

CASE STUDY

Liberty Global

The Making of an Innovation Program



BACKGROUND AND STORY

Liberty Global is the world's largest international cable company, with brand names such as Virgin Media, Ziggo, Unitymedia and Telenet, revenues of \$18.3 billion, and 27.4 million customers across 14 countries. For a company of this size and breadth, how do you create cross-divisional collaboration and sharing of ideas to help fuel innovation?

In this case study, we look at how Liberty Global has met this challenge with its approach to collaborative innovation, creating a global platform that is tightly aligned with corporate strategy, and generating tangible results.

PLATFORM GOALS AND ALIGNMENT



In 2011 Roel de Vries – now Innovation Program Manager, but at the time working as a consultant in the strategy department at Ziggo – was involved with the initiation of a new innovation platform, called Spark. Senior management saw the value of involving more employees into the wider scheme of innovation.

The Spark platform was initially launched in 2011 to 1,500 employees in the Netherlands. It expanded to four other countries and by the end of 2012 Liberty Global had several innovation platforms running in isolation in different business units. The idea management systems had high participation and a regular stream of new ideas, proving that the interest and engagement was already there. But ideas were not aligned with the company strategy, and were not sought for a specific challenge or timeframe, resulting in a large volume of ideas with no connection to business needs, and no clear ownership. Roel struggled to find ownership for implementation. Ideas also lacked a standardized process to provide a consistent way to handle them. To complicate matters further different – and very basic – platforms were used, preventing international cooperation and idea sharing.

It became clear that Spark should be the single point of reference that management was seeking, and would need to expand to an enterprise-wide program.

In 2013 Roel moved from the Ziggo division to the corporate offices, and began looking to consolidate the various platform learnings. He was searching for a tool which all employees could use, and could serve as the single point of reference for all idea management activities.

The new program needed to be aligned with what matters to the business. This process began by looking at the Liberty Global operating principles, then translating them into strategic innovation areas (SIAs). Each SIA was assigned a high-level sponsor, who is responsible for that area of the business. SIAs would provide the hunting grounds for new ideas, using targeted, time-limited idea campaigns to source input from employees. The resulting ideas would then be aligned to the needs of the sponsor and the business strategy.

To support the above vision, and connect all employees globally, Liberty Global began working with HYPE Innovation. Spark 2.0 was launched, a re-launch of the platform designed to scale and support innovation activities in all areas of the company. The goals of the platform were as follows

- Use the platform as a central hub for the submission and tracking of impactful innovations, even if those ideas originated from other sources.
- Generate true cross-functional collaboration by seeing ideas start in one region, travel via the platform to other regions where they are equally useful, and are implemented.

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Spark is Liberty Global's innovation initiative, designed to source and refine ideas in response to real business challenges by tapping into the collective creativity of our employees, and partners.

SPARK IDEA CAMPAIGNS

An idea campaign on Spark will always have a sponsor, who is typically a department or business unit manager - somebody with a business need, and budget or resources to implement ideas. Campaigns follow a structured process, with an initial phase of idea submission, then a community discussion and grading phase, followed by expert reviews. Selected ideas are then moved into a concept phase for further development and review, and finally ideas are approved and handed over to the business for implementation. The campaign is facilitated by a local innovation manager who is aligned with the central Spark team. This ensures best practice guidance is made available to the sponsor, and new lessons learned can be fed back to the Spark team.

Spark allows idea campaign sponsors to address different segments of the business for new ideas. Whether that is hand-picked individuals, departmental level, the country level, or globally across the entire company. This provides sponsors with the potential to tap into the collective resources of the company to solve their challenges.

Operational units can decide to launch an 'always-open' campaign, which does not address specific questions and is always available for idea submission. Open campaigns contain an additional process step, where submitted ideas must be categorized and assigned to the relevant department for evaluation. Despite allowing open campaigns, a key learning for Liberty Global is that focused idea campaigns – aligned to a business challenge or goal – generate more, higher quality ideas, and higher implementation rates.

