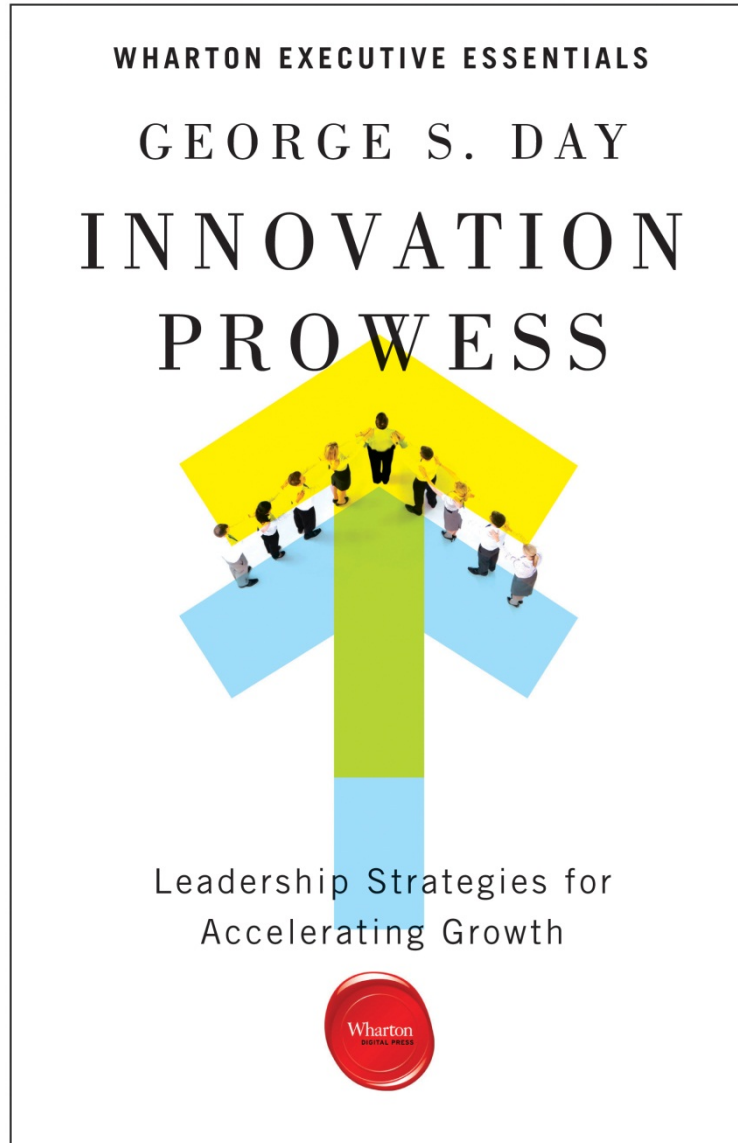
