

# THE (LIMITED) POWER OF OPEN INNOVATION NETWORKS

HANNES ERLER (DIRECTOR INNOVATION ECOSYSTEMS; INNOVATION EVANGELIST)

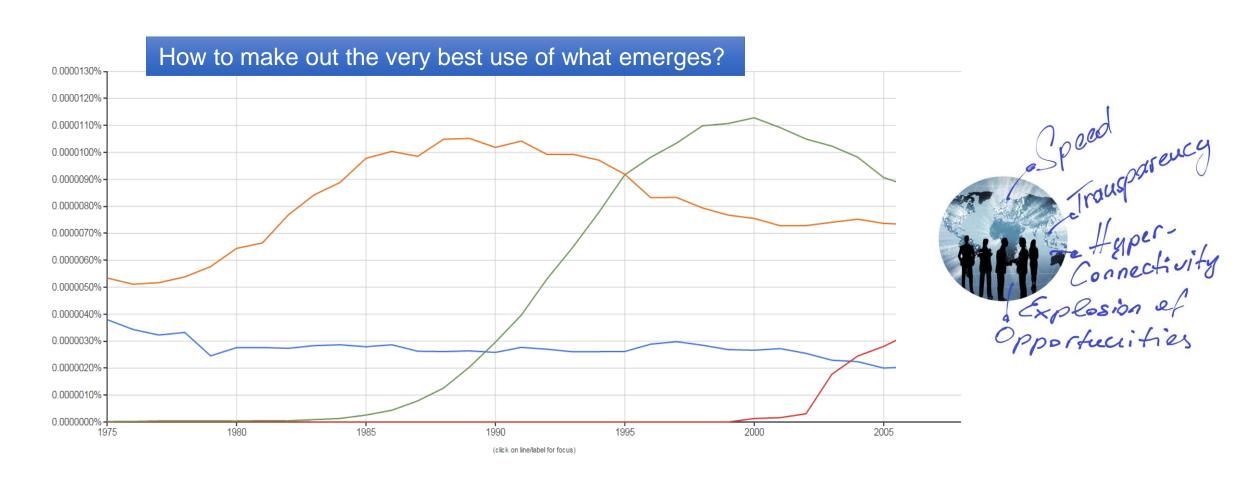
NOV. 14<sup>TH</sup> / FH KUFSTEIN

FOR INTERNAL USE ONLY - © COPYRIGHT SWAROVSKI AG, 2018



#### **OPEN INNOVATION**

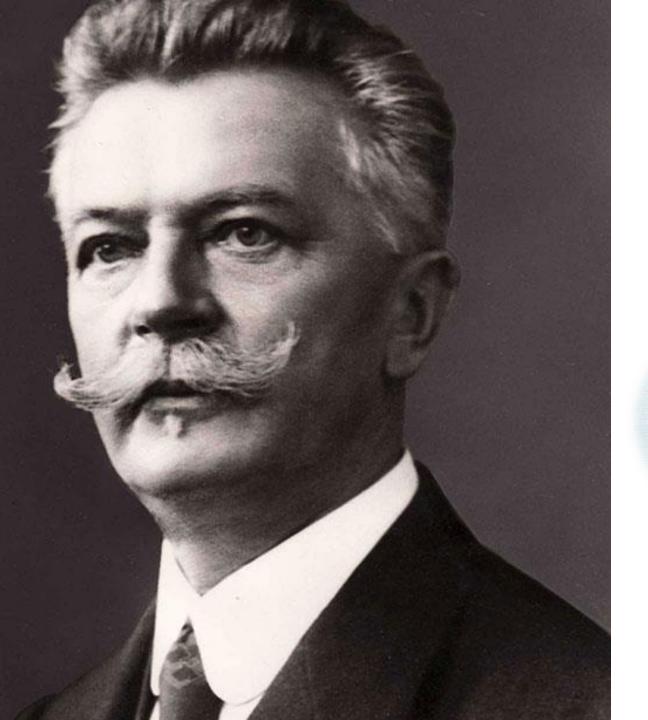
# THE SOCIAL MEDIA REVOLUTION AND HYPER CONNECTIVITY AS A GLOBAL TREND HAVE OPENED UP NEW FORMS OF COLLABORATION





## Agenda

- 1 Our Open Innovation Journey
- What we discovered: The new logics of innovation ecosystems
- 3 Start-up environments are the new heroes but not for corporates? Cultural and organizational transformation is it possible?



#### THE INNOVISIONARY

"Every new era offers new possibilities for action and development. Development never stands still. Innovations in one field inevitably lead to innovations in others. One must remain alert at all times, always ready to make the very best use of what emerges."