REWARDS AND RECOGNITION

Rewards and recognition are used to promote Spark, and ensure engagement levels remain high. Each idea campaign will have "winners", with the responsible department providing rewards and recognition.

At the country level, winners are selected each year, and recognized at a country-level event. Those winners are then invited to the Liberty Global Technology Summit in Amsterdam, sponsored by the CTO, where the final annual winners are recognized on stage. Top prizes for those winners include a fully-paid city trip with their family.

TIMELINE

2013

- Learnings from local initiatives aggregated into new global approach (=Spark)
- HYPE selected as provider to replace technically limited and unsupported previous tools
- Spark launched to employees of UPC Netherlands and the Corporate offices (Amsterdam, London, Denver)
- First international focused campaign

2014

- Spark launched to employees of Telenet, Virgin Media, UPC DTH, Czech Republic, and Hungary
- More (local and international) focused campaigns, creating best-practises
- Piloted the new approach for Open Innovation with vendors
- Launched the Spark Innovation Lab, with first student team

2015

- Spark launched to employees of Unitymedia, Ziggo, UPC Switzerland, Poland, Romania and Slovakia
- ROI calculations formalized to include in update reporting (YE'14 at EUR 4M realized)
- Added trendscouting to the platform
- Ran another Open Innovation campaign with vendors
- Two more student teams at the Spark Innovation Lab

2016

- Spark launched to employees of Liberty Puerto Rico
- Expansion of the dedicated Spark team
- Realised ROI increased to EUR 10M
- Added Forecasted ROI numbers to reporting



Liberty Global is made up of distinct brands, such as Virgin Media, Telenet and Unitymedia, all which were acquired into the Liberty family at different points in time. As you can imagine, working in silos and exchanging best practices are amongst the challenges the company faces.

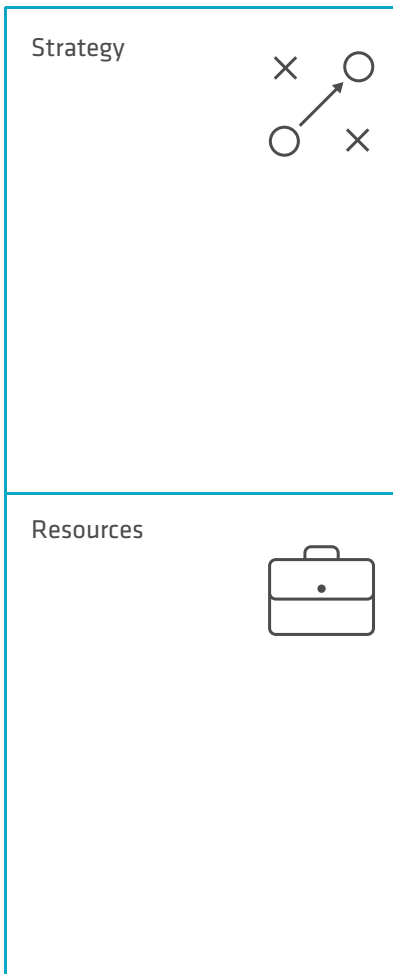
One of the key goals of the Spark initiative is to drive that cross-brand collaboration and foster open working relationships and communication.

A great example of this cross-collaboration happened during a recent international campaign. An idea was posted from Eastern Europe, which was then matured based on an existing solution from another country and finally identified as one of the top 5 solutions for global implementation. Spark is the only system in the company that offers this opportunity, of taking ideas from anyone, anywhere and sharing them across the brands, quickly delivering them to the right business unit.

