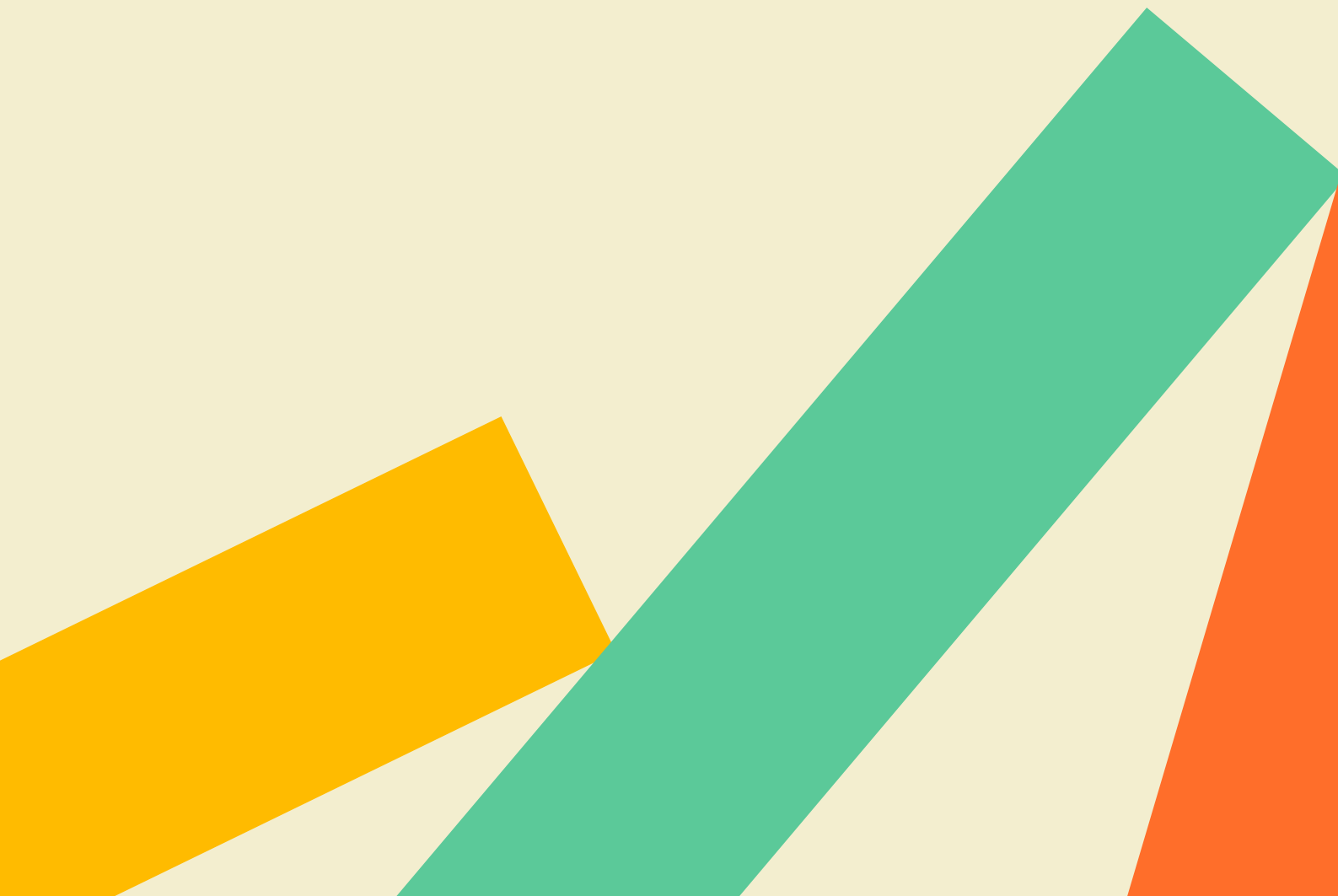# INNOVATION STRATEGY 101

Your guide to corporate innovation

COLOFON

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WOULD YOU LIKE TO KNOW MORE?

