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2025

STRATEGY **HQ**

the *cooper* group



GROW HEALTHY INNOVATION

With Your People, Culture –
and the Right Tools

DEEP ROOTS EDITION



Your Business Is a Distinct Cultivar. Grow It With Smart Innovation.

Dear Colleagues,

If you know anything about trees, you know that shallow root systems don't survive strong storms. In business innovation, a lack of modern tools, disconnected teams, and biased data don't, either. Attempts to innovate just keel over during disruptions, market changes, and sudden economic shifts.

What we see on the surface of any innovative company is only as strong as what's growing beneath it.

Bold ideas, new products, and enduring strength come from what's underground:

- **Rich soil:** The critical blend of your people, customers, partners, and a toolkit to nourish creativity
- **Root stimulators:** Quality data, analytics, and adaptive frameworks to support smart, fast decisions
- **Healthy environment:** A collaborative culture that gives new ideas the room they need to grow

Those are the nutrients your business needs to rise, innovate, grow stronger, and weather disruption.

This is the second edition in our innovation series. It's called the Deep Roots Edition because successful business innovation needs a healthy ecosystem. Read on and learn how to stand tall, bend, flex, and keep innovation and your organization alive and thriving for years to come.

Respectfully,



David Cooper
CEO and Principal Strategist
The Cooper Group



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by David Cooper

INNOVATION STRATEGIES: Your Toolkit for Success

It's not enough to be noticed in the market. You need to be *needed*. This means staying relevant because relevance is what drives sales. Companies that prioritize relevance are always tracking shifts in the market, buying behaviors, customer expectations, and technology – and then innovating to stay ahead.

Innovation is *dramatically* easier with the right tools to conceive, plan, track, and measure forward motion across your innovation lifecycle. From ideation to implementation, you have real-time data for planning, decisions, and actions to successfully launch a new product, service, or business model.

This article explores what you need in your innovation toolkit and the holistic ways these instruments are used by leaders, teams, customers, and partners to elevate products, services, and a true culture of innovation. Take advantage of these tools and they will help move your business to the next level...and the next.

Open innovation and collaboration tools

Smart companies look inside and outside their organizations for inspiration on what to create next. Your people know your business and customers. Your customers know your products, services, and values. And your business partners may know better ways to



Today's leading idea crowdsourcing and innovation management tools are robust, user-friendly platforms.

work together in serving mutual interests. If you give them tools to share ideas and pain points, their voices will inspire and influence your innovation in positive, real-world ways.

Open innovation and collaboration break down internal and external walls to connect people, ideas, and data. Collectively, they become a driving force in envisioning and creating new products, solutions, and innovations that no individual department or team can possibly conceive and build alone.

There are powerful tools out there to help you make this happen. The market is teeming with tools for idea crowdsourcing and innovation management. They have become key innovation drivers, built to capture, evaluate, rank, and guide the development of ideas from your team leaders, employees, valued customers, and business partners.

Having such a tool at the fingertips of your people and constituents gives you insightful direction and documented leverage to turn ideas and input into actionable innovation projects.

Explore the options available to you. Today's leading idea crowdsourcing and innovation management tools are robust,

user-friendly platforms. They're designed for different types and sizes of businesses and offer varying features, such as live collaboration and integration hubs, cloud-based co-editing and file sharing, ways to track trend data and market signals, and a whole lot more.

Ideally, you want a tool that supports these components:

1 COLLABORATION: You can't innovate effectively without real-world input and feedback loops. Collaboration tools give your employees, customers, and partners a portal to provide input, brainstorm, visually map concepts for improvements and product innovations, and give partners a way to work with you in co-creating new solutions that are mutually beneficial.

2 IDEA MANAGEMENT:

This component eliminates the crazy by automating the collection, refinement, and selection of the best ideas contributed by your constituents.

