

CASE STUDY

Liberty Global

Creating a Sustainable Innovation Program

novation Lab

y Global initiative

Background and Story

Liberty Global is the world's largest international cable company, with brand names such as Virgin Media, VodafoneZiggo, UPC, and Telenet, revenues of \$11.4 billion and 10.8 million customers across six 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
and sustaining a global platform that is
tightly aligned with corporate strategy and
generating tangible results. To do so, the
Spark program needs to pay close attention to
several aspects, as described in this use case.

^{*} Numbers as of September 2019; at its largest, Liberty Global was across 15 countries with 44,000 employees on the Spark platform

Platform Goals and Alignment

The first example of an innovation platform within Liberty Global was the Spark platform, launched in 2011 and open to VodafoneZiggo's (formerly UPC Netherlands) 1,500 employees in the Netherlands. The value of such initiative was widely recognized, and by 2012 it had expanded to four countries, although, at this point, the platforms were still running in isolation in the different operations.

Interest and engagement peaked from the very beginning, as proven by the high participation rates and the constant flow of ideas. However, the lack of alignment and cooperation between business units hindered the effectiveness and relevance of those ideas.

The ideas submitted didn't respond to specific challenges or to a timeframe, and thus were often not aligned with the company strategy or business needs. Nor did they have clear owners. To complicate matters further, the - quite basic - platforms used did not allow for interoperability and standard processes to manage ideas across operations, preventing international cooperation and scaling of ideas.

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.

Roel de Vries - who oversaw the Spark innovation platform at the time - was put in charge of consolidating

the platform. In addition, he needed to find a tool that could serve the purpose of engaging the employees and becoming the space for all idea management activities.

The new program needed to align with what matters to the business. This process began by looking at the Liberty Global operating principles and 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. An SIA would provide the hunting ground for new ideas, using targeted, time-limited idea campaigns to source input from all employees. The resulting ideas would then be aligned to the needs of the sponsor and the business strategy.

Achieving that vision meant scaling the platform to support innovation activities in all areas of the company and connecting all employees globally. Liberty Global started working with HYPE Innovation on the re-launch of the platform, Spark 2.0, with the goals of:

- · Using the platform as a central hub for submitting and tracking impactful innovation, regardless of where the ideas originated
- Generating true, cross-functional collaboration, creating a context where ideas could be generated in one region, travel via the platform, and then be implemented across the footprint wherever they may be needed