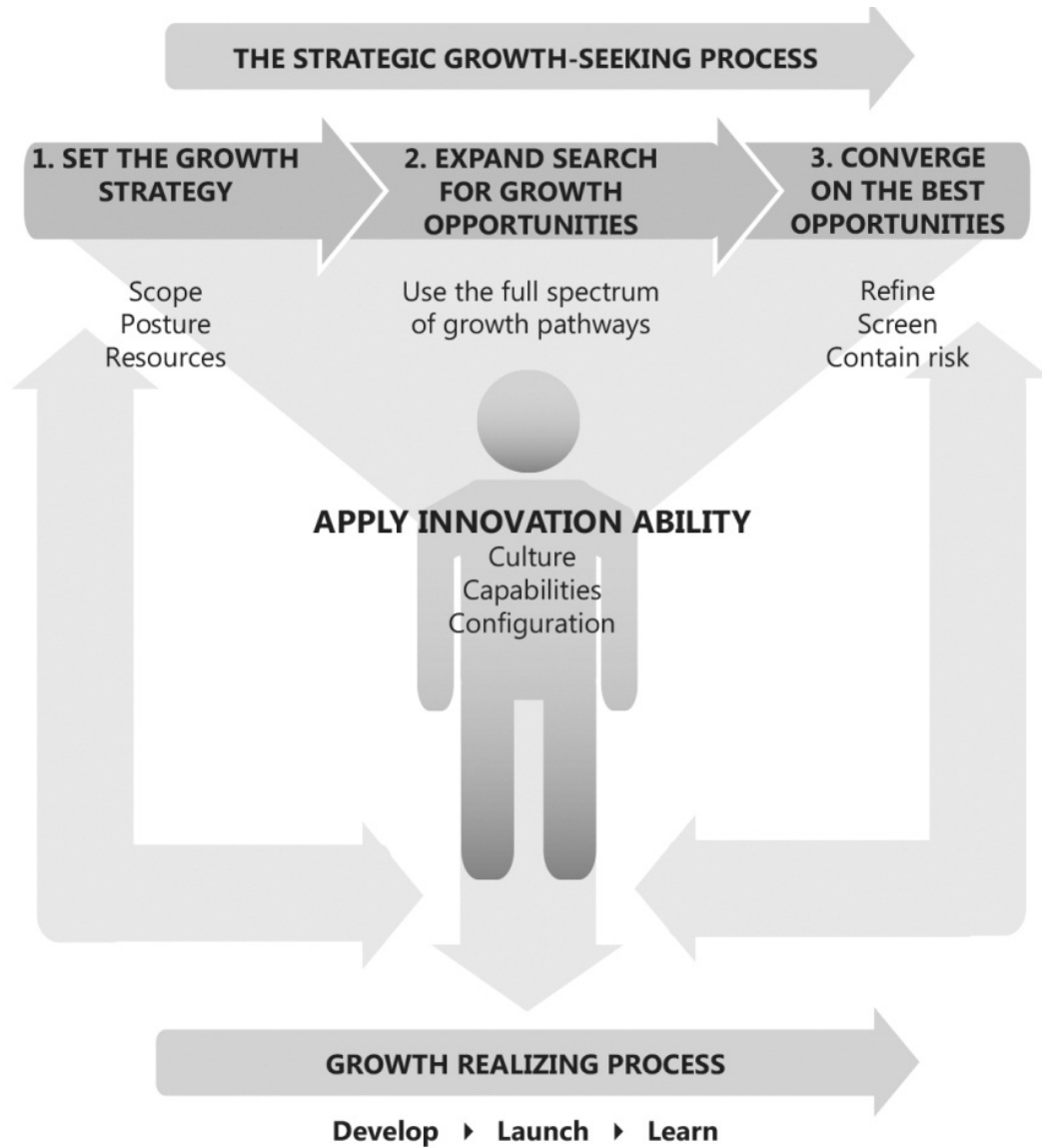


