



A Danish applied research project is exploring how businesses can use technology to access a community and utilise it to be a rich source of innovation.

Bright new business



Ethnographers will tell you that groups of people with a shared interest are often a hotbed of ideas with great potential for innovation. Such communities are buzzing with aficionados who are passionate about their chosen subject, whether it's amateur astronomers searching for new planets or passionate VW drivers sharing ideas on how to fine tune their vehicles. It is, of course, human nature to seek out like-minded individuals to form a cohort but

until recently such communities were often limited by geographical or communication-based constraints. The technological revolution that has taken place over the past few years has provided a platform for communities to develop, engage and, potentially innovate.

Innovation consortium

Led by the Danish Technological Institute and funded by The Danish Agency for

Science, Technology and Innovation, a group of researchers has teamed up with small and medium-sized businesses in a three year-long project, entitled Community-Based Innovation (CBI). This consortium has set out to explore what motivates members of a community as well as how technology can be used to identify and access relevant communities as a source of innovation. "This is a project where we target value creation in

businesses,” says consortium manager Signe Skov-Hansen. “What aspects of working with communities, either online or offline, might increase innovation in your company and how might you go about involving specific groups of users in an innovation process in your company.”

As well as exploring the motivation of a community (what brings them together, what keeps them there and how do they

community-based innovation. “We have the chance to actually develop technologies that we can test to see whether they support community based innovation and we have the opportunity to study what people do,” says Signe.

Working in partnership

This project is the development of an idea proposed five years ago by the DTI to

were overwhelmed by applications to join researchers in this most recent incarnation, which boasts a consortium of 9 business partners working alongside researchers from Danish universities.

Each business in the consortium is given roughly six months to work with researchers to define their community, identify their needs and contribute to the development of a prototype that has the potential to facilitate community based innovation. “We ask each business partner, ‘What is community for them?’” explains Signe. “Be that staff or customer based, those who aren’t customers but who are interested in other aspects of your product, a combination; or people who you find intriguing in terms of the future scope of your business.”

The term ‘innovation’ also needs to be defined at the outset in order to identify what constitutes value creation for the particular business. Signe explains this is a term with a broad definition: “We don’t pre-define whether value creation is economical or whether it – at this stage – is a matter of understanding your users better.”

“We have seen quite a few businesses testing the waters of social technology, and we have encountered businesses that have just kept away from it”

contribute) the team will also look at the technology that facilitates communities, such as Smart Phones, iPads, desktop computers or even tangible objects i.e. a hanger in a store. A further objective of the project is to develop hands-on tools that might assist a business in encouraging

create a community for inventors to share ideas and co-create with businesses. While Signe says, at the time, the response for requests for consortium members was slow, the rapid development of technology since then has proved this concept to be a burning issue for businesses. The team



As this is action-based research, the team take a formative approach, working alongside the business partners to target specific objectives and goals. "Once we've defined their understanding of innovation and community and their understanding of users and value creation, then we're set to go in terms of scoping how we might go about working with them," Signe explains. "We have a very intensive two day camp where the businesses meet up with the researchers and do a number of action-based research exercises. Once there's a common understanding of goals and objectives there will be a number of conceptual ideas. This is when we get ready to align our understanding of how to develop a project plan."

This alignment process is crucial in order for all parties involved to find common ground, as well as for the business involved to glean new insight and the researchers to gain in-depth knowledge. It's also a fragile process that requires careful project management. "Researchers and businesses have different approaches to what project-management entails so the management style has to be quite agile. The important thing is to ensure that the researchers and the businesses alike have space to reflect and focus."

Tools for innovation

The formula of combining business and research and the methodological approach of the project is proving effective and, after only 18 months, six prototypes have been produced. "We're moving at a very fast pace," agrees Signe. "We sketch concepts, we refine these concepts and in the end we hopefully have a prototype. All the businesses we have worked with have come up with some interesting and out there solutions or concepts for CBI."

One prototype developed so far is an app for the Danish postal workers. In line with other developed countries, the postal service in Denmark is presented with a huge market challenge as people have stopped sending letters. Their strength, however, lies in the long-serving community of postal staff who

understand their local environment. "They wanted to help the co-workers share ideas and reflections from their daily route with each other," explains Signe who says they developed an in-situ app that worked as a filter camera the staff could take on their daily route that collated images to produce a sequence. "Perhaps to help the next co-worker not trip over a broken pavement, or pass on ideas of where to park their car, or even come up with conceptual ideas of how the post might improve the area or expand the business."

"We hope that this project will bring a better understanding of how and when to engage in social technology"

While Signe says each prototype has been different, she has been surprised by the often abstract concepts that have emerged and, as with the postal workers app, the idea that technology can be used as a tool for reflection. "Bridging the gap between the individual's reflection and sharing within the community is something we haven't solved at this point, but we have looked at what sparks reflection and how you might collect reflection through an app that can actually offer some input into a community and lead to a collective innovation process."

A new way to do business

The implications of this research could have huge potential for the way businesses operate and conduct relationships with their communities. While this psychological leap may present a paradigm shift for less progressive companies, Signe believes engaging in community based innovation is ultimately an enriching process with positive results. "From my perspective this is all about empowering businesses to do smart business at the intersection of technological adaption, user recognition and innovation. CBI to me has to be a respectful way of doing business. Once you start engaging with your customers, even your employees, via social technology you're crossing boundaries into a private sphere. Somewhere between the private sphere and the business sphere lies some powerful concepts where businesses can do business whilst doing good."★



AT A GLANCE

Project Information

Project Title:

Community-based Innovation (CBI)

Project Objective:

The objective is to facilitate the integration of Community-based innovation as an innovation practice in businesses and show how CBI can create value for businesses through strategic involvement of users, customers and employees via social media, online platforms and mobile technology.

Project Duration and Timing:

3 years. April 2011-April 2014

Project Funding:

Danish Agency for Science, Technology and Innovation. Ministry of Science, Innovation and Higher Education. Budget: 36,7 mio. DKK. Funding from The Danish Council for Technology and Innovation: 12,4 mio. DKK

Project Partners:

Danish Technological Institute (consortium manager), Alexandra Institute, IT University of Copenhagen, Aarhus University, Danske Bank, Post Danmark, Nosco, Social Square, Boblr, Muuse, IO Interactive, Vega, FDB, Designdelicatessen.

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Signe Skov-Hansen is a sociologist with a background in linguistics. As an experienced interviewer and user researcher, she has developed and tested active user typologies with businesses, planned and implemented social media and community strategies on- and offline for magazines, in the political sphere and at the DTI.

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