Daniel Swarovski I

Ammourts:

1862 - 1956



1931 TRIMMINGS

1949
OPTICAL INSTRUMENTS

1956
NEW COATING EFFECT
AURORA BOREALIS

1975
HOTFIX TECHNOLOGY

1993 CRYSTAL MESH

2001 CRYSTAL FABRIC

2009
CRYSTAL CERAMICS

2010 CRYSTAL ROCKS

2011 ADVANCED CRYSTAL

2012 XIRIUS

# CROSS INDUSTRY INNOVATION 1956 AURORA BOREALIS COATING

Together with Christian Dior, Swarovski develops the Aurora Borealis effect, a shimmering finish that enhances the sparkle of cut crystal, transferring the thin film physical vapor deposition technology from the optical industry into the fashion industry.

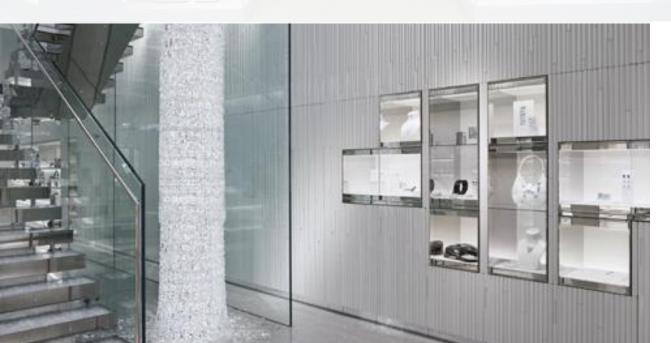


# THE WORLD'S LEADING PROVIDER OF PRECISION CUT CRYSTAL

- EUR 3,5 billion annual turnover generated by the Swarovski Group
- **34,500** employees in 170 countries
- Headquarter in Wattens, Austria



