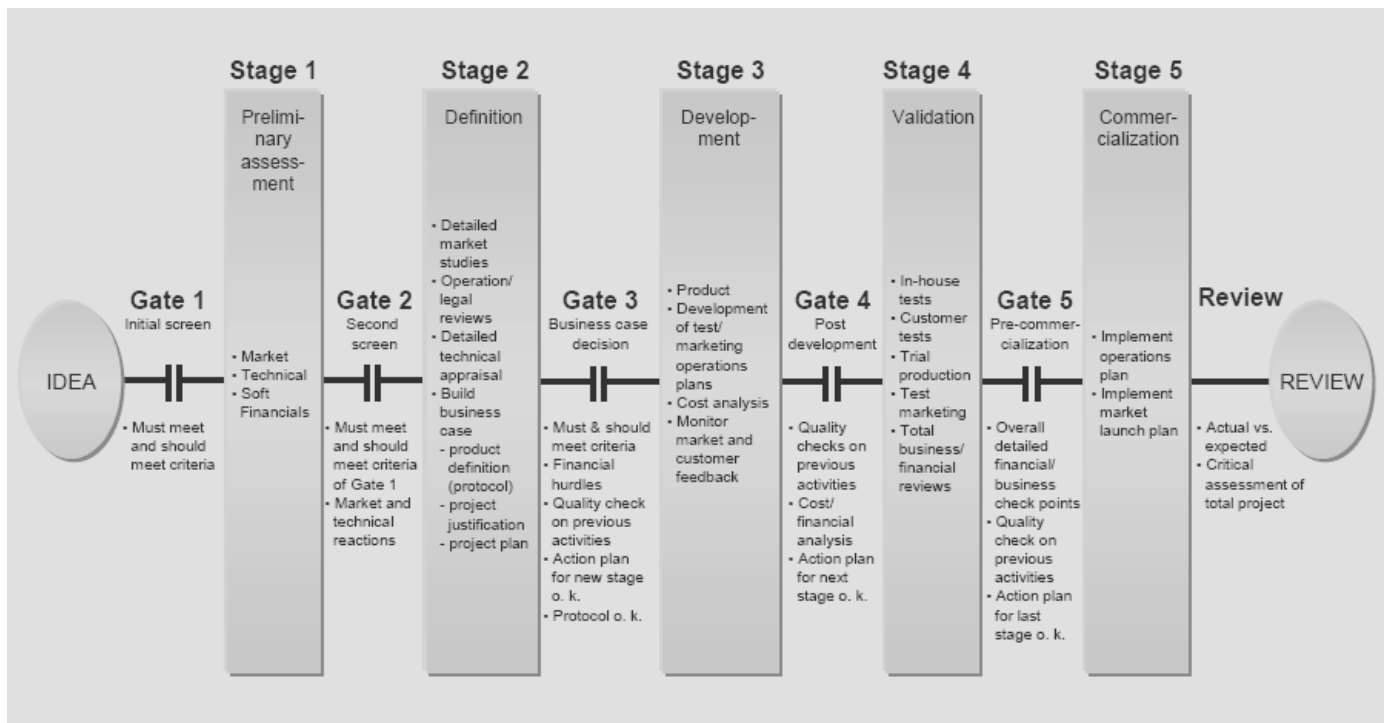
Yet even Dr. Cooper has stated,

> "Don't expect a well-oiled new product process to make up for a shortage of quality ideas: if the idea was mundane to start with, don't count on your process turning it into a star!" *Optimizing the Stage-Gate Process. What Best Practice Companies are Doing – Part 1*, Cooper, R., Edgett, S., Kleinschmidt, E., 2002

So while there's not much debate that success in the Idea Stage, or the Fuzzy Front End as it's often called, is critical to the success of a new product development and innovation program, there's still a great deal of discussion about why the Fuzzy Front End is such a challenging part of the product or service development process. Perhaps this is because, unlike other portions of the development process, more time has been spent in this sort of discussion compared to the relatively small amount of time that has been spent defining how to make the Fuzzy Front End more efficient and productive. Or perhaps it's because of the still-pervasive notion that ideas are just supposed to "appear" from customers, or employees, or from some corporate initiative encouraging people to be creative and innovative.

It's our experience that it is possible to structure the Fuzzy Front End in such a way that it not only produces innovative results, but that those results can positively affect the entire development process.


The Goal of The Fuzzy Front End

When working in the Fuzzy Front End, it's not uncommon to set a goal of generating as many unusual, original ideas as possible. Most often, people seek to meet this objective by "thinking outside the box" – by ignoring business boundaries that typically are considered to be immovable and unbreakable.

Consider the following challenge: Using a crayon, connect the nine dots shown below with as few continuous lines as possible.