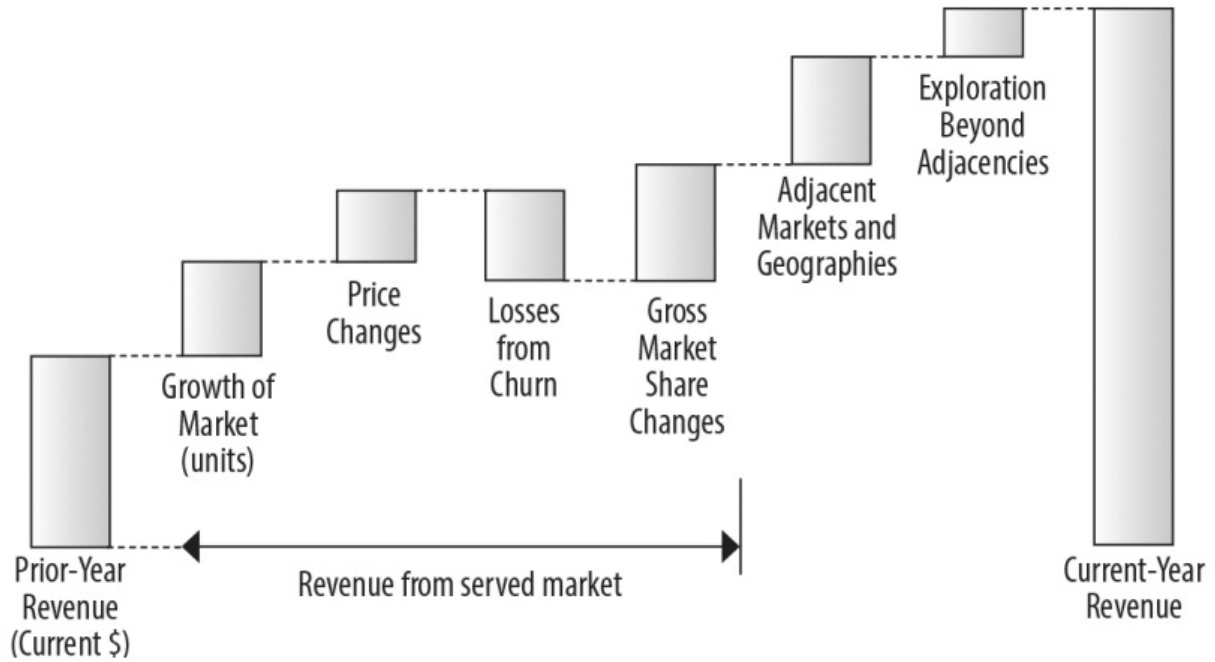
# Companion Guide to Audiobook



**Figure I-1**  
**Innovation Prowess: Discipline + Ability**

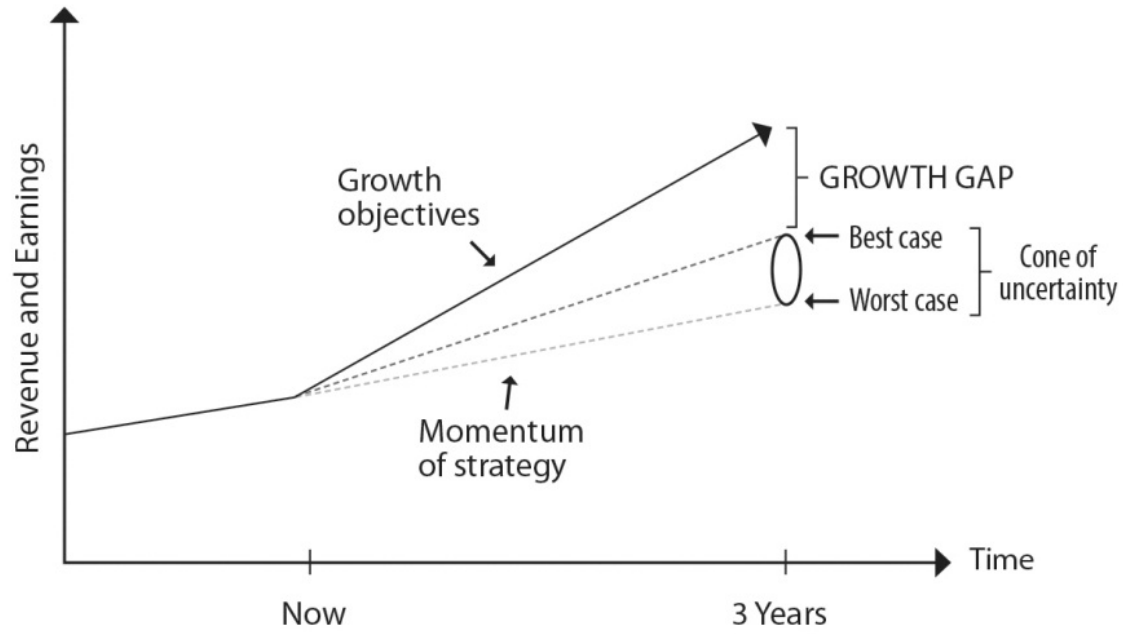


