

86%

The future of innovation is *here*.

If you are like most companies, your innovation success rate is less than 20 percent. In contrast, 86 percent of the products launched using Strategyn's innovation methodology succeed in the marketplace. While others think it's impossible, we've made it a reality.

Let us help you create winning solutions with an 86 percent success rate.



We've reinvented innovation

Most companies think that innovation starts with an idea. This concept has been the driving force behind innovation management for decades. But here are the facts: (1) analyzing hundreds of ideas will bog down any innovation process as companies struggle to assess their potential value, and (2) current innovation methods have a dismal 70 to 90 percent failure rate, costing companies billions of dollars each year.

Strategyn changed all that with the creation of Outcome-Driven Innovation® (ODI). An independent study verifies that clients who launched a product or service using our methodology experienced an 86 percent success rate, a five-fold improvement over the industry average.

Strategyn's approach to innovation is unique. It does not begin with an idea. Rather, it begins with a deep understanding of the job the customer is trying to get done and the metrics they use to measure success and value. Having this insight in advance of idea generation, companies can eliminate hundreds of product iterations and transform 80 percent failure rates to an 86 percent success rate.

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Using Strategyn's approach, companies are able to validate a product's likely success before it goes into development rather than after product launch.

Using Strategyn's approach, companies are able to validate a product's likely success before it goes into development rather than after product launch. Just think of the ramifications...Two-thirds of your company's development failures eliminated. More winning products brought to market—faster and at a lower cost. Reduced risk and higher investment returns. Sustainable market leadership.

Let us help your company create new, winning products and achieve your revenue growth objectives.



Results that speak for themselves

Companies across the globe in a wide range of industries—from technology, healthcare, and pharmaceuticals to consumer goods—apply Strategyn's thinking to help them define and execute effective growth strategies. Using our methodology, our clients have generated billions of dollars in equity value.

Microsoft

When Microsoft found its software assurance subscription rates declining at an alarming rate, the company worked with Strategyn to uncover opportunities for value creation and addressed them using technologies they had at their disposal. Subscription rates went up and so did revenue—from less than half a billion dollars to over \$1 billion.

Using ODI, we were able to view the job through of the eyes of the customer, as opposed to the eyes of our sales force. The ODI approach enabled us to pull a valuable offering together and reframe our marketing message from an upgrade offering to a PC lifecycle management offering.

—Dave Wascha, Microsoft Corporation

Kroll Ontrack

Kroll Ontrack saw an opportunity to disrupt the market for data discovery in the legal services sector. With Strategyn as its innovation partner, Kroll created a new \$200 million business from scratch with a product that disrupted the paper discovery products offered by entrenched competitors. Kroll is the new industry leader in both market share and revenue, and has been recognized with numerous industry awards.

Strategyn helped us understand the outcomes our clients wanted for a product that didn't yet exist. We were able to innovate against those outcomes in a way that led us to a position of market leadership.

-Ben Allen, CEO, Kroll

Cordis

Looking to grow its share in the angioplasty balloon market from 1.5 percent, Cordis worked in partnership with Strategyn to reposition their existing products. This simple step helped them achieve five percent market share. A year later, they introduced a new set of products that enabled them to reach 20 percent market share and a market leadership position. (Cordis has since been acquired by Johnson & Johnson.)

Abbott

Abbott Medical Optics (AMO) was losing revenue due to inadequate customer service. They worked with Strategyn to make the necessary improvements. The results? A 10 percent increase in AMO's Net Promoter score and a 14 percent increase in its customer loyalty index in the year following the innovations. The following year, the company received the prestigious Omega Management NorthFace Award, which recognizes world-class customer satisfaction.

When you talk with customers about service problems, everybody has a solution. But their ability to articulate what they want is limited to what they have experienced. The Strategyn process doesn't get caught up in a customer's opinion of what a solution should be. It goes back to the idea that the customer is trying to do a job and how well is the job being satisfied today.

—Angelo Rago, Senior Vice President, Global Customer Services, Abbott Medical Optics



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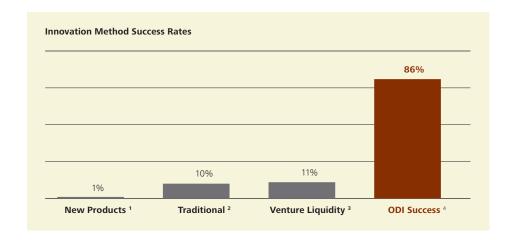
Winning at innovation

Whether your goal is to grow a core market or successfully enter an adjacent or new market, Strategyn will lead you to success. Our promise is that we will deliver a winning product concept to your development team. What makes us so confident? We have real and far-reaching experience helping Fortune 1000 companies do exactly that.