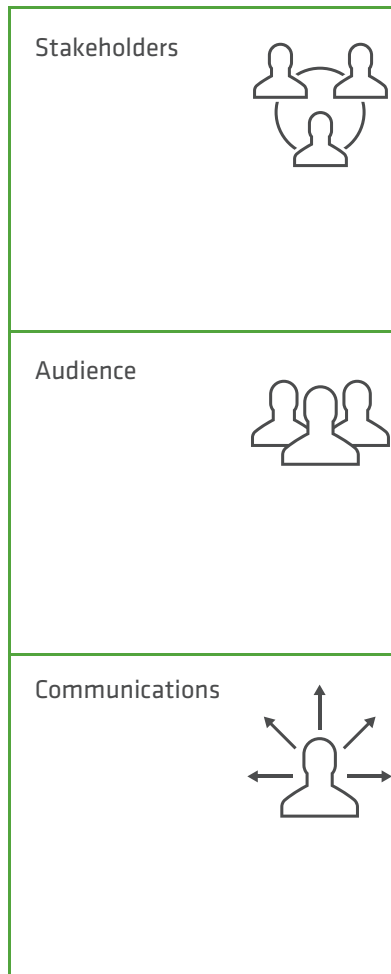
Roel de Vries, Innovation Program Manager

THE COLLABORATIVE INNOVATION CANVAS

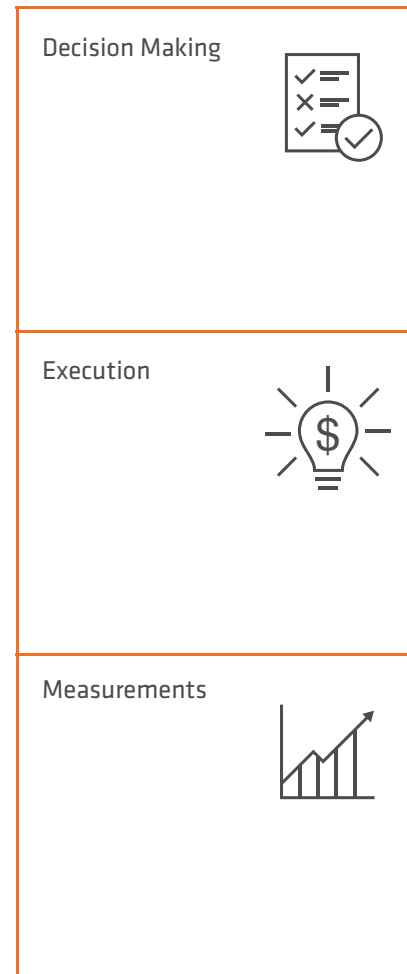
Alignment



People



Process



The Collaborative Innovation Canvas is a simple way to map out the key components of an innovation management platform. It focuses on three main aspects: alignment (with the larger strategic goals around innovation); people (the stakeholders, advocates, and general audience); and process (selecting, funding, and tracking ideas). The canvas captures the big picture, and the crucial relationships and activities for success. It allows everybody involved to easily understand and share it.

Further reading:

<http://hypeinnovation.com/canvas>



A key learning to date is that idea campaigns achieve best results when aligned to high-level targets within the company.

If a division leader has an upcoming target to find savings of 10%, we can ask that manager how they intend to meet it, and whether they'd like help finding additional ideas.

Mostly, the answer is a keen ,yes'. The problem can then be well defined, and solutions will be readily accepted by the sponsor.

Roel de Vries, Innovation Program Manager



How the innovation management program is aligned with overall strategy goals for innovation.

- The Spark platform is aligned to company goals, and the focus of leadership, by defining SIAs according to the current operating principles.
- Each strategic area has an owner, the manager in charge of the relevant business area.
- Idea campaigns are then run within each strategic area, to generate ideas to meet the targeted business challenge.
- Spark should be seen as more than just an online platform, and include offline activities which foster a culture of innovation.

This includes a “Matchbox” program to teach and create innovators, a “Wildfire Club” for innovation advocates, innovation spaces where employees can participate in workshops, and a partnership with a local university to spark disruptive product innovation.



RESOURCES

The resources, methods, physical spaces, and budgets available to support the program.

General Resources

- The central Spark team consists of two full-time employees in Amsterdam.
- An Innovation Network Manager is appointed in each country. Innovation network managers spend a portion of their regular day job on facilitating and marketing idea campaigns.
- In total, around 30 people are involved in running the Spark programs throughout the Liberty Global footprint.
- Funding for the Spark team comes from the Technology & Innovation group.

