



Innovation: Wow! I've Never Seen That Before!

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Innovation is the lifeblood of our industry. We all know it, and we all believe it. But, if we all believe in innovation so much, why do we see so little of it? The answer is because true innovation is hard work and very, very scary to pull off.

We define innovation as being able to say, "Wow! I've never seen that before!"

First, we must acknowledge there are different levels of innovation:

- In its lowest form, the statement could mean: "I've never seen us do something like that before." In essence, this is actually imitation. The internal logic that justifies this level of innovation sounds like: "We've never done this before, therefore it qualifies as innovative." This type of logic results in an industry full of me-too products. None of us aspires to mere imitation, but we often fall back on this compromise position.

- For most of us, the statement usually refers to something in the middle, meaning: "I've never seen that done in quite the same way before." This type of innovation is a new execution, a new twist, or a new application of a proven idea. Oftentimes, this level of innovation is enough to get some traction in the marketplace, but it's not so breakthrough that it truly wows the trade or the consumer. It's the equivalent of a single or a double—hardly a homerun.

- At the highest level, making that statement means: "I've never seen anything like that anywhere!" This is what we call new-to-the-world innovation—the most difficult type of innovation to achieve. Because it is so difficult, most of us stop somewhere short of that. And yet, it is the most gratifying aspect of our work. To bring something to the world that would not exist if not for you—that is truly the sweetest success.

The 3M employee credited with inventing Post-it Notes had this to say about his innovation: "Before it was successful, I was called stubborn. After it was successful, I was called tenacious." Further, he describes his response upon hearing the "bad" news that his concept would be extremely difficult to manufacture: "That's actually great news—it means it won't be easy for competitors to copy us."

Leapfrog Enterprises' Fly Pentop Computer, was the industry's Most Innovative Toy of the Year for 2005. For the two years leading up to the launch, the team responsible for Fly was engaged in a daily battle to keep something so new, so breakthrough within the realm of feasibility. Everything about the product and the launch seemed exponentially more complex and challenging than normal—simply because it defied precedence. There were no pat rules to follow, no well-worn path to walk. On top of this, all along, there was no guarantee that when all was said and done, Fly would really work—the risk of failure was real. In the face of an endless parade of

obstacles and risk, the company remained committed, and Fly was the most successful new product launch in the company's history.

What are your obstacles to true innovation?

- 1) Not enough time to spend in pure brainstorming creative mode, because you have to spend so much time executing?
- 2) Not enough daring and/or commitment to roll the dice on something that could fail just as easily as it could succeed?
- 3) Not enough financial stability to absorb the write-off if the initiative fails?
- 4) Not enough lead time in the schedule to develop a crazy, off-the-wall idea into something commercially viable?
- 5) Not enough company commitment to push through the multitude of obstacles that will inevitably get in the way?
- 6) Not enough consumer justification to get a new idea past a very conservative trade (despite their avowed desire for innovation)?

One way to get around these obstacles is to focus your effort on a rather narrow front—i.e. contain the risk. Specifically, don't try to swing for the fences every time. Rather, in your product plan, identify one slot that is your "break-frame" slot. That becomes your place to roll the dice and shoot for something really big.

- Don't assume a big sales number in your financial plan for the break-frame slot—consider making it incremental, if possible. Promise low and over-deliver to keep the risk at a manageable level.
- Start working on the break-frame slot early, concurrent with the schedule for the preceding season. For example, if it is a fall intro, start work on it concurrent with the spring line.
- Quantity begets quality: Make sure you generate plenty of strong ideas early on to give yourself the luxury of choosing the very best of the bunch...use inventor groups and outside creative talent and send the signal that you are willing to break out and take risks.
- Don't be put off by the difficulty of execution. Take the challenge as simply being the "price of entry" for innovation. Expect great difficulty.
- Get consumer validation so you have the strength of your convictions when you present your line to Management, Sales, and the Trade.

To help manage the inevitable pain that comes with the process, keep this helpful mantra close at hand: Giving birth is messy and painful...giving birth is messy and painful...giving birth is messy and painful...

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