Inspired by this whitepaper and want to dive deeper into our work? Visit our website at www.fronteer.com to explore more content and sign up for our newsletter. Stay updated with our latest insights on innovation, strategy, and design thinking.

ABOUT FRONTEER

We are a diverse team of connectors, strategists, designers and support staff, excited to contribute to progress. Our approach combines the structured creativity of Design Thinking.

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FRONTEER'S INNOVATION TRACK

THE 5 KEY STEPS TO BUILDING AN INNOVATION STRATEGY

This whitepaper brings together 16 years of experience from Fronteer in designing innovation strategies for leading clients like The Dutch Ministry of Social Affairs and Employment to IKEA. At Fronteer, we specialise in strategy, innovation, and coalitions. Our work is built on the belief that co-creation, bringing together customers, experts and internal teams, is the most powerful way to design the future.

Through our 5-step innovation approach, case studies and actionable insights, this whitepaper equips you with the tools to build an innovation strategy that works and **set great things in motion.**
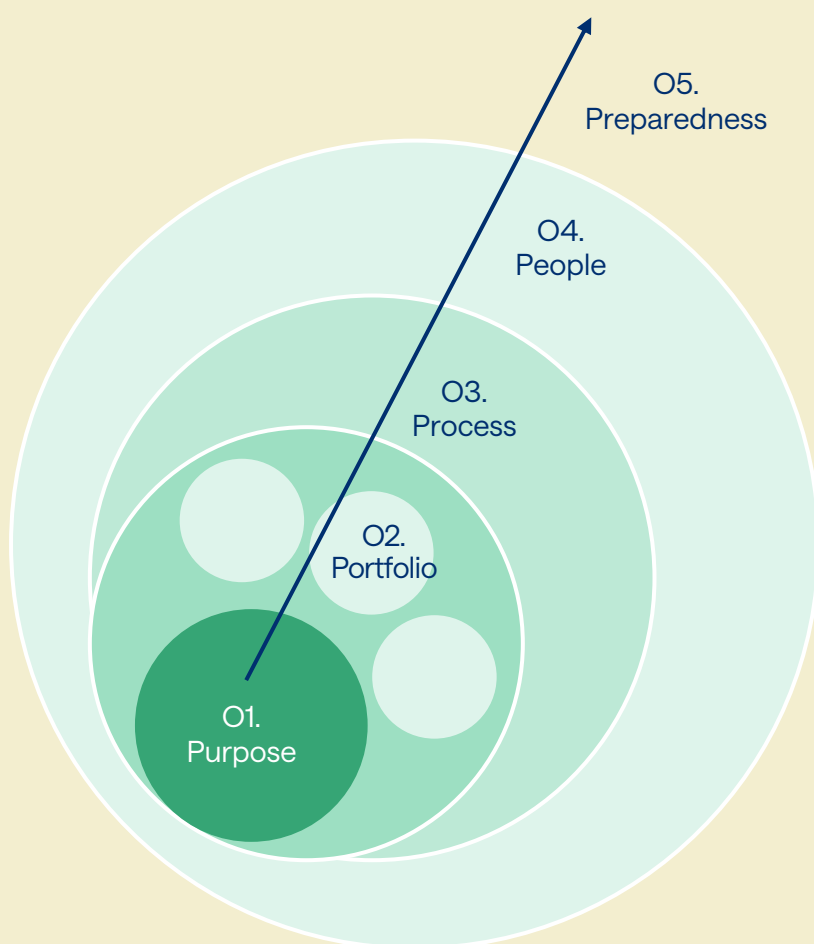
1. **Purpose: WHY** are you innovating? What is your innovation ambition and strategic direction?

2. **Portfolio: WHERE** do you choose to compete and grow? In what categories are you innovating?

3. **Process: HOW** are you innovating? What is your funnel, from idea generation to successful launch?

4. **People: WHO** realises your innovations? What culture and capabilities support your teams?