**Figure 1-1**  
**Analyze the Sources of Organic Growth\***

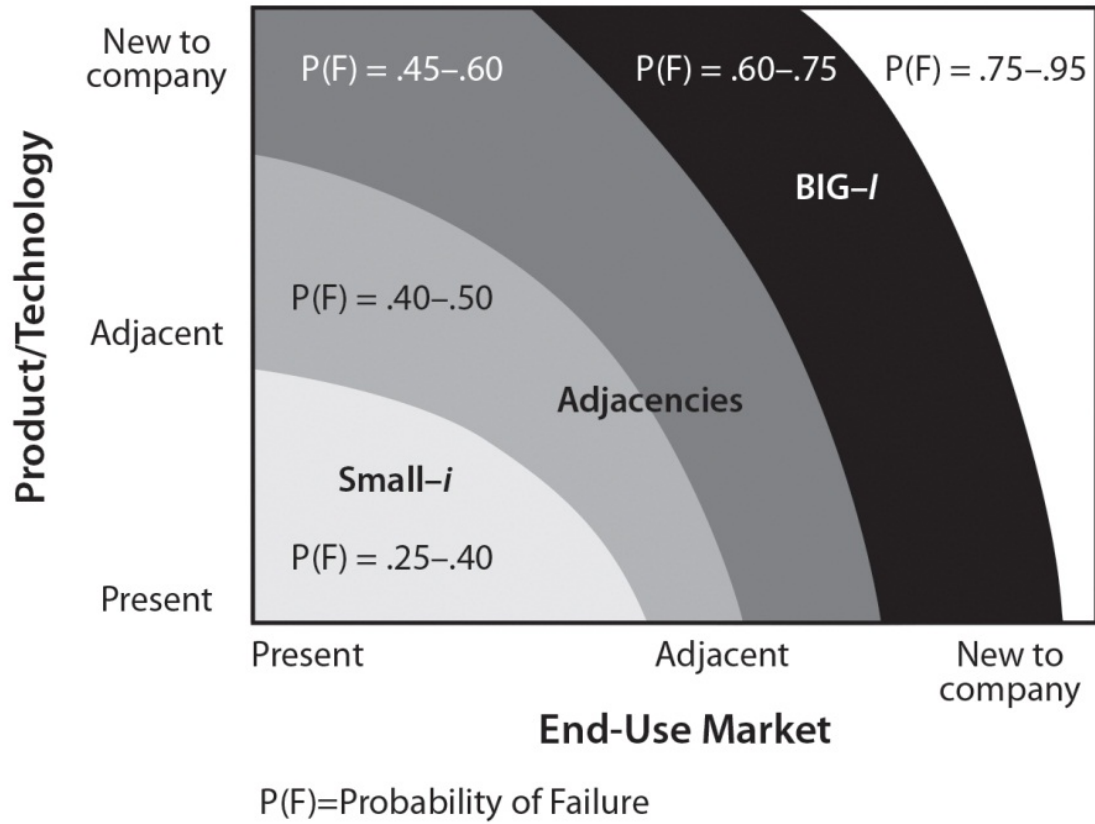


*\*Excludes the effects of acquisitions*

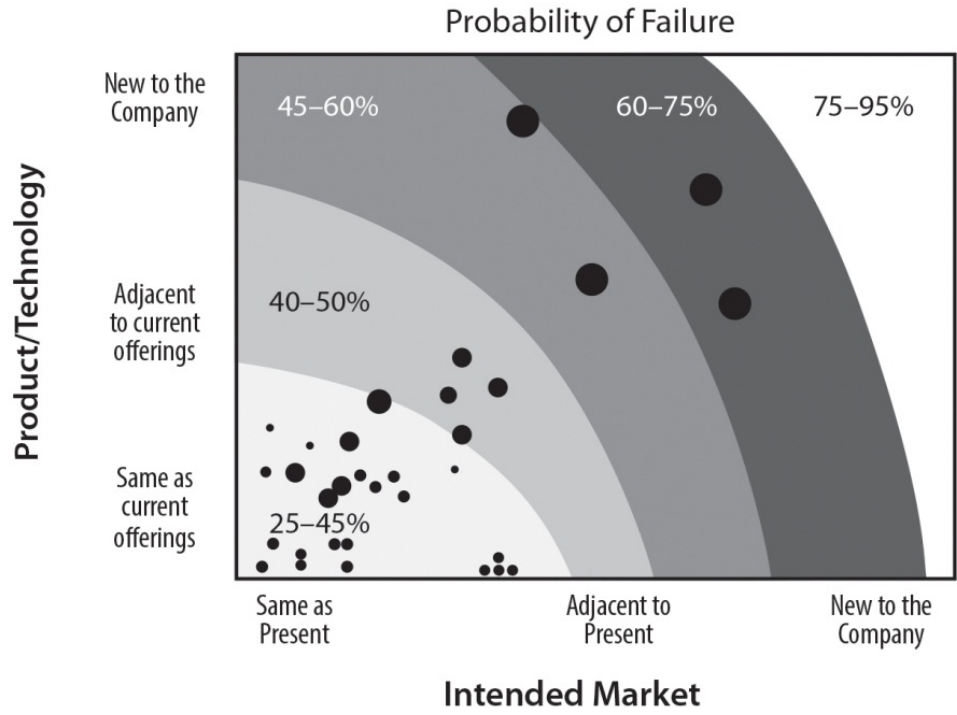