The illustration below demonstrates how the problem can be solved if one is allowed literally to go outside the boundaries of the box.
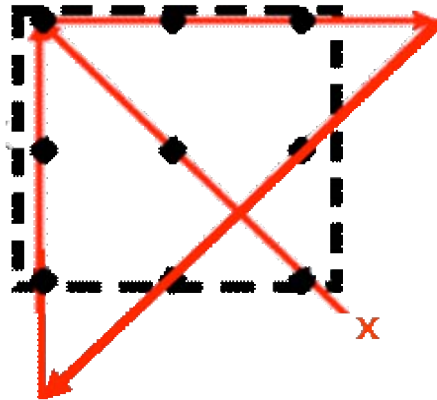
Another way to connect the nine dots with even fewer continuous lines is to change the shape of the box altogether – to totally alter the boundaries that define the box.
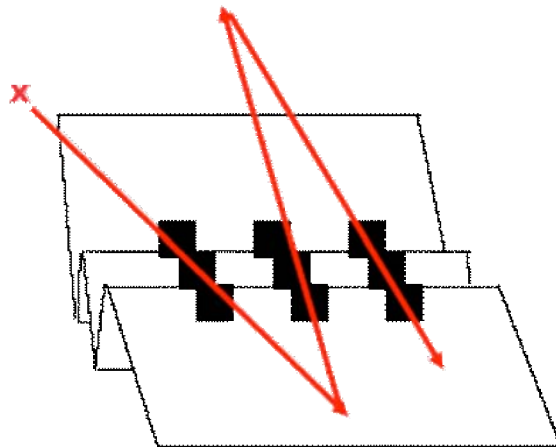
A third way to connect the nine dots with the fewest number of lines possible is to stay inside the box – to acknowledge the boundaries of the box and see them as enablers rather than inhibitors. By peeling the wrapper off the crayon, turning it sideways, and swiping the crayon down over the nine dots, the result is that all nine dots are connected with a single line, without changing the shape of the box, nor going outside its parameters.
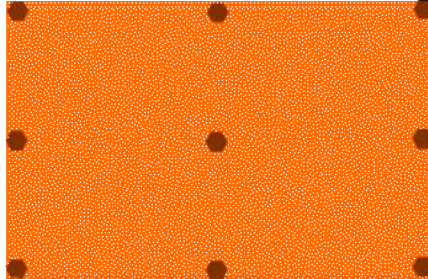
So how is the nine-dot exercise relevant to those of us who are responsible for working in the Fuzzy Front End? Well, it certainly shows that unique and innovative solutions can be generated if one is allowed to think outside the box and/or to change the box altogether. But in the real world, we seldom have the luxury of being able to ignore the parameters of the business – the box. And often, if we try to generate new and original ideas by disregarding the environment in which we operate, those ideas turn out to be useless when it comes to developing new products and services.

So, as counterintuitive as this may seem, perhaps the objective when working in the Fuzzy Front End is not to generate as many original ideas as possible. Perhaps the true goal should be to generate a large number of unique ideas that are relevant and actionable – ideas that can be successfully used to meet the needs of the business.

Is Staying In The Box A Good Thing?

Although staying in the box is not a widely used approach, it certainly is a highly respected one. One of the world's leading experts on creative thinking had this to say about idea generation as many of us might define it:

> "There are far too many practitioners out there who believe that creativity is just brainstorming and being free to suggest crazy ideas. Creative thinking is different from normal thinking. It is not just normal thinking that is more free.

> "...If we suspend judgment, feel innocent and childlike, and try to use the right side of the brain, should we not then be creative? We will certainly be more creative than before, but not very much more. We will be able to use our natural creativity. Unfortunately, natural creativity is not very powerful.

> "It is not enough to be innocent and uninhibited and to have a creative attitude. The normal behavior of the brain in perception is to set up routine patterns and to follow these. In order to cut

across patterns we can use deliberate techniques ... These techniques can be learned, practiced, and used deliberately."
Serious Creativity, Dr. Edward de Bono

Creativity Inside The Box

As Dr. de Bono states, we will be creative, at least to a degree, if we allow ourselves free reign to come up with whatever sounds unique and original. In this way we will usually come up with a few new and innovative ideas. But by staying in the box, we force our brains to acknowledge reality, and we dig down beyond the obvious. In this way, we will come up with greater numbers of ideas, and these ideas will be not only new and innovative, they will also be more likely to work within our reality.

When we venture outside the box, the lack of constraints actually can work to our detriment. If we are given permission to wander and ignore the constraints of the business, the result can be lots of ideas that span a very broad range, but that are shallow and not highly actionable.

In the past few years, TLC's *Trading Spaces* has been one of the most popular reality shows in America. What was it that made the show so irresistible to viewers? Was it the creativity of the designs or the drastic nature of the makeovers? In part, yes. But if those were the only reasons, why weren't shows such as *Designing for the Sexes* or *Homes Across America* just as popular?

What truly set *Trading Spaces* apart was the fact that every one of those amazing transformations was the result of creative thinking that took place inside a well-defined box:

1. The design budget was held to $1000.
2. The timeframe in which to create the new look was limited to two days.
3. The work was done by one designer, one carpenter, and two home owners.