5. **Preparedness: WHEN** should you adapt? How are you prepared for external forces: trends, competition, new technologies or environmental challenges?

WHY DO YOU INNOVATE?

DEFINE YOUR INNOVATION PURPOSE

Defining why you innovate will help you guide what to say yes or no to, and helps you to align internally.

QUESTIONS TO HELP YOU DEFINE

To help you define why you innovate, you can look at the following questions:

- ❏ **IMPACT**: What impact do we want innovation to make in the world?
- ❏ **CLIENTS**: How does innovation help us better serve unmet consumer needs?
- ❏ **GROWTH**: How does innovation fuel business growth? *(e.g. through premiumisation, driving margins etc)*
- ❏ **BRAND** : How should innovation strengthen our brand story?
- ❏ **EXTENSIONS**: Where can we open new channels or segments?
- ❏ **COMPETITION**: How can we win from competition through innovation?

MARKET EXAMPLE

Is NAÏF Skincare about clean skincare or clean ingredients? This question seems simple, but it will determine if they innovate into new shower products (clean skincare), or also into all-purpose-cleaners for the kitchen (clean ingredients).

FRONTEER EXAMPLE: HEINEKEN

We have worked to shapes Heineken's purpose and have translated it into a simple beermat, with a clear purpose that drives their innovation agenda. *How can your company simplify its purpose and communicate it throughout the organisation?*

WHERE DO YOU PLAY & GROW?

SET INNOVATION CATEGORIES

First, determine in what categories you want to play and grow. Ideally you will have 3-5 "innovation categories" that will help you prioritise where you place your time, money and innovation resources. To find these categories, answer the following questions:

- ❑ **Innovation portfolio**: What relevant products/services do you already offer here? And what innovations could emerge over the next 3–5 years? And what don't you do (what's out of scope)?
- ❑ **Portfolio goal**: What is your innovation goal in this category? (e.g. volume boosting, brand building)
- ❑ **Portfolio insight**: What tension, aspiration or need do your innovations solve for?
- ❑ **Portfolio USP's**: What makes you credible and distinctive in this category?

When you have defined 3 to 5 innovation categories, and answered the checklist, plot them across your innovation horizons to ensure spread in your portfolio. As a rule of thumb:

- **Horizon 1**: +/- 70% of portfolio: maintain & strengthen core business, existing materials, techniques & product types
- **Horizon 2**: +/- 25% of portfolio: discover & extend new materials, techniques and product types (re)launch or new segments and/or extensive product families
- **Horizon 3**: +/- 5% of portfolio: create & unlock entirely new possibilities, markets, customers, channels & moments of use
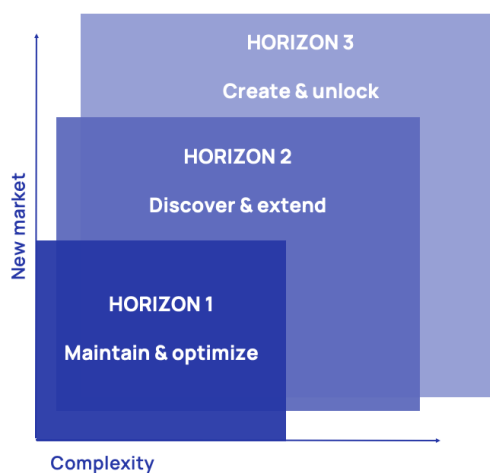
FRONTEER EXAMPLE: OPTIMEL

We helped FrieslandCampina to define key innovation categories for growth of Optimel. For each pilar we defined their consumer insight, ideal market share, examples of the product innovations, and plotted them across 3 horizons.
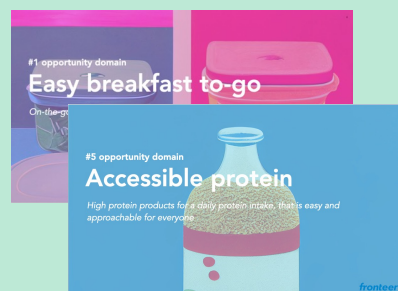
HOW ARE YOU INNOVATING?