Kickstarting Ideas with Matchbox

- Spark now includes an offline program called “Matchbox”, which stems from the Adobe Kickbox concept.
- In the pilot program, anyone could register for the program, and 50 participants were selected by Spark based on their motivation. The goal was, and remains to be, to teach innovation methods (such as the lean startup) to quickly validate their ideas with customers.
- The box consists of tools and guidance on shaping the pitching of their ideas, as well as money and time to invest on prototyping the concept.
- After taking a Matchbox, idea authors get to quiz a panel of experts one month later, who can offer advice and support on a range of topics.
- From the 50 people selected, a limited number of ideas, based on quality and alignment to the business, will make it to the next stage, where they pitch their ideas to senior management for further investment, in a “Dragons’ Den” fashion.
The Dragons’ Den has been branded as “SparkPit”, and the pilot saw 15 ideas make it to the final selection process, where 8 were given funding for the next steps/ implementation.

Spark Innovation Lab

For the more disruptive innovation, Liberty Global works together with the Technical University in Delft. Master’s students work for 20 weeks in the Spark Innovation Lab – an open and inspirational space at a central location in the headquarters in Amsterdam. The assignment the students work on is based on a future need from the business, and results in the presentation of a validated prototype. Besides the value coming from these prototypes, just the presence of the lab helps to promote and embed the notion of Spark within the company, and provides a collaborative space for anybody to work on innovation.

Three Master’s programs are offered by TU Delft: Integrated Product Design (IPD), Design for Interaction (Dfi), and Strategic Product Design (SDP). The Spark team arranges for five students to spend six months working at Liberty Global, where 75% of their time is allocated to a business assignment (product concept design), and 25% on a Spark assignment. The latter have included developing a customer innovation toolkit, and integrating prototyping phases into the Spark idea campaign process.

What TU Delft provides:

- 5 students for 6 months
- 2000 man-hours
- 2 staff members for guidance and control
- State of the art methods
- Creativity and concept development
- Product or service proposals
- A prototype or representation plan





STAKEHOLDERS

The key individuals involved in supporting the program and innovation in general. Including campaign sponsors and management stakeholders.

- To ensure campaigns are run effectively, a sponsor checklist was developed.
- The sponsor must provide a series of resources before a campaign is launched, including:
 - Campaign managers (who are supported by the Spark team)
 - Select lead innovators, who contribute seed ideas, and moderate discussions.
 - Evaluation criteria, which can be borrowed from the standard templates, or adjusted as needed.
 - The review team members.
 - A plan for implementing winning ideas (which is highly dependent upon the type of campaign being run).
 - A prize or recognition for selected idea authors and commenters.
- The Spark team provides weekly updates to the sponsor on how the campaign is progressing, with recommendations on steps to take if participation is dragging or idea quality is low.
- Email templates are provided to help boost participation when needed.

Reporting to Stakeholders

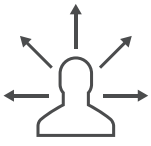
- A monthly report is distributed to management by the Spark team to show results from key activities on the platform.
- Liberty Global runs a monthly reporting call, to share and review key metrics, attended by 300 people, mostly senior middle management. Spark presents latest platform measurements.
- Internal communication has been key to success, and using existing reporting channels has made it easier to raise the profile of Spark.



AUDIENCE

Who is invited to use the platform, whether it's internal only, or also open to externals? Who can help you expand the success of the program, such as innovation advocates?

- Liberty Global has employees worldwide.
- The company is made up of several large brands, such as Virgin Media (UK), Ziggo (Netherlands), Unitymedia (Germany), and Telenet (Belgium).
- Employees are split across 14 countries, with an average age of 36.
- The platform is open to 22,000 of these employees at the present time, with the goal to expand to everybody within the Liberty Global footprint.
- Employees can participate in their local language, including Dutch, German, Spanish, and Hungarian.
- To help communicate the values of Spark, a "Wildfire Club" was established, made up of Innovation Advocates from around the company (see section on Innovation Advocates).