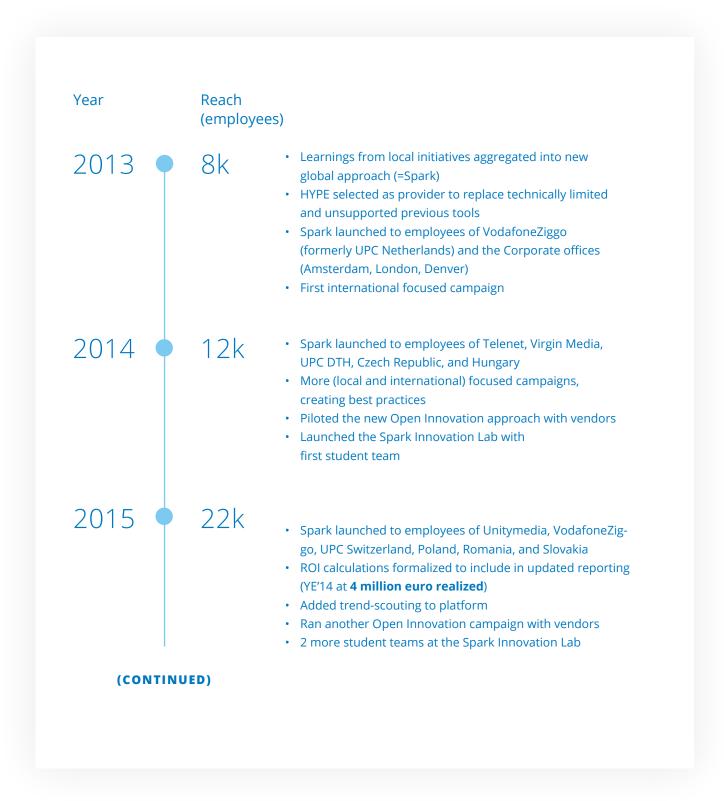


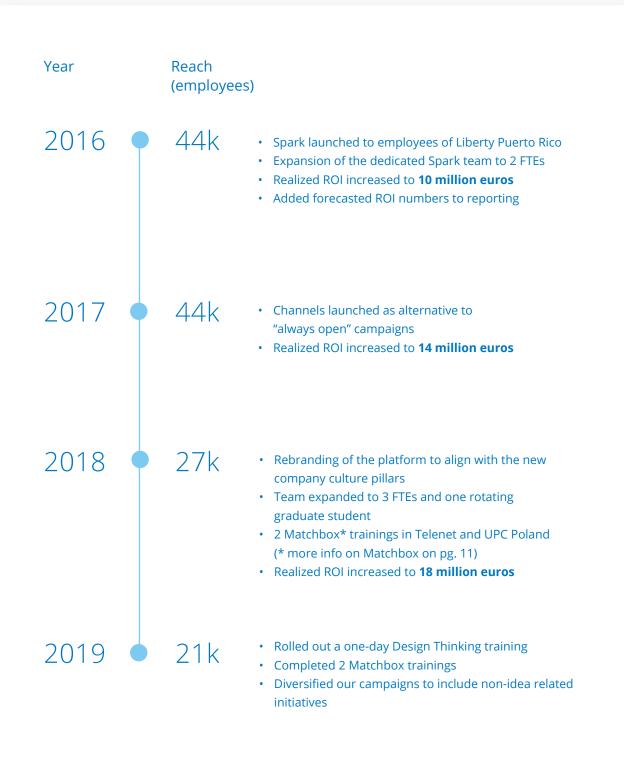
Spark is Liberty Global's innovation initiative, designed to source and refine ideas in response to real business challenges by tapping into the collective creativity of our employees and partners.

Spark's Mission Statement

Timeline

The journey that brought Spark from being a local initiative to being a Pan-European successful innovation initiative was a long but rewarding one. And it involved a massive number of people. Here is a condensed recap of what Spark was and what it became:





Spark Idea Campaigns

Campaigns are a call for ideas to solve a specific challenge that a business unit or department is facing. Idea campaigns in Spark will always have a sponsor who has not only a business need but also the budget and resources to follow up on idea implementation.

Campaigns are the most structured form of idea collection provided by the platform. There is an initial phase of idea submission, followed by a community discussion and grading phase, and expert reviews.

Selected ideas are moved into concept phase so that they can be further developed and reviewed by the sponsor's team for final approval. If the team responds positively to them, they hand the ideas over to the business for implementation.

The local innovation manager has the role of facilitating the campaign, working in alignment with the central Spark team. This close cooperation ensures that best practice guidance is always available for the sponsor and that new lessons can be fed back to the Spark team.

Spark allows idea campaign sponsors to address different segments of the business for new ideas. They have the option to open the campaign to the entire Liberty Global employee base to just one or a few departments or to only invite a few hand-picked employees. This provides sponsors with the potential to tap into the collective resources of the company to solve their challenges.

Operational units can decide to have "always-open" campaigns, which do not address specific questions and is always available for idea submission. However, this method for collecting ideas is not encouraged, as it is not an effective way of gathering ideas. The risk of receiving unfocused ideas that do not match the company strategy or needs takes away from time and resources better spent elsewhere.

An alternative to this is to have Channels, which are managed by department teams. Channel descriptions indicate which types of ideas the department is looking for to avoid receiving a high volume of ideas that are not suitable for implementation.

"Liberty Global is made up of distinct brands, such as Virgin Media, Telenet, and Unitymedia, all of which were acquired into the Liberty family at different points in time," explained former Spark Innovation Program Manager Roel de Vries. "As you can imagine, working in silos and exchanging best practices are amongst the challenges the company faces. One of the main goals of the Spark initiative is to drive that cross-brand collaboration and foster open working relationships and communication."