3 INNOVATION MANAGEMENT:

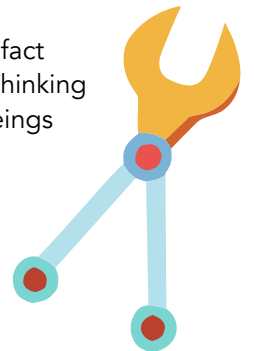
Use this technology to align new ideas and development plans with your business strategy and R&D initiatives. Many of the top solutions come with metrics so you can closely monitor and measure innovation progress and all-important ROI.

Design Thinking and customer-centric innovation tools

Design Thinking and customer-centric innovation are indispensable frameworks that companies are using to solve problems and improve the lives and experiences of their customers. These fundamental frameworks ensure customer experience is deeply engrained in your development and service ecosystem.

"What's special (and in fact radical) about Design Thinking is that it puts human beings

Design Thinking and customer-centric innovation are indispensable frameworks that companies are using to solve problems and improve the lives and experiences of their customers.





first, the people for whom we ultimately solve problems. In the current landscape of big data and depersonalization, this is a surprisingly radical act. Another way that Design Thinking is still a radical act is that it is rooted in questioning: It questions the problem, questions the assumptions, and questions the implications. Consequently, Design Thinking is a powerful tool for tackling all kinds of challenges that are ill-defined or complex by reframing the problem in human-centric ways.” – American Marketing Association

Here are three critical elements involved in Design Thinking and customer-centric innovation:

1 EMPATHY:

Get close and stay close to customers so you can truly understand and identify with what they want, their needs, pain points, and expectations. This is the framework that allows you to see and experience your products and services through the eyes and minds of your customers.

2 COLLABORATION:

Ask developers, engineers, product managers, and customers pertinent questions about your products and services. Use their input to clearly identify problems or needs you can address, and to guide prototyping and development for enhancements and new products.

3 EXPERIMENTATION:

Involve team members and customers in concept development and testing and use their feedback to refine new products or solutions as they progress in

development, one step at a time. This is a continuous (iterative) loop process that’s repeated until a final, user-friendly, and rigorously

approach, redesigned the entire experience. By incorporating playful themes into the MRI suite, such as pirate ships, and engaging