COMMUNICATIONS

How to communicate effectively, create momentum, and build trust with your audience and stakeholders.

- The Spark branding came early on, even before the adoption of HYPE.
- This allowed the team to create an identity around innovation activities, which involve everybody.
- Banners, print-outs, and videos were made to promote Spark.
- The employee food hall at offices in Amsterdam helped to communicate Spark with branded “innovation” meals on the menu, food for energy and to help inspire thinking.
- The large TV screens in the lobby are used to show live updates.
- Prizes and recognition are a valuable part of the communication plan. Spark aligns with an annual technology summit hosted by the CTO, where winning ideas are celebrated from all 14 countries.
- Formalized reporting was established early on. This ensured management were familiar with the structure of program, and the KPIs used to measure its progress. Although not immediately necessary, this formal approach was useful for management communication.



Communication is everything, without constant communication, the program would die.

Roel de Vries, Innovation Program Manager



At the Dragons' Den stage, we often see another big step up in idea maturity, as idea authors realize their idea is close to being funded, and would rather not drop the ball in front of a senior management audience.

Roel de Vries, Innovation Program Manager



DECISION MAKING

How ideas will be judged, selected, and improved. Who is involved, and what criteria and process should be used.

- Idea campaigns begin with three weeks of ideation, followed by one week of focused collaboration to enrich ideas.
- Ideas which meet a certain level of community activity automatically move into the HOT status. The levels can be adjusted per campaign depending upon audience size, topic difficulty, etc.
- HOT status criteria can include aspects such as the number of views, likes, and comments.
- Ideas which reach HOT status are moved to management review.
- Automatic graduation is a useful way to handle large volumes of ideas and to increase community activity.
- Ideas which make it through review are then developed further by the author to prepare them for a decision meeting.
- A decision meeting is akin to a "Dragons' Den" format, where managers decide on the next steps for selected ideas.
- Prior to this stage, the Spark team will provide guidance on how to pitch and shape an idea for a management audience.



Sometimes it means manually chasing up on ideas to see what happened with them, but the effort is worth it, as it provides complete visibility of the innovation process through Spark, and enables us to demonstrate ROI numbers.

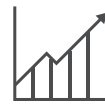
Roel de Vries, Innovation Program Manager



EXECUTION

How ideas are iterated upon and developed towards implementation.

- Selected ideas from campaigns are owned by the sponsor, who is responsible for implementing them.
- The Spark team continues to check on idea progress so that tracking is maintained within the platform.
- Ideas which come in via the always-open campaigns are handled by the Spark team and regional innovation network managers.
- They are collected in batches, grouped according to SIAs, and sent out to evaluators at regular intervals.
- Feedback received from the reviews determine whether the idea proceeds.



MEASUREMENTS

What KPIs are important to measure, and how you can track and judge success over time?

On a monthly basis, a reporting deck is compiled by the Spark team and distributed to management. It includes employee engagement over time, and ideation activity over time; these metrics are also grouped by Liberty Global divisions, so that each area of the company can be measured individually. Activity reports show how Spark engages employees, and highlights where additional promotions are needed.

There are five strategic innovation areas, with each showing the number of campaigns over time, and the total number of ideas in each stage.

