

The Digital Enterprise

HARNESSING SOCIAL MEDIA INTELLIGENCE, SMARTLY

We've talked some, and will repeat throughout the book, about the importance of *playing*, *listening*, *inventing*, and *deploying* within the digital sandbox. Say you become an excellent listener, locating and joining in on the conversations going on throughout the web about your brand. How then do you cull the best information for you innovations from the masses of information streaming the web?

There are several systems that can do this, but companies must be extremely leery of instituting either risk-centric systems that could potentially turn away the terrible with the brilliant in an equal fashion (all ideas can look alike in a system that focuses on risk, not on the ideas themselves), or systems that aren't customized to fit your individual needs.

We talk more about this concept in Chapter 10, RealOpen Innovation, but in this chapter I'd like to introduce you to another company I've found to be a leader in this space. Innovation Superstar Spigit was founded in 2007 by Paul Pluschke and Padmanabh Dabke. The company has evolved even in its short lifetime, but the idea—which has remained the same—behind the concept was to create a platform that harnesses the wisdom of crowds to capture, refine, collaborate on, and select the best ideas for your individual needs.

In this book and the first in the series, *The Innovation Playbook*, I've talked about both the greatness and the inherent dangers in crowd sourcing. Harnessing the collective intelligence of a crowd—be it internal at a corporation or open to the entire world—can be a beautiful thing, if it's done properly. Companies must be truly committed to an open culture that gives participants the inside track to what that company's wants and needs are if they're to understand what will be successful in that playing field.

The Spigit Community

I talked in depth about this concept with Jim Heilig, executive vice president of sales at Spigit. He described the amazing tools that are now available to harness social media in a smart way to innovate your company.

Here's how Spigit is a little different from many other crowd sourcing sites. Spigit creates networks of ideas. It's not about a user submitting an idea and seeing if management likes it enough for it to be implemented. Instead, the ideas are both created and filtered through the community. People contribute to others' ideas and they share their opinions. These contributions and opinions help ideas to progress along a gradation path to selection—or they can hold ideas back, filtering out those that aren't good or simply not right for your company's purposes.

"One of the problems with really large communities is that it's difficult to find what's relevant without massive overhead on the client's side," Heilig said. "They need to spend their time listening to the right discussions, prompting the right dialogue, and getting value from the collaboration from their communities."

A Customized Approach

An organization using Spigit will first set the criteria for what they consider a good idea, and then set stages for graduation. These stages or triggers are set according to the organization's culture, markets, objectives, and so on. This is where it's important that your culture is healthy. You also need to truly understand who your customers are and what they want, in order to add the greatest value to your products and services.

The Spigit platform uses social media tools like blogs, Facebook, and other platforms that allow these large communities to interact.

Then using analytics, game theory, behavioral economics, work flow, and many other tools, the software gives companies the ability to identify the relevant content.

With Spigit, social triggers can be set to measure how many people are interested in the idea, or they can be determined by how many review and comment on the idea (the buzz percentile). Ideas can then be set to advance if they meet quality objectives, social objectives, or a combination of both.

What this does is save companies from the need for a huge team of workers moderating. It culls out the masses of information, spotlighting the ideas that are most important so companies can react quickly with new innovations.

Automating the Heavy Lifting of Enterprise Collaboration

Organizers who strive for enterprise collaboration are often disappointed. They buy the software and yes, they may get some interesting conversations going, but at the end of the day it's hard to determine where the value actually lies in these discussions. The problem is that generic collaboration platforms have no structure to manage the ideas. And they have no incentive to entice participants to continue submitting ideas and stay active within the community. So what happens? Community members lose interest.

Rewarding a Common Focus

We discuss this incentive idea frequently throughout this book. Employees and those participating in programs like this must have some sort of incentive in order to motivate them to not only strive for improvement, but also to feel loyalty to the brand, which furthers commitment. I recommend a rewards program such as the Innovation Superstar system I use that spotlights those making a real impact on customer and company value.