A great example of cross-collaboration happened during a global campaign. An idea submitted by our Swiss colleagues was picked up by corporate offices, realizing it could easily be scaled.

Once implemented globally, it has a promise of a 30 million euro ROI per year!

Spark is the only system in the company that offers this collaborative opportunity of taking ideas from anyone, anywhere, and sharing them across the different operations.

Sarah Kelly, Innovation Program Manager

The Collaborative Innovation Canvas



Alignment People Process Strategy Stakeholders Decision Making Resources Audience Execution Communications Measurements

The Collaborative Innovation Canvas is a simple and effective way to map out the key components of an innovation campaign. It focuses on three main aspects: alignment (with the broader 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 understand and share it easily.

Further reading:

http://hypeinnovation.com/canvas

NOTE:

The Spark team reworked the Collaborative Innovation Canvas to fit its needs. Please see appendix for more.

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Spark Team Tip

Focused campaigns and strategically aligned channels achieve the best results. If a division leader or sponsor has an upcoming target to meet, we ask them how they intend to reach that goal and if they'd like to use Spark's resources in finding the solution.

Their interest is peaked when they realize we are a free resource for them to tap into. We help division leaders and sponsors define the challenge, and the sponsor is then prepared to accept the ideas generated.





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

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

Having defined strategic innovation areas (SIAs) that represent the current operating principles ensures alignment between the Spark platform and the company goals and the focus of leadership.

It is possible to open Channels or run Campaigns within each strategic business area to generate ideas (spontaneous employee contribution in the first case, and focused on a specific business challenge in the second).

Spark needs to go beyond being just an online platform and instead include offline activities that foster a culture of innovation. These offline activities include:

- The "Matchbox" program to teach employees about innovation techniques. This also includes a structured 8 weeks to work on their own business challenge, mentorship within in the business with our senior leaders, a "pitching your ideas training session" and ends in a SparkPit – a "Dragons' Den"-like event where they get to pitch their ideas to our senior leadership team for their investment
- A Design Thinking crash course offered to teams without the capacity and/or funds to take on the resource-intensive Matchbox
- Several activities (team building, energizers, creativity boosters) that teams can integrate into their innovation days or simply use to have an engaging and stimulating break from daily activities

GENERAL RESOURCES

- The central Spark team consists of three full-time employees in Amsterdam.
- Each country's operation has one or two Spark managers who spend a portion of their regular day job on facilitating and marketing idea campaigns.
- In total, around 25 people are involved in running the Spark programs throughout the Liberty Global footprint.
- Funding for the Spark team comes from the Ventures group.



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

To ensure that campaigns and channels are run effectively, the Spark team makes sure that a series of resources are available to manage them, including:

- Campaign/channel managers (who are supported by the Spark team)
- Lead innovators, who contribute seed ideas and moderate discussions
- Evaluation criteria, which can be borrowed from the standard templates, or adjusted as needed
- A review team in charge of screening and pre-evaluating ideas
- A plan for implementing winning ideas (which is highly dependent upon the type of campaign/channel)
- A prize or recognition for selected idea authors and commenters

In the case of campaigns, the Spark team provides weekly updates to the sponsor on how the campaign is progressing. These updates include 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.
- Internal communication has been key to success, and using existing reporting channels has made it easier to raise the profile of Spark.
- External communications like posts on LinkedIn, is where the Spark team sees the most attention.



Those invited to use the platform, whether internal or external, who can help the Spark team expand the program's success (e.g., innovation advocates)

The platform is open to all 27,000 employees, and it is available to the entire Liberty Global footprint. Employees can participate in their local language, including Dutch, German, Polish, Spanish, and Hungarian.

In the early days of any innovation program, it is crucial to build momentum and infiltrate every possible part of the company. In order to do so, Spark initiatives included the launch of a "Wildfire club" made up of innovation advocates from around the company.

Their role was to help communicate Spark values across Liberty Global. The advocates demonstrated that innovation wasn't pushed onto employees from above but was already living among colleagues.



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. The branding allowed the team to create an identity around innovation activities, and to be receive recognition across Liberty Global footprint.