# THE CONSUMER GOODS BUSINESS











Watches



Beauty



Figurines

#### **SWAROVSKI CRYSTALS**



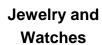














Apparel and Accessories



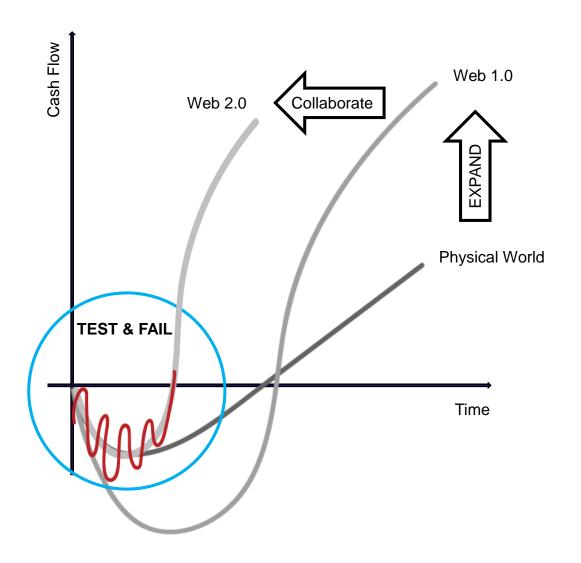
Interior



Packaging and Electronics

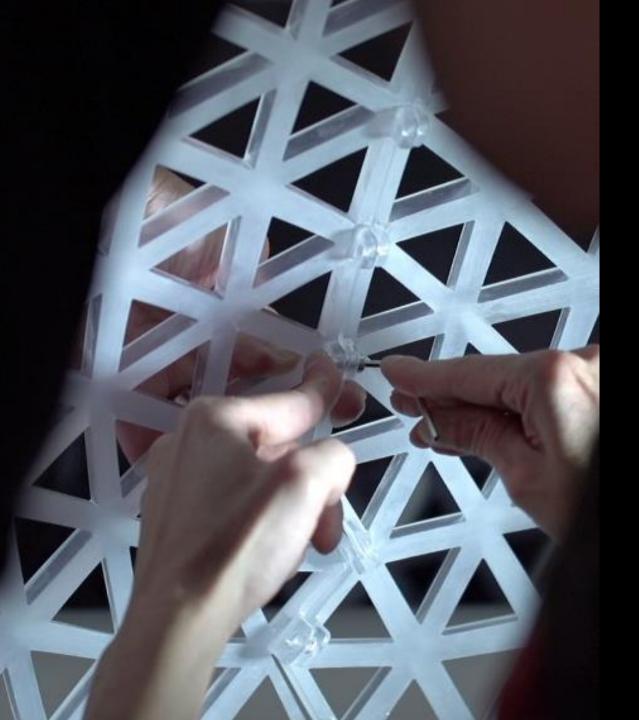


Create Your Style



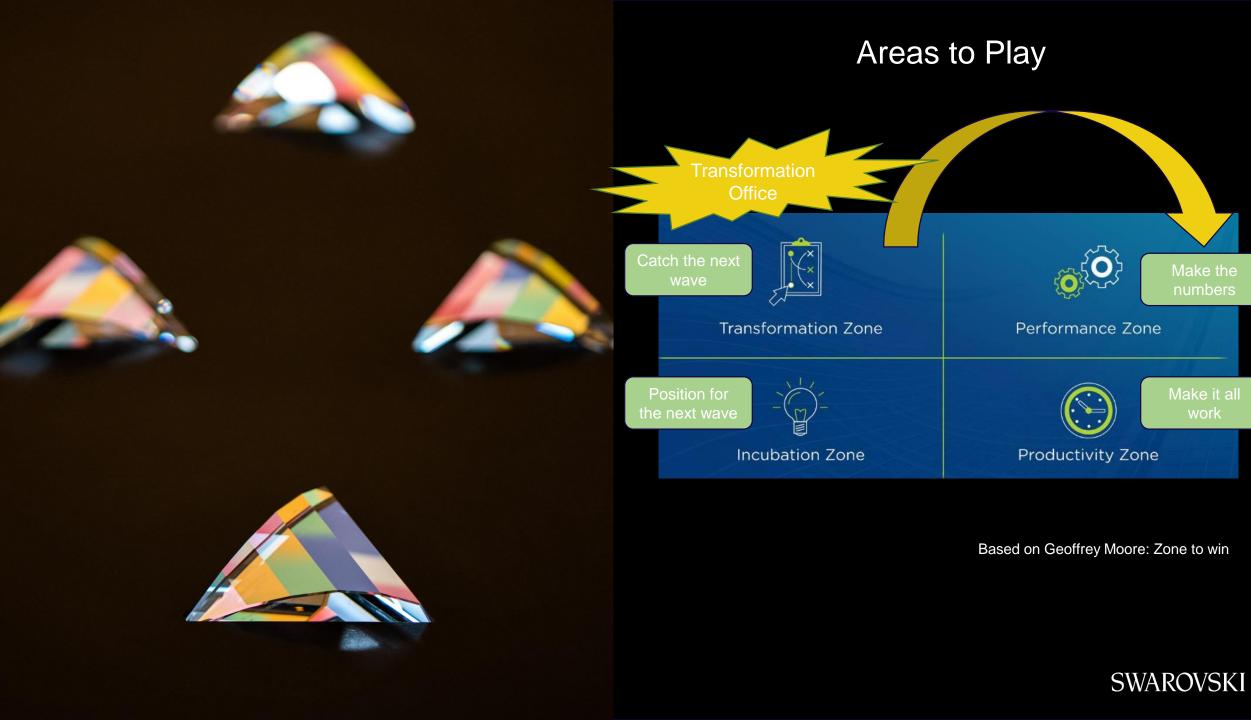


**SWAROVSKI** 



# Learning from Failures

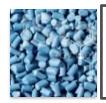




#### SWAROVSKI OPEN INNOVATION PROCESS



#### SWAROVSKI TECHNOLOGY PLATFORMS



**Materials** 

Application Technologies





**Cutting & Polishing** 

**Surface Refinement** 





Adhesives

**Light & Optics** 





Digital & Embedded Systems

## FROM EMERGING TECHNOLOGY TO ON-TREND SOLUTIONS VIA TECHNOLOGY PLATFORMS

#### **Emerging Technology Areas**

- Advanced Materials
- Big Data
- AI
- Coatings
- Wearable and Flexible Electronics
- Integrated Additive Manufacturing