Spigit rewards its community members with the advancement process. Good ideas move forward as other members like them or add improvements and everyone benefits.

Rather than enabling random conversations, Spigit has a structure that guides the users to a common objective—submitting ideas and solving problems. Think of it as the difference between

employees going into the lunch room to communicate and employees going into a meeting to solve a problem. You're going to have a much different mindset in different settings.

Crowdsourcing from Several Avenues

The benefit a system like Spigit provides its clients is the fact that it utilizes the crowdsourcing concept from so many communities: employees, customers, partners, and even strangers. Employees can provide valuable feedback about creating better products or services and they should—in theory—be able to do it more efficiently.

But that's not always the case because, in many systems, employees are working in organizational silos.

"We often hear how multiple departments within a single company are not able to reach out across groups to collaborate around a subject, but realize the value if they could," Heilig said.

A system like Spigit helps to break down organizational or departmental silos so employee groups can work more closely together within a new idea management community.

Initially, most companies utilized this idea pool internally, with employees only submitting ideas, voting on ideas, and interacting within the community.

"You want to leverage the scale of your organization," Heilig said. "But now, more and more we're seeing an internal discussion but you're inviting customers into it. Retailers will bring their supply chain in. We're seeing more groups bringing outside people in."

Your Most Important Asset: The Customer

Customers can provide huge insight into how to create more marketable products or services they want to buy. They can tell you what the most important features are and where other products out on the market are missing the mark. The funny thing is that these potential customers want to tell someone these things. They want to share information about other brands and they want to tell you what can be improved specifically on your brand. Even those who haven't experienced your particular product can tell you what they like via social media tools such as Facebook, Twitter, or many others. You just have to be there to collect that data.

Customers want to tell someone what they think. They want to share information about brands and tell you how your brands can be improved. This happens every day on social media tools like Facebook and Twitter. You just have to be there to collect the data.

A “Gap” in Judgment: Followers Cry Out for Old Logo

Just ask clothing retailer Gap how valuable it is to reach beyond their employees to ask customers about certain changes. In October 2010, after much design work and money spent, they swapped the old Gap logo for a more contemporary design. What they didn’t expect were their followers on Facebook and Twitter to become upset and make it very clear that they preferred the old logo. It was switched back after one week, and Gap learned a very valuable lesson about better understanding what their community of customers is thinking.

There are many other examples of this type of innovative listening, in which organizations reached out to the public to solve problems and generate ideas. Take the Cisco I-Prize case study.

Cisco Looks to the Public: Widening the Idea Net

Cisco was looking for their next billion-dollar idea and was willing to pay \$250,000 for it. So they created a global contest website that tracked user ideas, facilitated collaboration, and increased customer engagement. Because they cast such a wide net, they needed to implement a software platform to manage submissions and automatically surface the best ideas using more in-depth factors than just popularity.

The idea was to employ a more intelligent approach than just simple “post & vote” functionality, and create a community that can easily scale to accommodate two million users and incorporate multimedia to showcase Cisco products. To do this, Cisco approached Spigit.

Spigit designed and implemented an external Cisco I-Prize community that included voting, comments, and an idea market to identify the billion-dollar idea.

Spigit's innovation management platform in combination with Cisco's collaboration tools, served as the platform by which entrepreneurs submitted, shared, and built on their ideas with fellow innovators. The platform included functionality for reputation scores via RepURank algorithms to assign value to an idea based on several factors such as the idea generator's reputation, role within an organization, level of expertise, number of votes, and the 360-degree feedback given by the community.

The Cisco I-Prize for 2010 had a total of 2,900 participants representing more than 156 countries, who submitted 824 ideas to the competition. The prize was awarded in mid-2010 to a team of five researchers based in Mexico that proposed creating a physical and virtual platform that would facilitate connectivity along with smart objects, people, and information.