Promotion of Spark was carried out via different formats: banners, print-outs, videos, and live updates on the TV screen in the lobby, as well as innovation-themed meals, including food for energy and to help inspire thinking.

Prizes and recognition are a valuable part of the communication plan and are celebrated on multiple levels. Prizes are awarded on a campaign level. On an opera-

tional level, they're rewarded during a yearly recognition event, and then also at the annual Technology Summit hosted by the CTO.

The Spark team established formalized reporting early on. The reporting ensured that management was familiar with the structure of the program, and the KPIs used to measure its progress. Although not immediately necessary, this formal approach was useful for management communication.

Spark Team Tip

We often say to communicate, communicate, communicate, communicate. It's so easy to slip to the back of people's minds when you're something they do on top of their full-time work. Talk about results, your availability to work with teams, talk about engagement, shout about implementations, recognitions, where you sit in the building. Find something to say, say it loud, say it proud, and say it often.



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 that 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 that 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 that make it through review are then developed further by the author and assigned an idea coach to prepare them for a decision meeting.



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.

Smitesh Jain, Innovation Specialist



How ideas are iterated upon and developed towards implementation.

- Selected ideas from both campaigns and channels are owned by the sponsor and campaign teams who are responsible for implementing them.
- The Spark team continues to check on idea progress so that tracking is maintained within the platform.



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

Every month, 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.

Tracking ROI shows how Spark influences the bottom line, helping to convince senior management of its value. As of 2018, Spark has reached over 27,000 employees, generated over 16,000 ideas, with more than 1,100 implemented, and a realized ROI of nearly 18 million euros.

Rewards and Recognition

Spark relies on employees' voluntary contribution and collaboration, so rewards are a way to recognize the value that the company attributes to their participation and engagement. Each idea campaign will have "winners," with the responsible department providing rewards to the owners of the best ideas selected, and to the most valuable contributors to the campaign.

Every year, each regional operation selects local winners and recognizes them at the local level. Those winners are then invited to the Liberty Global Technology Summit in Amsterdam, sponsored by the CTO, where the annual "Sparkers of the year" are selected and recognized on stage. Top prizes for those winners include a fully paid city trip for two.

Beyond the Platform

KICKSTARTING IDEAS WITH MATCHBOX

Once Spark's relevance inside the company was stabilized, and day-to-day operations and tasks were set and running, the team realized that remaining limited to an online platform would not allow them to foster an innovation culture as much as they would have liked to. To quote Sarah Kelly, "Spark could not afford to be a one-trick-pony" and had to enlarge its offer to increase its relevance within the company.

Therefore, Spark now includes an offline training called "Matchbox," which stems from the Adobe Kickbox concept.

The pilot program was open to all the employees in Virgin Media Ireland, and 50 participants were lottery selected by Spark based on their motivation. The goal is to teach participants innovation methods (such as lean startup) to validate their ideas with customers quickly.

The box includes tools and guidance to shape idea pitches, as well as money and time to invest in prototyping the concept.

After taking a Matchbox, idea authors are assigned mentors from diverse business teams who can offer advice

and support on a range of topics.

Out of all the participants, not all ideas will make it to the final evaluation stage. Only the participants with the best ideas, and which are most aligned to business strategy, will pitch to senior management for further investment in a "Dragon's Den."

The Spark team branded the Dragon's Den as "Spark-Pit." The pilot saw 15 ideas make it to the final selection process, where eight ideas received funding for the next steps/implementation. The Spark team was extremely proud of the results, and Virgin Media's dragons were blown away by the level of development of ideas and the entrepreneurial spirit demonstrated by the participants.

The pitch was an extremely emotional and powerful moment not only for those who presented their ideas but also for the other participants and employees who came to cheer and support their colleagues. Here is a video capturing the before, during, and after:

Watch:

- Matchbox SparkPit for Liberty Global Core Networks
- Matchbox Training in Action



Judges listen to pitches during a SparkPit session at Virgin Media in Ireland.

Matchbox has since been rolled out in Telenet, UPC Poland, Liberty Global Core Network Operations group and Liberty Global Technology and Innovation Central group with results to be completed in 2019. In the two most recent workshops, the Spark team decided to employ the potential of the HYPE platform to maximize the interaction between participants and the growth of ideas.