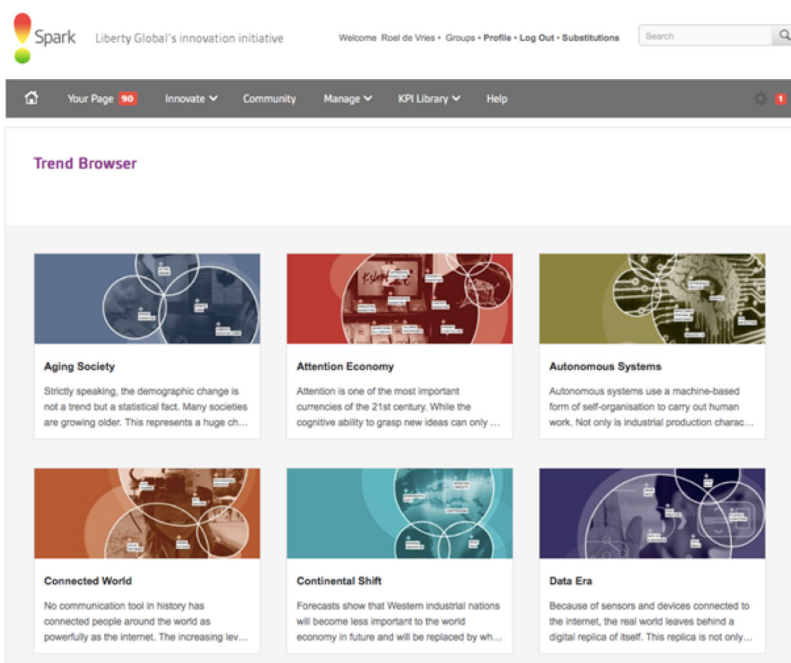
The report also highlights 'Ideas of the Month', which are manually picked by the Spark team for their interesting nature, or high collaboration activity.

Tracking ROI shows how Spark influences the bottom line, helping to convince senior management of its value. As of 2016, Spark has reached over 20,000 employees, generated over 14,000 ideas, with nearly 1,000 of those implemented, and a realized ROI of 10m Euro.

WHAT'S NEXT FOR THE SPARK PROGRAM?

Spark aims to offer innovation support to the entire business, and to provide a central hub to monitor and manage all ideas and metrics. However, there are offline activities too, such as brainstorming workshops and the Matchbox program. Some of the new components, both online and offline, include:

- **Workshop cards:** Inspirational cards to be used in group workshops, to facilitate offline idea generation and elaboration.
- **Trends:** a new module from HYPE which integrates trend scouting into strategic innovation areas, campaigns, and ideas. This addition has already raised a significant amount of interest among management.
- **IP process:** an additional process step to handle an idea patent process.
- **Open Innovation:** the Spark team is working with Master's students to develop a process for how Liberty Global can engage with customers in innovation, through the Spark platform.
- **Sponsor interviews:** an interview process is being added, so that sponsor feedback can be formally captured and included in the learning process. This is also helpful to show the value that a campaign can bring to further promote the use of Spark to managers.
- **Employee survey:** Liberty Global runs an annual employee engagement survey called "Zoom". In the last survey a Spark demographic was added to each employee, identifying what kind of Spark user they were. Results show that employees who use Spark feel more engaged with the company than non-Spark users.



The Trend Explorer allows employees to browse through thousands of real-time insights from trend scouts around the globe. These insights help to spark new thinking and spawn new campaigns and ideas.

KEY ADVICE FOR INNOVATION MANAGERS

Five points of advice from Roel de Vries for fellow Innovation Managers



Start with the end in mind

Know what you'll do with the best ideas before you launch your initiative. Without a strong method in place and without clear owners to implement, you'll end up with a pile of ideas 'on hold' and many disgruntled participants who no longer believe. Campaigns can help to focus on the ideas that matter most to the business but make sure to also align with your backend process, to make sure ideas are matured into real, actionable concepts.

Crawl, Walk, Run

Don't strive for a 'big bang' or company-wide initiative from the start. You have to crawl first before you walk. Go out and do some pilots, get yourself some real-life experience and use that to improve your initiative. Bigger launches can lead to more decision-makers and – most likely – a slower overall process. If you walk first, get a few quick wins in your back pocket, you're learning what works and what doesn't, setting yourself up for bigger success once you do run. And beware that overthinking might lead to cancellation! That pause can be deadly. Sometimes you just have to go with your gut and act - even when you don't really have a detailed plan.

Communicate. Communicate. Communicate.