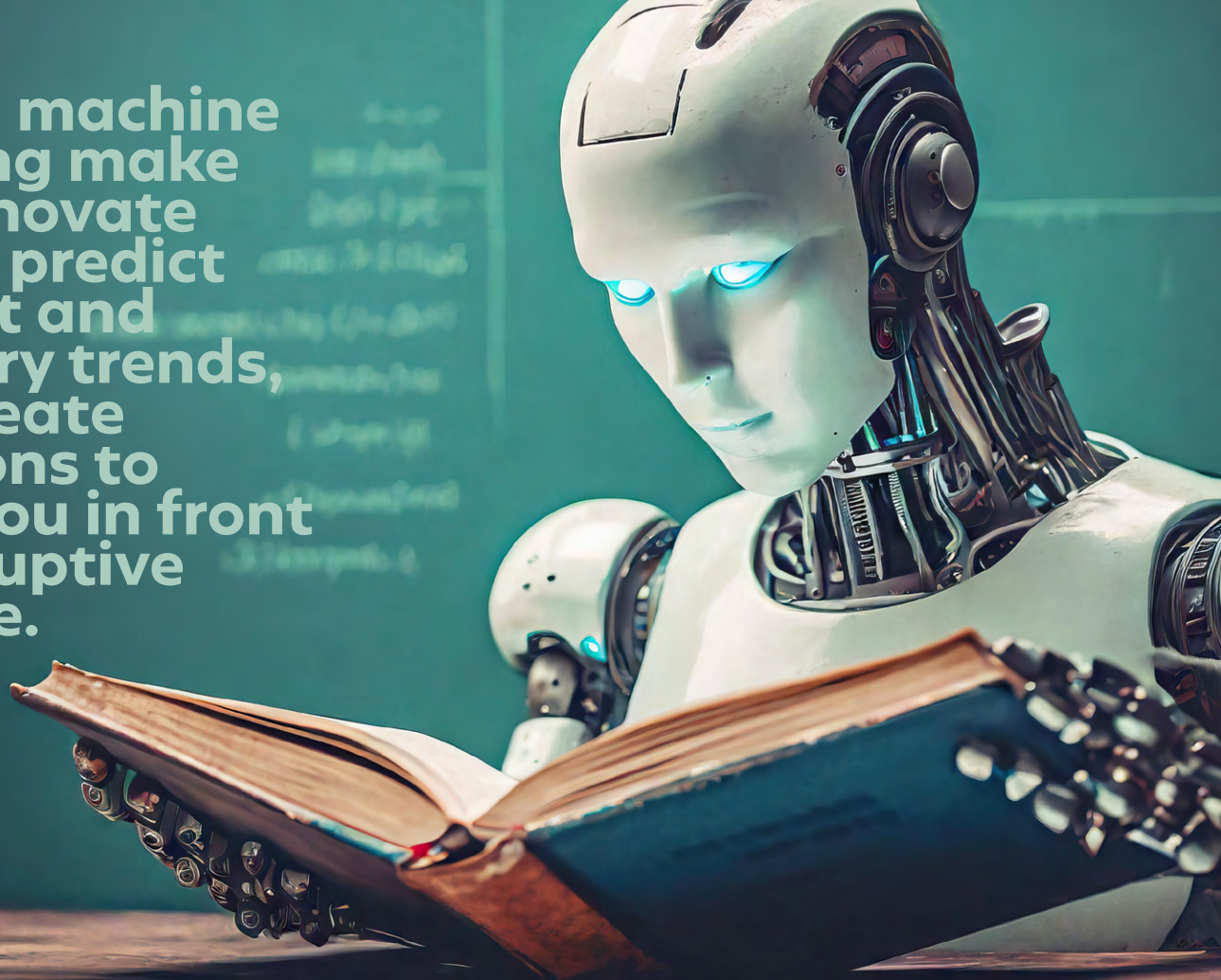
tested solution is ready to be fully developed and introduced to the market.

Tools that enable Design Thinking and customer-centric innovation are built to always keep your customers front and center. But that’s not all. They drive innovation, providing a continuous wealth of ideas for you to explore and test. And they’ll save your company a substantial amount of time and money by helping you thoroughly vet ideas before you invest in full development.

“A prime example of design thinking in action is the transformation of pediatric MRI experiences at GE Healthcare. Recognizing the fear and anxiety children experience during MRIs, the team, through a user-centered

Get close and stay close to customers so you can truly understand and identify with what they want, their needs, pain points, and expectations.

AI and machine learning make you innovate faster, predict market and industry trends, and create solutions to keep you in front of disruptive change.



the child's imagination, they significantly reduced the need for sedation, improved patient satisfaction, and increased the efficiency of the imaging process.” – Villanova University

Leveraging AI and machine learning for innovation

AI and machine learning turn data and analytics into your company's strategic direction. They'll make you innovate faster, predict market and industry trends, and create solutions to keep you in front of disruptive change.

“From the apps we use daily to the algorithms predicting business trends, machine learning tools are quietly running the show. They do not passively process information; they learn, evolve, and change in each interaction, changing the way industries innovate and function.” –

AnavClouds Analytics.ai
AI and machine learning aren't just tools. They're power-packed multipliers for your innovation. You'll see patterns that are missed by humans. You'll predict what your customers will want next.

through massive amounts of big data, from customer behavior patterns to market signals, supply chain trends, and beyond, and shows you patterns that inspire new ideas. The greatest advantage is that you will innovate and invest in

AI and machine learning aren't just tools. They're power-packed multipliers for your innovation.

And you'll be able to automate tedious and repetitive processes that are notorious for dragging down creativity, innovation, and forward motion inside today's companies.

■ **Get smart, factual insights to make faster decisions:** AI sifts

development based on facts – not guesses or past successes that are no longer relevant.

■ **Use machine learning to power customer personalization at scale:** Customers expect you to deliver products and services that are relevant to their needs.