L The influence of Matchbox extends beyond the participants. It brings in energy, excitement, a way of thinking about innovation to our company. It demonstrates to our people that we are committed to innovation.

John Porter, CEO, Telenet

It Doesn't Take Much to Innovate

Matchbox is quite demanding regarding budget and resources (both employees and time), and not all teams can take on such a program.

Excluding some colleagues from participating in innovation due to lack of funds did not fit into the Spark modus operandi, whose core strength is collaborative innovation. So, the team created a "Design Thinking Crash Course" that can be carried out on-site in one day (or split into two sessions of a few hours each).

During this workshop, participants learn the steps

and techniques used in design thinking, having a (real or fictional) business challenge to analyze and solve step by step as the course progresses. Given the success of Spark initiatives and the engaging nature of the program, managers started to reach out to the Spark team for support in energizing their employees.

This way, Spark has also become involved in individual teams' Innovation Days. They helped organize breakout sessions and energizers to bring colleagues closer together, building a connection that goes beyond the professional one.

What's Next for Spark?

Now that the Spark program has been running for six years and the Spark team has grown, they're ready to branch out. Along with offering innovation support to the entire business and providing a central hub to monitor and manage all ideas and metrics, the Spark team is planning offline activities as well. In the coming year, the Spark team will offer brainstorming workshops, planning facilitation, and team innovation days. They will continue to provide trainings such as the Matchbox program but include other trainings such as a one-day Design Thinking workshop and an idea pitch workshop.

When people think of innovation within Liberty Global, I want them to immediately think of and reach out to Spark. I want us to be the 'go to' team for all things innovation-related, even if it is simply connecting people to the right people in the business. I am focusing on both keeping and managing our Spark reputation at this point. It's of the upmost importance in order to stay relevant to the business.

Sarah Kelly, Innovation Program Manager

Advice for Innovation Managers

5 points of advice from the Spark team for fellow innovation managers

1. 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 focus on the ideas that matter most to the business but make sure ideas are matured into real, actionable concepts.

2. 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 and setting yourself up for more significant success once you do run. And beware that overthinking may 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.

3. COMMUNICATE. COMMUNICATE. COMMUNICATE.

Be aware that, generally, people who participate in ideation programs 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, and you don't want to go there. (continued)

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.

4. SHOW THEM WHAT YOU'RE WORTH

When you first launch your program and do not 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 capture 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 build your initiative further.

5. 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, be awesome as a team; when you're starting something new, you need to engage other members of the 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.

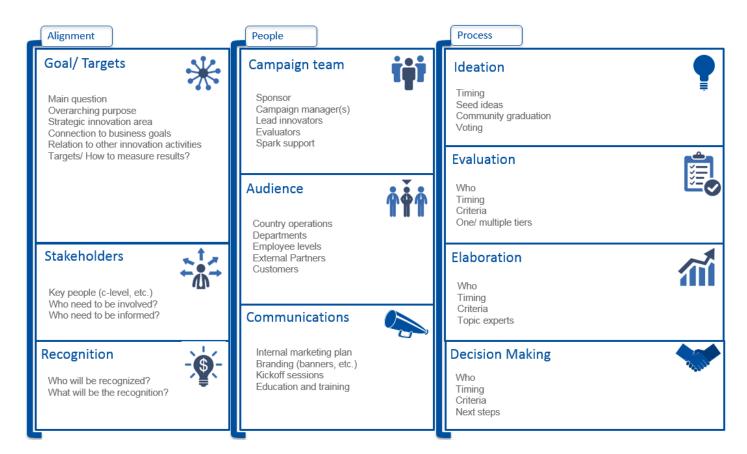
Benefits of the HYPE platform

Liberty Global selected HYPE Innovation to run the Spark platform because it met key criteria, including:

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

Appendix

The Spark team reworked HYPE's Collaborative Innovation Canvas as the Campaign Canvas. Here's how the team is using it.