Because the teams were forced to work within the constraints of budget, time, and resources, their designs were much more innovative than if they had been allowed the freedom to change the shape of the box, or ignore it altogether. Do you really think we would have seen chandeliers made of tree branches sprayed with silver paint and wrapped with Christmas tree lights if the homeowners had been given larger budgets?

MasterCard represents another example of creativity inside the box. For a good portion of the 1990s, Visa was the undisputed leader in the credit card industry, in large part due to its "And They Don't Take American Express" campaign. The ads were designed to appeal to consumers' desires to experience the best in life, to reach a level of achievement beyond that which most people could ever hope to enjoy – sort of a "you-are-what-you-buy" position.

MasterCard, on the other hand, had launched five different advertising campaigns within a decade, none of which had provided the brand with anything it could claim as its own. So, the company took a step back and examined the box in which it lived. Then, it created a campaign that built on the virtues of that box – the "Priceless" campaign.

Rather than positioning itself as the card that could give people the lifestyles of the rich and famous, it focused on enhancing the quality of consumers' every day lives. The company's 2004 annual report refers to the positioning as "the better way to pay for everything that matters." As a result, there were 16,700,000,000 MasterCard transactions around the world in 2004, growth to which the company attributes in large part to its "Priceless" campaign.

What Things Go Inside The Box?

The Fuzzy Front End should not be the place where go/no go decisions are made about ideas. But it can provide an environment where more viable ideas are generated. And, we would argue, the best way to provide that environment is to utilize the power of working inside rather than outside the box – power that comes from the very parameters, or constraints, the box provides.

There are no hard and fast rules about what the parameters of the box should be, but there are some things that might make sense to have in the box as constraints. For example, mission and vision statements provide excellent, high-level parameters for generating ideas. In order for an idea to have a chance of being successful, it should support the overall mission of the company and its vision.

Strategic imperatives represent the things your company simply must do – they are table stakes. For example, if your company provides local business information to consumers, then it is essential for that information to be accurate and timely. Strategic imperatives can offer solid boundaries within which to develop actionable, relevant ideas.

In order for an idea to be successful, it should support whatever it is you want say about your company, both internally and externally. So brand strategy and branding attributes might be important constraints to place in the box.

Any metrics that will be used to evaluate your performance and that of your team should be considered when building the box. And any other facts that are relevant to the success of an idea, such as the competitive environment, regulatory issues, and resource constraints, might serve as valuable guidelines for generating unique ideas that might meet the needs of the business.
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Bringing Others Into The Box

Here's a common assumption made in the Fuzzy Front End: "The best people in the industry work for us. They'll be a great source of ideas." But as Henry Chesbrough, author of *Open Innovation*, points out:
   • Not all of the smart people in the industry work for you.
   • No one has a monopoly on useful knowledge.
   • Good ideas are widely distributed.

In other words, it's best not to be the only one in the box; invite others in, such as industry and subject matter experts, lead users, mainstream customers, and consumers who are not your customers.

We've found it's best to be highly selective about who you invite into your box. Involve subject matter and industry experts who embrace collaborative and mutually beneficial relationships. And invite customers and consumers to participate who are articulate and able to contribute new, far-reaching ideas that stimulate your own thinking.

Benefits Beyond The Fuzzy Front End

We mentioned that staying in the box is an approach that can benefit the entire development process. Because the structure of the box is based on business needs and constraints, the ideas generated inside the box would be influenced by those same things. As a result, the ideas generated inside the box should be more actionable and relevant to the business than if they had been generated outside the box.

If the ideas that move from the Fuzzy Front End into the next stage of development are more actionable and relevant, that should reduce the need for screening, filtering, and assessing a large number of low quality ideas that don't meet the needs of the business. This means fewer resources could be allocated to the development process. Additionally, if we assume that the initial ideas address the needs of the business, we should see an increase in the number of ideas that could be brought to market successfully.

Is There A Time To Work Out-Of-The-Box?

We have found that out-of-the-box thinking has its place, and it can add value to the development process, especially in situations where novelty in and of itself is the primary goal. Additionally, there is some value in beginning the idea generation process with few constraints in order to lower inhibitions and barriers, particularly in a group setting.

But more often than not, there will always be some "box" (either spoken or unspoken) to operate within. Once out-of-the-box thinking has served its kick-starting purpose, novelty by itself will be insufficient. Perhaps Dr. de Bono summed it up best when he said: "[To have true value,] the creative idea must make sense and must work." We would say, the goal of the Fuzzy Front End is to create ideas that are highly innovative yet make sense and will work within your product development process. And the best way to do this is to stay in the box.

About Decision Analyst

Decision Analyst, Inc. (www.decisionanalyst.com) is a leading marketing consulting and marketing research firm specializing in new product and service development, strategy research, advanced analytics, and innovation services. The firm delivers competitive advantage to clients throughout the world in the consumer packaged goods, telecommunications, retail, high technology, medical and pharmaceutical, utilities, and e-commerce industries. Decision Analyst operates American Consumer Opinion® Online, one of the world's largest Internet consumer opinion panels, with more than 4 million participants.

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