CREATE ONE CLEAR PROCESS

Now you know where to innovate, you will need a clear funnel that turns ideas into market-ready concepts. *It's a classic but useful tool:* a clear funnel will help streamline your innovation process.

BUILD A FUNNEL PHASES

Different types of organisations require different funnels; here is a retail example:

- **Idea Generation**: Collect a broad set of raw ideas from across the business and market.
- **Idea Longlist**: Cluster, label and score ideas (H1/H2/H3, brand vs volume, desirability, feasibility, viability).
- **Idea Shortlist**: High-level validate and prioritise ideas for exploration.
- **Concept Exploration**: Expand top ideas into early concepts; test with users.
- **Concept Development**: Finalise and name the concept, design features and prepare for business case.
- **Business Case**: Final costings, materials, impact and go-to-market plan.
- **Launch Prep, Production & Roll-out**: From marketing story to first production to launch.

GOVERNANCE TOOLS

Across each phase there will be 4 types of tools to manage your governance:

- **Gates**: Formal decision moments (stop, pivot or proceed).
- **Gears**: Internal checkpoints to align & improve
- **Idea Graveyard:** Park ideas that don't fit now but might work in a few years.

CHECKLIST PER PHASE

Ensure you can at least answer the following questions for each phase:

- ☐ **Key activities:** who does what?
- ☐ **Roles:** who is responsible, supportive and informed?
- ☐ **Timing:** how long can this phase take?
- ☐ **Tools:** what tools will you use? (e.g. Miro, Notion, Airtable etc)
- ☐ **Succes:** when can you move to the next phase?
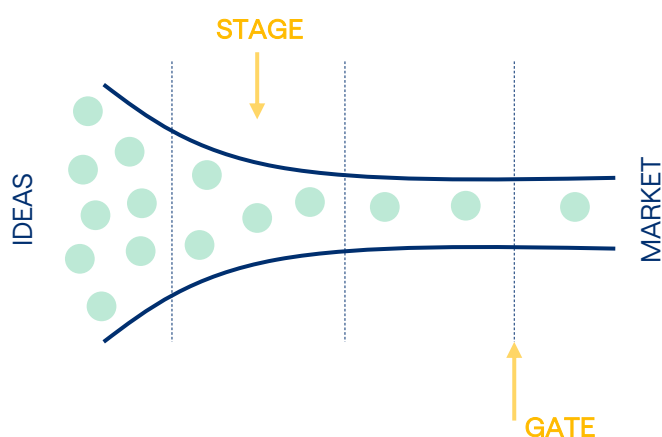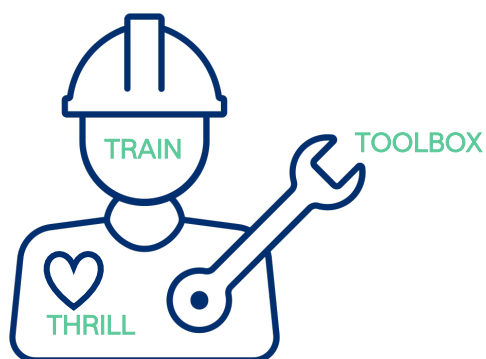
A CONCRETE FUNNEL
A funnel can also be created on a whiteboard, so the entire team knows what innovations are in the pipeline

WHO IS INNOVATING?

INTRODUCTION
Innovation doesn't happen by chance, it needs the right skills, the right mindset, and the right support. There are three essential ingredients for an innovative culture:

1. TRAIN FOR TALENT
Build innovation capabilities through learning and practice:
- ❑ **Train** teams in design thinking, co-creation, business modelling, and experimentation.
- ❑ **On-the-job learning**: run short sprints, pilot ideas, reflect as a team, and coach each other through live feedback.
- ❑ **Encourage interdisciplinary learning** across R&D, design, sales and marketing. Rotate team roles in innovation projects and pairing juniors with experienced leads.

