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## The Creative Potential Of (Some) **Outsiders**

This piece was cowritten with Dr. Oguz A. Acar, an assistant professor of marketing at Cass Business School, City University of London.



Brands are continuously on the look-out for creative insights to develop innovative marketing offerings — products, services, advertisements and/or other customer experiences. From time to time, internal teams struggle to deliver creative solutions that are needed to address these business problems. The common managerial reflex in such situations is turning to one of the usual suspects — organizations or individuals who have deep expertise in the area of the problem.

Our research and professional experience in open innovation models, however, suggest quite the opposite. We observe that creative breakthroughs often come from unlikely sources, whom we call adjacent outsiders — those who are an outsider to your company or industry but have acquired some relevant experience that enables them to both understand your problem and transfer their novel perspectives to solving it.

Consider Harold Hildebrand, a petroleum engineer, whose invention has revolutionized the music industry. Before taking up music, Hildebrand was developing methods for interpreting seismic signals to facilitate



discovering oil. He realized that this digital signal processing could be implemented to the human voice, and invented the notorious Auto-Tune technology – a widely used software by music producers to alter singer's pitch to make sure they are perfectly in tune.

Hildebrand's invention, no matter how interesting, is of course just an anecdote. To explore the role of outsiders and insiders empirically, Oguz, together with Jan van der Ende from Rotterdam School of Management, have explored who comes up with winning solutions to contests posted on InnoCentive one of the largest crowdsourcing and open innovation platforms globally. An analysis of 230 solutions generated for complex R&D problems shows that outsiders are more likely to be a winner than insiders, but only when they engage in a focused search and invest substantial cognitive effort. The underlying logic is that outsiders first need to familiarize themselves with a new domain in order to be able to make a connection between two distant fields and, in turn, to make novel contributions. In other words, once the outsiders become adjacent, they had the highest odds of creative the best solution to an innovation problem.

Why do adjacent outsiders have a creative edge over experts? The answer comes from extensive psychology research on cognitive fixation — experts tend to fixate on some routine solutions within their domain and struggle to think about other options even if their solution is inadequate. That is, outsiders can be more creative than insiders because they are not constrained by traditional thinking and existing solutions within a domain. This is not to say that any random outsider can beat the experts in a domain, but those who are adjacents are likely to do so when it comes to solving problems that require novel insights.

Perhaps a more important question is where these adjacent outsiders are? They could be among your existing consumers. As illustrated extensively by Eric von Hippel's research, lead users (or consumers who are highly involved in your product, spend a great deal of time to think about the problems associated with it and are motivated to find solutions to those problems) are responsible for important innovations in a wide range of industries. Or they could be one of the social outsiders such as immigrants in your country. There must be a reason why foreignborn residents in the U.S. hold nearly a third of all patents (and a quarter of Nobel Prizes) despite comprising only 13% of the population. Or alternatively, these outsiders could be working in an entirely different industry. In a recent study, researchers brought together roofers, carpenters,



and inline skaters and asked them to share solutions to a common problem in all three industries: workers are reluctant to use safety equipment because it is uncomfortable. It turned out that carpenters and inline skaters were able to generate more innovative solutions for the roofing industry than the roofers - and vice versa.

The point is *adjacency* can arise from various personal, social, professional, technical or scientific experiences. Admittedly, it is challenging, if not impossible, to identify all possible adjacent outsiders for your specific problem. The key is embracing an inclusive approach — one that openly invites outsiders to the innovation process of your company.

Consider Victors & Spoils (V&S) where John was a co-founder. V&S is a born-open advertising agency — i.e., it opens up its creative process for ideas, feedback, and content from the crowd. The agency, for example, has launched the "Fan Machine" app for Harley Davidson. The app allowed fans to submit ideas and vote on others', and eventually, an adjacent outsider, Harold Chase, developed an idea that both fans and the company loved. The idea was then turned into an ad campaign by V&S and is still running today.

Next time when you struggle with creativity, consider reaching out to outsiders. They are probably busy with creating authentic video work at the MoFilm platform, or solving a complex innovation problem of Astra Zeneca at the InnoCentive platform, or perhaps developing an advanced algorithm for GE at the Kaggle platform. Some of these bright minds have the *just-right* background to deliver that creative breakthrough you have been longing for.

John Winsor is the Founder and CEO of Speakeasy.

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