Liberty Global's Campaign Canvas

HYPE | Liberty Global | Appendix

(CONTINUED)

1. Alignment

a. Goal/Targets

- A campaign is always created to solve a specific business challenge; hence, it always aims at defined goals and/or targets. These may be broad (e.g., 'how to keep our street furniture cool during summer') or can be backed by determined financials (e.g., 'how to achieve 10 million euro in operational expenditure savings by the end of next year').
- To ensure that the audience fully understands the challenge, the campaign sponsor needs to provide some context. It's important to give details, for example, on the main question, the overarching purpose, the strategic innovation area, the connection to business goals, the relation to other innovation activities, and targets/how to measure results.

b. Stakeholders

- For campaigns to achieve the best results, the sponsor needs to have the power and budget to select and implement ideas. Moreover, senior roles in the company need to be aligned about the campaign, its goals, and the means of implementation.
- Once the support of senior levels is secured, the campaign sponsor needs to define a campaign team in charge of analyzing and evaluating the ideas submitted. In turn, the campaign team will decide who to open the campaign to. According to the nature of the campaign, it may address the entire employee base, employees of a regional operation, one single department, or even a group of hand-picked employees.

c. Recognition

• Recognizing the participation of employees and rewarding the ones who submitted the best ideas, or cooperated most effectively, is one of the foundations of Spark's modus operandi. Part of the campaign setup involves defining both criteria for recognition and actual prizes.

APPENDIX (CONTINUED)

2. People

a. Campaign Team

- **Sponsor:** the one whose department is facing the business challenge. He/she has a senior role within the organization with enough decision power and budget to select and implement ideas.
- **Campaign manager(s)**: oversee the day-to-day management of the campaign; they are the single point of contact for any issue or question related to the campaign.
- **Lead innovators**: set the stage for the campaign. They submit the so-called "seed ideas" before the official campaign launch. Once the campaign is open to everyone, a few ideas will be there to set the tone and level of the ideas expected.
- **Evaluators**: will lastly be in charge of reviewing the ideas that made it to the final stage and decide which ones to present to the sponsor for the final decision.
- **Spark support**: the Spark team will support the campaign team and the idea owners throughout the entire duration of the campaign.

b. Audience

- As mentioned earlier, campaigns may be open to different audiences according to their nature. The sponsor gets to decide whom to invite to participate in the campaign.
- The audience may be as restricted as a small number of selected employees or broad enough to include even customers and external partners.

c. Communications

- Effective communication is one of the most crucial factors to ensure the success of a campaign. The means used to engage the audience will determine the number and quality of ideas received.
- Communications may take different forms: internal marketing plans, branding (banners, etc.), kick-off sessions, education and training, and so forth.

3. Process

- Focused campaigns follow a standard and well-defined process articulated in the following steps: Ideation, Evaluation, Elaboration, and Decision-Making. These four steps overall cover a period of roughly two months from the launch to the communication of the winning ideas.
- Activities carried out in each step differ, as well as the actors that play the leading role in them. One
 thing they all have in common, however, is that the next steps of each must be clearly defined and
 communicated to the idea owners and the entire audience. It is incredibly disheartening for idea
 owners to be left hanging without indications of how to proceed and how things will be managed
 going forward.



ABOUT LIBERTY GLOBAL

Liberty Global is one of the world's leading converged video, broadband, and communication companies, with headquarters in London, Amsterdam and Denver and operations in 6 European countries under the consumer brands Virgin Media, Telenet and UPC. The company invests in the infrastructure and digital platforms that empower its customers to make the most of the video, internet, and communications revolution. Liberty Global's substantial scale and commitment to innovation enables it to develop market-leading products delivered through next-generation networks that connect over 10 million customers subscribing to more than 25 million TV, broadband internet, and telephony services. Liberty Global also serves over 6 million mobile subscribers and offers WiFi service through 9 million access points across its footprint.

In addition, Liberty Global owns 50% of VodafoneZiggo, a joint venture in the Netherlands with 4 million customers subscribing to 10 million fixed-line and 5 million mobile services, as well as significant content investments in ITV, All3Media, LionsGate, Formula E racing series, and several regional sports networks.



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.