Strategyn will guide your firm effectively through every step of the innovation process—from forming an innovation project team and selecting which market to grow to creating a winning product concept. If you do not have the resources available to support the effort, we can handle the entire process for you.

The resulting deliverable includes a product concept that has an 86 percent chance of success along with supporting financials.

Our deliverable includes a product concept that has an 86 percent chance of success along with supporting financials. Other companies say they do what we do. But that's not possible. Strategyn's proprietary process gives us—and you—a competitive advantage.



By any measure, generating profitable revenue growth is extremely difficult. From large public companies to start-ups, the challenge is the same—traditional innovation methods just don't work.

Harvard Business Review reports that 90 percent of new products fail. A study by PricewaterhouseCoopers shows that just 11 percent of all venture-backed companies get to liquidity. Frost & Sullivan reports that a dismal one percent of all new products recoup their product development costs.

Using Strategyn's ODI process, companies can enjoy an 86 percent success rate.

- 1 Percentage that recoup costs. Source: Frost & Sullivan
- 2 New product success. Source: *Harvard Business Review*
- 3 Percentage of investments. Source:
- PricewaterhouseCoopers
- 4 Percentage of successful products. Source: Strategyn Innovation Track Record Study

Strategyn's competitive advantage

We define and size markets differently

We define a market as a job executor and the job they are trying to get done. Using this framework, we have developed unmatched market sizing and evaluation capabilities. We help companies accurately size markets for which products do not yet exist, and we help them determine what market share and revenue gains can be expected at different levels of customer satisfaction.

Using our proprietary methods, we help companies take an inventory of the markets they are currently pursuing and determine which markets they should grow and which they should exit. In addition we uncover, size and evaluate new markets to enter. The end result is a market portfolio that supports the company's revenue goals.

We find hidden market opportunities

Strategyn's methodology is the only one that enables companies to capture all the customer's needs up front in the innovation process—before the first idea is generated. This is possible because we study the job the customer is trying to get done, then create a job map and use it to guide the discovery of the customer's needs. The effort is bound, systematic and proven.

We define a need as a metric that customers use to measure the successful execution of a job. With these metrics in hand, we know how customers measure value. Subsequently, we know how to create customer value and measure how much has been created.

To find hidden opportunities, we conduct quantitative research to determine which needs are under and over served. We then use an opportunity algorithm to identify and prioritize opportunities and our outcome-based segmentation methods to find hidden opportunities in seemingly mature or commoditized markets. These methods are powerful and patented.

You can't have a \$1 billion idea in a \$100 million market.

—Strategyn CEO, Tony Ulwick

We know what strategies will work and when

It's one thing to uncover and prioritize unmet customer needs. It's another to know what to do with the information. Often, companies do not have the people, skills, or the time to formulate and execute winning market growth strategies. That's where Strategyn comes in. Through our experience, we know how to use this unique data to make the best growth and strategy decisions.

We help companies determine which unmet needs to target for value creation and determine how much additional market share or revenue will result. We also help companies effectively determine if a new product platform is needed to succeed in a market, when a low-cost disruptive platform will work, or when a premium-priced new platform makes sense.

Lastly, we formulate an effective value proposition and messaging strategy before the product is placed into development. These three elements dramatically improve the chances of success in the marketplace.

Strategyn's competitive advantage

We consistently create winning product concepts

While most companies participate in unfocused brainstorming sessions, Strategyn's approach to idea generation is different. Companies are able to consistently devise winning product and service concepts when they are supplied with all the needed inputs, a collaborative environment, the right people and an experienced ideation manager who knows how to facilitate a proven process for making it happen.

Using Strategyn's methodology, companies know what needs they are trying to address and the degree to which different ideas address them. Strategyn guides its clients through idea generation sessions.

Because our value creation process is metric-driven, companies can measure the degree to which customer satisfaction is improved as the concept is quantified and validated. The product concept, business model and design assumptions are all validated with customers before the product goes into development. This is a sharp contrast to traditional methods where validation takes place after the product is launched.

Picking the right markets, the right unmet needs, the right product strategies and the right products to develop can be a daunting task. With Strategyn, you are 86 percent certain to get it all right.



Creating a better way

Early in his career, Strategyn founder and CEO Tony Ulwick worked on the PC Jr., a computer product whose launch was anticipated around the world. The day it was announced, The Wall Street Journal labeled it a flop. That experience ignited within Tony a passion that still drives him today. He became convinced that he could transform the innovation process into a predictable business discipline.

"After reading that article I thought, 'There's got to be a better way,'" Tony explains. With a team of colleagues, he worked to develop, test and refine a "jobs-based" innovation process now known as Outcome-Driven Innovation®.

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What's next?

When it comes to your important innovation initiatives, why settle for 10-20 percent innovation success rates? Working with Strategyn, your firm is five times more likely to succeed.

Let us be your partner in innovation. Contact us to learn more.

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