Value Networks for Innovation
Facilitated approach

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Value chain -> value network
Introduction Value Networks
based on Innovation Design by Elke den Ouden

- Value networks describe ecosystems for specific innovation projects
- Value networks depict the larger system in which the innovation is supposed to function
- Value networks can be used in several ways, e.g.
  - Establishing a vision on a new ecosystem for the organization
  - Defining the ecosystem before an innovation project is started
  - Grasping the ecosystem during the early stages of the innovation project
  - Redefining the position in the ecosystem to deliver more value
Value Modeling Tool
Capturing value networks

- Industry Consulting developed a proprietary software tool for building value networks

- The tool is based on earlier experiences with “hardware”
  - Real live cases

- The tool allows live development of a value network in a workshop
  - Or live review and editing

- Tool is best used on a smart board
  - Tool has been tested in multiple workshops in 2013

- Industry Consulting consultants operate the tool and facilitate workshop
Type of workshops

Workshop with tangible blocks

+ Tangible blocks invite all to participate and create open atmosphere during political discussions
- Handwork needed to translate photo into digital format

Plenary workshop with smart board or PC & projector

+ Short start-up time, immediate capturing of workshop results and visible for all
- Not all participants are equally invited to join discussion

Workshop with subgroeps (iPADs)

+ Possible to create different value model scenario’s. Participants are likely to become long-term user’s themselves.
- Long ‘start-up time’ and no changes possible to value model after session
Value Modeling Tool
Icons and relationships

- Customer
- Provider of Systems
- Provider of Goods
- Provider of Services
- Provider of Content
- Marketing
- Supplier
- Enabler
- Financier
- Government (or NGO)
- Godfather (or Community)
- Intermediary
- Competitor

Good and Services
Money or other Credits
Information
Intangible Value
Hide
Unhide
Calculate input/output
List all information
Export picture to .png
Hide/unhide control circles
Application

Context and deployment

- Check where in the process, e.g.
  - Vision created
  - First views on what a proposition could look like
  - First views on competitors
  - Key now to find right positioning and partners

- Using the Value network in this setting to
  - Create a full picture of the developing ecosystem
  - Verify assumptions in the value network
  - Understand type of partnerships needed for success
  - Scan possible partners that would strengthen Philips’ position
  - Update the network during the process for decision making
Approach

Workshop centered

Intake

- **Understanding the problem**
- Define detailed flow

Preparation

- Analysis of context
- **Identification of possible stakeholders**

Workshop

- **Creation, verification, or completion of value network**
- **Definition of actions for assumption verification**

Analysis

- Definition of key factors influencing position strength
- Verifying assumptions

Synthesis

- Reflection on the key question
- Recommend actions
Example Food Waste
Created in just 1 hour, with people that never did it before...
Contact data

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