AI and machine learning don't just help you keep up. They enable you to innovate and deliver before customers even know they need something or have a chance to ask. Better yet, you can tailor products, services, and experiences to individual customers – again, at scale.

■ **Fast-track experimentation and prototyping:** Using these technologies, your teams can explore literally hundreds of ideas or concepts in the amount of time it used to take to test just one idea. Generative AI tools like ChatGPT, Midjourney, Synthesia, and others let your teams generate concepts and designs – instantly.

■ **Predict innovation needs:** Your AI model will be able to forecast shifts in your market or industry, as well as your product performance and spikes in demand. In other words, you won't just react to change – you'll be able to anticipate it and stay ahead of the curve.

Companies that use AI and

machine learning to innovate can move faster, see farther, and outthink their competitors.

What type of innovation will you pursue next?

As with any big undertaking, it's more digestible to take one bite at a time. Business leaders have many different areas to consider in their innovation strategy...

- Product Innovation
- Business Process Innovation
- Business Model Innovation
- Customer Experience (CX) Innovation
- Organizational and Cultural Innovation

They're all important, but it may not be possible to mobilize tools and teams around all of them at the same time. My advice for small and mid-sized businesses is to start small – but start now. Choose a priority area, opportunity, or problem to solve. Adopt the right

Using these technologies, your teams can explore literally hundreds of ideas or concepts in the amount of time it used to take to test just one idea.

tools for the task and build a team to test courageous ideas fast.

Most important, treat each area of innovation as a permanent habit, not a project that comes to an end. Once your first area of innovation is off the ground, alive, and kicking, move on to the next priority.

"Growth happens when leaders roll up their sleeves and get to work, mixing pragmatism with optimism to propel forward in sometimes-uncharted waters. Only then can leaders ensure their organizations are fit and ready for the growth journey ahead." – McKinsey & Company, January 2025

Integration, Integration, integration

Innovation efforts can only reap lasting rewards when your strategy and toolkit are integrated into a structured framework that prioritizes ongoing advancement – a system of continuous ideation, testing, learning, and scaling to keep your company relevant. Integration will enable your organization to work in lockstep, move faster, make better decisions, and consistently turn ideas into measurable results.



Measuring Innovation:

Key Metrics and KPIs

by David Cooper

METRICS.

The dreaded M word. There are reasons why some (okay, many) business leaders resist or actually hate maintaining metrics, especially around innovation. It's viewed by some as red tape. Who has time for that? Or they've been burned in the past by metrics that got gamed or distorted. Nobody has time for that, either, not to mention the time and effort it takes to really do this right.

I get it. But I don't buy it. Neither should you. Investing in innovation without tracking progress leads to faulty direction, wasted resources, and failure. Here are the places companies end up without metrics:

- All that's left is gut instinct, current sales, and snapshot cost reductions. Relying on instinct instead of facts is not reliable, and making decisions based on sales and cost data alone is how the wrong things get rewarded, biasing people toward incremental fixes instead of payoff from great ideas.
- There's no evidence to show what's working or failing until resources are already spent. This is flying blind on a wing and a prayer. Hope and inspiration are needed but they're not enough.
- Critical inflection points are missed. If early signals aren't tracked, there's no way to recognize

when an innovation project is headed in the right direction – or if and when it needs to be killed.

I'm not trying to rattle anybody's cage, but for leaders who want to be seen as credible, it's too risky to pursue innovation (or any business initiative) without metrics.

Now, let's get to the good stuff. Maybe I'll even persuade some skeptics to see metrics in a new light.

Understanding the importance of innovation metrics

Innovation metrics are indicators showing how effectively your

Everyone's confidence grows when you can quantify and demonstrate that your company is adaptable and competitive.



company is pursuing, managing, and achieving innovation goals. You need this continuous flow of data to stay on track and avoid pitfalls. So do your people and customers. Otherwise, why invest in innovation at all?