2. THRILL & TRUST
- ❑ **Foster a culture** where failure is seen as learning & build trust by making decisions transparently (e.g. using decision logs).
- ❑ **Involve teams early** by letting them shape ideas, not just receive them.
- ❑ **Recognise and reward initiative** by highlighting contributions in team stand-ups and link performance reviews to behaviours like idea ownership and collaboration.

3. TOOLBOX FOR TECHNIQUE
- ❑ **Provide practical tools** such as AI copilots, ideation boards, prototyping kits, validation platforms.
- ❑ **Define clear governance** by stating who decides, who reviews, who supports.
- ❑ **Secure senior sponsorship** by assigning a visible leader per innovation track.
- ❑ **Make innovation business-as-usual** by integrating innovation goals into company and team OKRs.

FRONTEER EXAMPLE: MINISTRIE VAN DEFENSIE
For the Dutch Ministry of Defense (across all OpCos) we are training their innovation teams in essential skills for innovation, going through the process from beginning to end highlighting skills such as learning to prototype and testing assumptions.

Ministerie van Defensie

WHEN SHOULD YOU ADAPT?

BE READY TO SHIFT

Innovation happens continuous and is never "done". You will always need to be prepared for change. That means constantly scanning, reflecting, and reaching beyond your organisation.

MONITOR CLOSELY

- ❑ **Build a trend review rhythm** into your innovation calendar: do a light scan monthly, a deeper funnel review quarterly. This can be supported through AI.
- ❑ **Track your category disruptors** and challengers, don't just look at direct competitors.

USE FEEDBACK TO ADAPT

- ❑ **Use retrospectives** to reflect on the funnel process: what went well, what needs to change? (monthly or after a project phase).
- ❑ **Set up standing panels** (e.g. youth or expert boards) to review concepts at concept stage or pre-launch.
- ❑ **Encourage bottom-up input** through structured formats: idea boxes or internal hackathons (also with clients).

CO-CREATE WITH OUTSIDE WORLD

- ❑ **Include external innovators and experts** (start-ups, academics, creatives) in sprints and co-creation sessions to stretch your thinking and expand your lens.
- ❑ **Use open calls** to explore new opportunity areas, or when you want to tap into creativity at scale (typically at the start of a funnel).

FRONTEER EXAMPLE: RIJKSMUSEUM

For a 150-year-old museum to stay relevant, it needs input and ideas from youth and the new generation. We helped the Rijksmuseum to build a fixed youth panel, that is always on the forefront of innovation. Every quarter the youth panel provides feedback and ideas for the museum to be relevant for the next generation.

RIJKS MUSEUM

NOW ITS YOUR TURN

ASSES YOUR CORPORATE INNOVATION TRACK

To stay relevant in a fast-paced word, we need to implement innovation throughout our organisation. From **Purpose, Portfolio, Process, People and Preparedness:** you're not just chasing the next idea, you're building a strong innovation foundation that delivers lasting and repeatable value.

Define why you innovate. Choose where you play. Build a funnel that works. Empower the right people. And stay alert to the world around you

Now it's your turn. Use this whitepaper to map your own innovation system. Share it with your team. Start a conversation. And above all, keep moving forward—because the future is built by those who show up prepared.

For more support across your innovation track, please email emma@fronteer.com
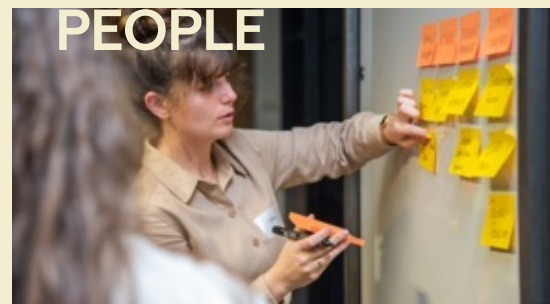

PROCESS

PORTFOLIO

PURPOSE

PEOPLE

PREPAREDNESS

SET GREAT THINGS IN *MOTION*

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