#### **Global Trends**

- Sustainability
- Individualization
- Digitalization
- Globalization

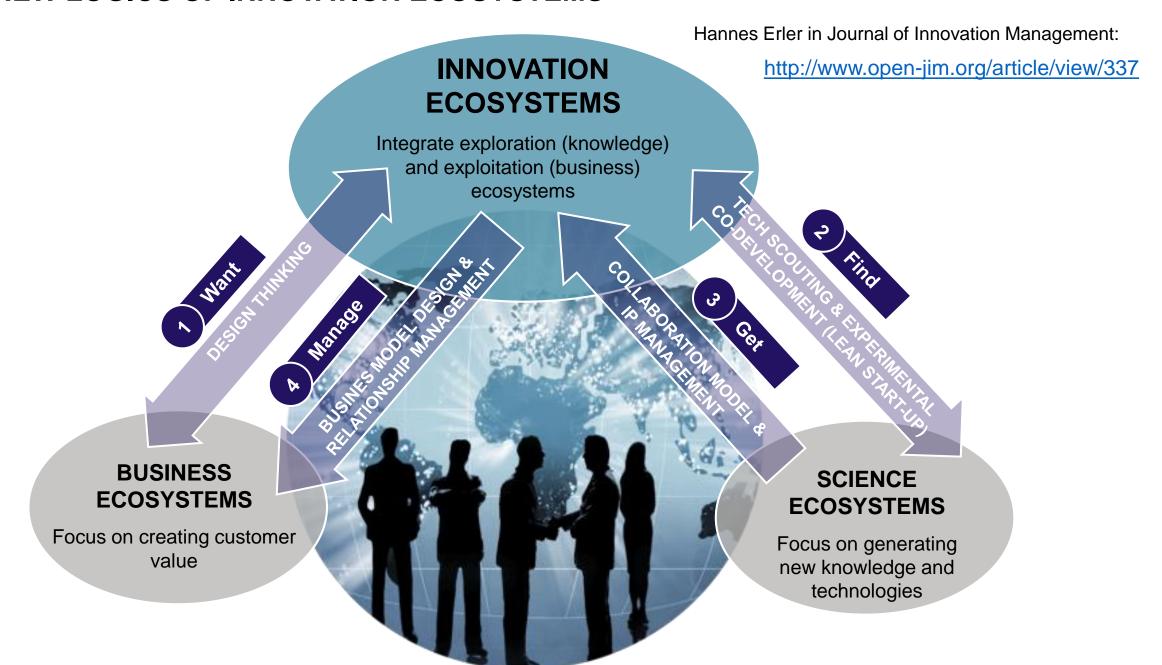
**SWAROVSKI** 

# Digital Transformation in the Jewelry Industry





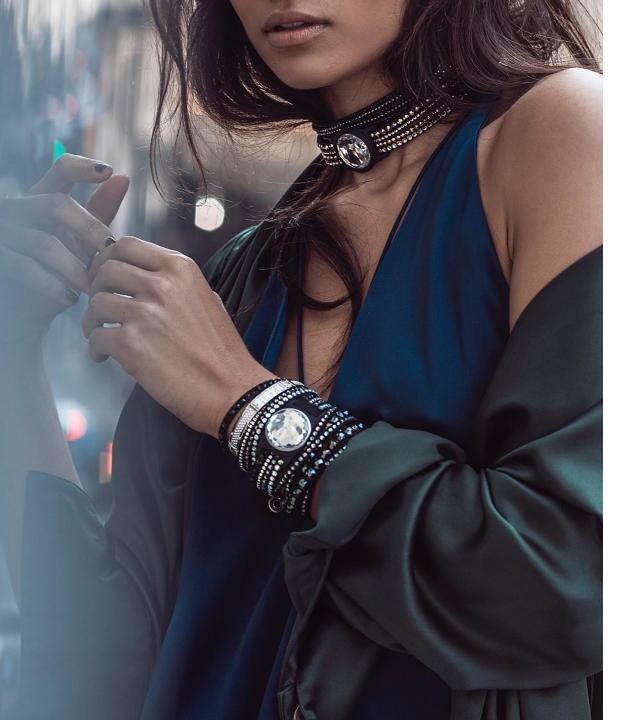
#### THE NEW LOGICS OF INNOVATION ECOSYSTEMS



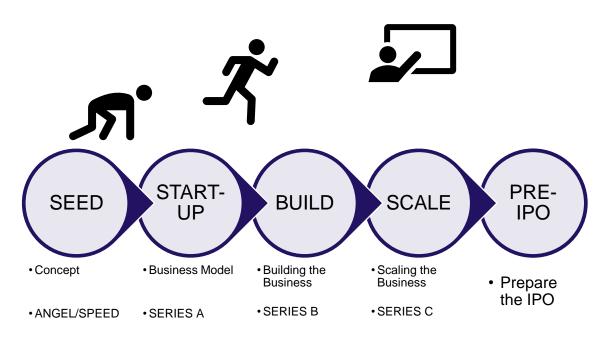


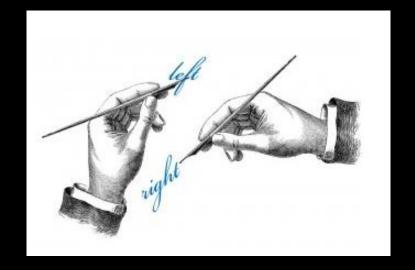
JUJU WANG / RAFFE BURRELL / STUDIO KLARENBEEK & DROS



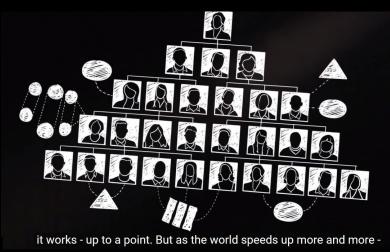


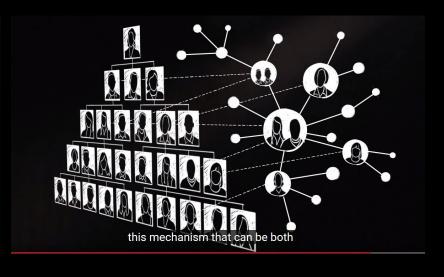
### Options from a Venture Perspective











From J. Kotter: Accelerate! The Evolution of the 21st Century Organization https://www.youtube.com/watch?v=Pc7EVXnF2al

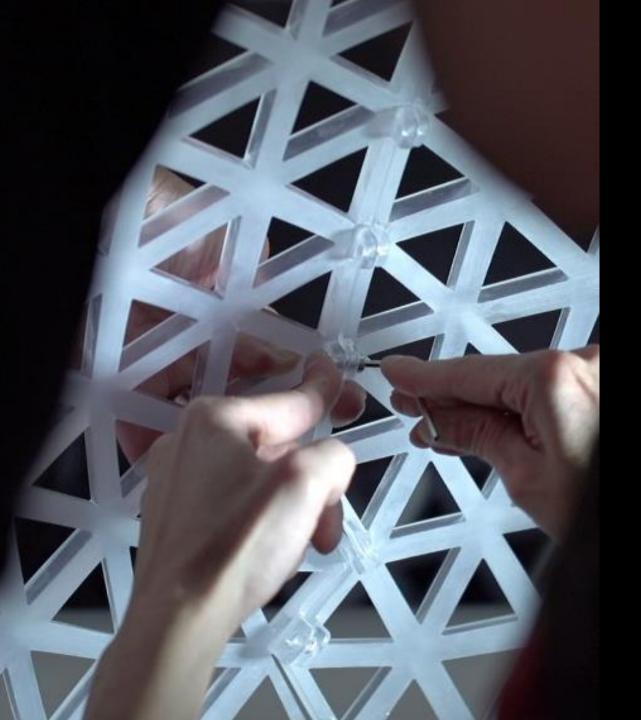


### **AMBIDEXTERITY**

Combining explorative and exploitative capabilities on different levels