Be aware that people who participate in ideation programs generally do this on top of their day-to-day activities. It's 'extra' and not part of their daily routine. When you stop communicating, people forget you exist and participation rates will drop. Decreased participation, lower number of idea submissions, less collaboration, very few ideas maturing and so on – it's dying a slow death - you don't want to go there. Use out-of-the-box promotional tools and engage people through different channels, attracting attention from as many employees as possible. Celebrate successes, recognize employees and have users (employees and management) tell their stories to keep the innovation spirit high.

Show them what you're worth

Initially, when you just launch your program and don't have tangible results, you'll probably start by sharing only engagement and activity figures with your stakeholders. Although those numbers can be impressive, showing real-life implementations and their values captures that audience even quicker. Show real, solid numbers as soon as possible. This will increase (senior) management awareness and support, which should allow you to further build your initiative.

Be Awesome!

Show that it's fun to participate in your awesome program by being awesome yourself. Be visible and available to your audience and use original, cutting edge communications. Be bold when sharing your results; don't overstate the figures but be sure everybody knows you're successful. And also be awesome as a team; when you're starting something new, you need to engage others members of your organization and create some goodwill. Be proactive, hold cool meetings or just come back to an email earlier than promised. You want to surprise people, and stay in their good graces - because you never know when you might need them.

INNOVATION ADVOCATES

The role of the innovation manager is still a new one to many companies, and one appointed to the role can feel like a lone wolf trying to build momentum around an innovation program. One way organizations are helping to overcome this challenge is to build networks of innovation supporters, or advocates, across the company. These individuals can promote engagement, focus people on the right behaviors for collaboration, and help the innovation manager understand each locale.

As you establish your advocate network, three important questions need to be answered:

- How can we identify potential advocates?
- They won't be paid to drive innovation, so how can we find volunteers? One way is to observe the right behaviors in participation on the platform; those that join regularly and promote collaboration and idea development. If you see this pattern overtime, across different campaigns, those individuals are the perfect choice.
- What role should we ask of them?
- We must be careful not to ask too much, particularly since we have proof they are voluntarily doing a lot already. We want to encourage them to continue with more of the same, and whenever the opportunity arises - the water cooler discussions for example - talk about the program, the objectives, and the results.
- How can we keep them engaged?
- A basic training plan is the first start; ensure they understand what you're trying to achieve, and why they've been selected to help. If you can't bring the advocates together in person, at least try to meet online for a monthly call to share stories, updates, and lessons learned.

Further Reading:

<http://blog.hypeinnovation.com/innovation-advocates-build-a-new-culture-of-innovation-from-the-bottom-up>

<http://www.hypeinnovation.com/innovation-advocates>

BENEFITS OF THE HYPE PLATFORM

HYPE Innovation was selected to run the Spark platform because it met the criteria Liberty Global set out, including these key aspects:

- Enterprise-wide scale, so all employees could participate
- Support for both ideation and incubation processes
- Provide local language support
- User friendly, no training required
- Workflow with track and trace
- Support for rewards and recognition based on participation



LIBERTY GLOBAL®

About Liberty Global

Liberty Global plc (“Liberty Global”, “Liberty”) is the largest international cable company with operations in 14 countries. They connect people to the digital world and enable them to discover and experience its endless possibilities. Liberty Global’s market-leading products are provided through next-generation networks and innovative technology platforms that connect 27 million customers subscribing to 57 million television, broadband internet and telephony services at September 30, 2015. In addition, they served five million mobile subscribers and offered WiFi service across six million access points.

Liberty Global’s consumer brands include Virgin Media, Ziggo, Unitymedia, Telenet, UPC, VTR, and Liberty Cablevision. Our operations also include Liberty Global Business Services and Liberty Global Ventures.



About HYPE Innovation

HYPE Innovation is a global leader in enterprise social software for idea and innovation management, with over 15 years of project experience and best-practice expertise, and clients around the globe. Our powerful software provides the backbone for innovation and helps drive long-term repeatable success for our clients. The flexible, enterprise-class software platform enhances ideation with employees and opens innovation in a smart, secure environment to partners, suppliers, customers, and the external community. HYPE supports a full life-cycle innovation process from ideas to market, enabling our clients to transform ideas from the crowd into revenue for their business.



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