Specifically, you want to quantify how well ideas are being generated, developed, and transformed into real value for your company and customers – like delivering new products and enhancements, improving business processes, driving higher customer engagement, and creating new revenue streams.

Clarity and accountability make innovation tangible for your leadership, teams, and customers. Everyone's confidence grows when you can quantify and demonstrate

that your company is adaptable and competitive.

Better decisions are made because you can see exactly what's working and redirect resources from low-value projects to high-impact ones.

Your culture demonstrates that innovation isn't just talk but a tracked and rewarded part of your business and employee performance.

You pivot faster with strategic agility in response to market, economic, or technological shifts.

What are the different types of innovation metrics?

Most innovation measurement frameworks are grouped into Key Performance Indicator (KPI) categories. Using these categories

keeps everything clean and clear from the get-go in tracking progress and success as you implement and achieve your innovation goals.

INPUT/INVESTMENT: These metrics track the human and monetary resources you invest in innovation. They're also what you ultimately need to calculate return on your investments. Track everything, from business and market intelligence costs to R&D spending, investments in innovation technology and tools, talent acquisition, employee hours, selecting and vetting ideas submitted by your people and customers, idea experimentation, and other spending buckets.

PROCESS/EFFICIENCY: This is where you measure how efficiently an innovation project moves through the different phases of your innovation process. For example, track the timeframe from the conception of an idea to market introduction. Document the success rate of your prototypes, and the levels of collaboration you achieve among your people, customers, and even partners who work with you in pursuit of joint innovations.

OUTPUT/DELIVERABLES: Output metrics capture the specific, tangible results that your innovation efforts deliver, such as the number of new products or enhancements you introduce, the patents you file, the intellectual property you create, the number of ideas that cross over into your execution phase, and the number of prototypes you build and experiments you undertake.

ENGAGEMENT/CULTURE: Here you can track how many people

participate in ideation, the number of ideas per employee, customer, or partner, the training and innovation skill development methods you establish, the amount of time leadership spends on innovation initiatives, and employee sentiment and satisfaction levels with your culture of innovation.

OUTCOME/BUSINESS IMPACT:

Here's where the rubber meets the road. Impact metrics evaluate and demonstrate the business and market outcomes of your innovation efforts. These include sales and directly relatable revenue growth, market share growth, cost savings from process innovations, new and existing market penetration where innovation is introduced, customer adoption rates and satisfaction levels, stronger brand recognition and differentiation – and overall return on innovation investment.

What tools should you use to track innovation performance and ROI?

Many of the leading Innovation Management software tools on the market include metrics capabilities. Innovation metrics tools measure innovation just like any other business function, but they're designed to balance creativity – the core of your innovation ecosystem – with accountability.

If the tool you choose offers most of the following features, you'll have a great enterprise platform to track and measure key innovation metrics:

- Flexible, real-time dashboards and scorecards that show you leading and lagging metrics side-by-side and also track trends over time
- Multisource integration to pull from your idea tools, project tools, financial systems, analytics tools, and more
- Custom KPIs – because everything about your innovation is unique
- Drilldowns to root cause analysis to reveal which project, department, or phase caused a problem
- Alerts, thresholds, and anomaly detections for early warnings when there's a bottleneck or a metric is deviating from calculated expectations (know now, not later)
- Visual historical and trend comparisons to see how innovation performs over time
- Role-based viewing and permissions to control access among leadership and team members
- Governance, auditing, and versioning to quickly trace changes in metric definitions, data corrections, and other adjustments



Don't let guesswork, gut instinct, or a temptation to wing it kill your innovation.

Treat innovation like an investment portfolio – never a gamble

Don't let guesswork, gut instinct, or a temptation to wing it kill your innovation. Track your investments and progress across your innovation lifecycle and across multiple dimensions – financial, operational, and cultural – so that you can prove, improve, and scale innovation with the same accuracy and consistency as you do with any other core business function.

Your innovation is built on creativity. Metrics will never stifle that; they will supercharge it, making your company's creativity outperform at every level, inside and outside your organization.

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