- Organizational
- Contextual
- Sequential

Create understanding and use methods to make it happen.

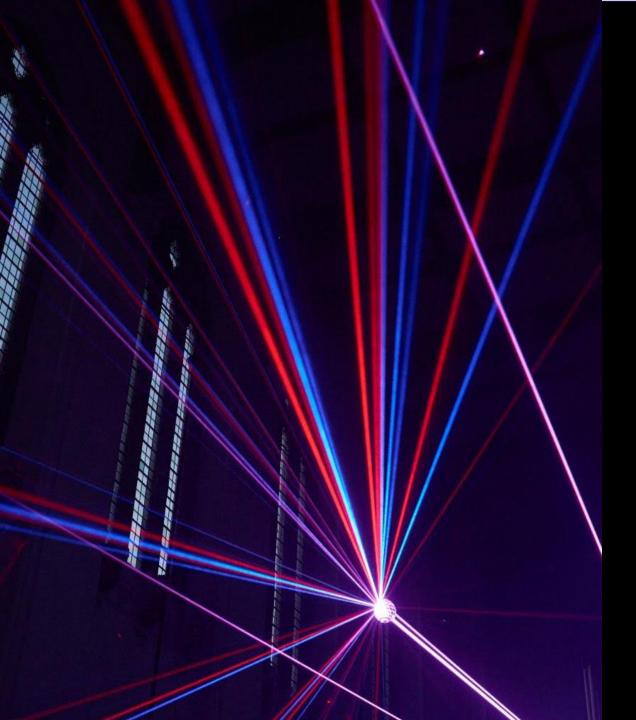


## A NEW CULTURE

- Trust and Purpose
- Experimentation
- Collaboration

Culture Eats Strategy for Breakfast (P. Drucker)

..... But Good Leadership Practices must take care, that enough food is on the table!



#### **LEARNINGS**

- Innovation in the digital age follows new rules
- Core innovation and transformative innovation have to be organized differently
- Transformative innovation follows the new rules of speed, transparency and openness
- A new culture of experimentation, trust and collaboration is asked

#### **NEXT STEPS**

- Transforming the new culture into the organization
- Facilitating sub-cultures and diversity