**Figure 1-2**  
**Momentum Forecasting and the Growth Gap**



**Figure 1-3**  
**The Innovation Risk Matrix**

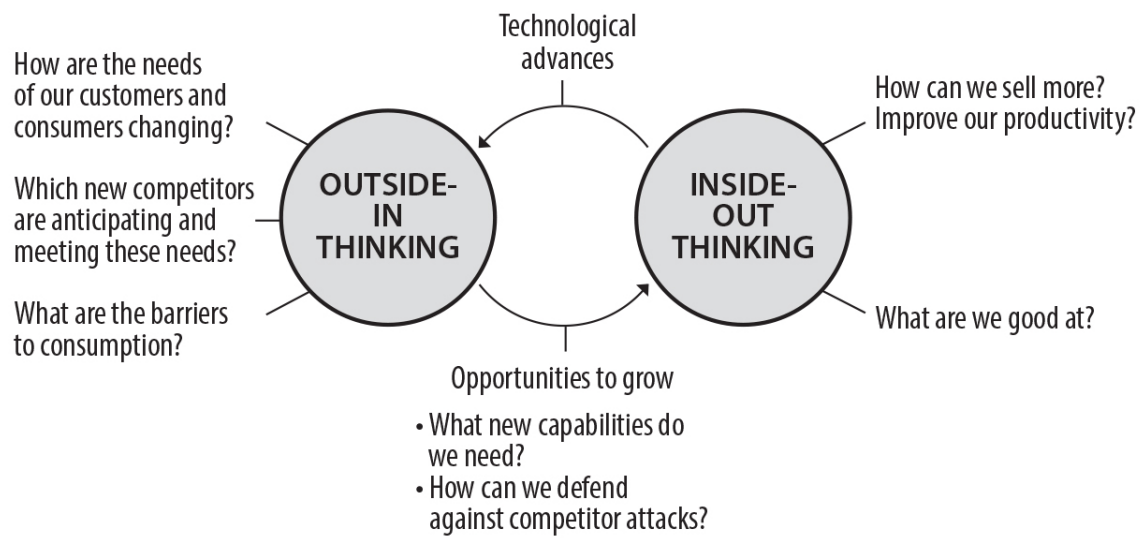


**Figure 1-4**  
**The Innovation Portfolio\***

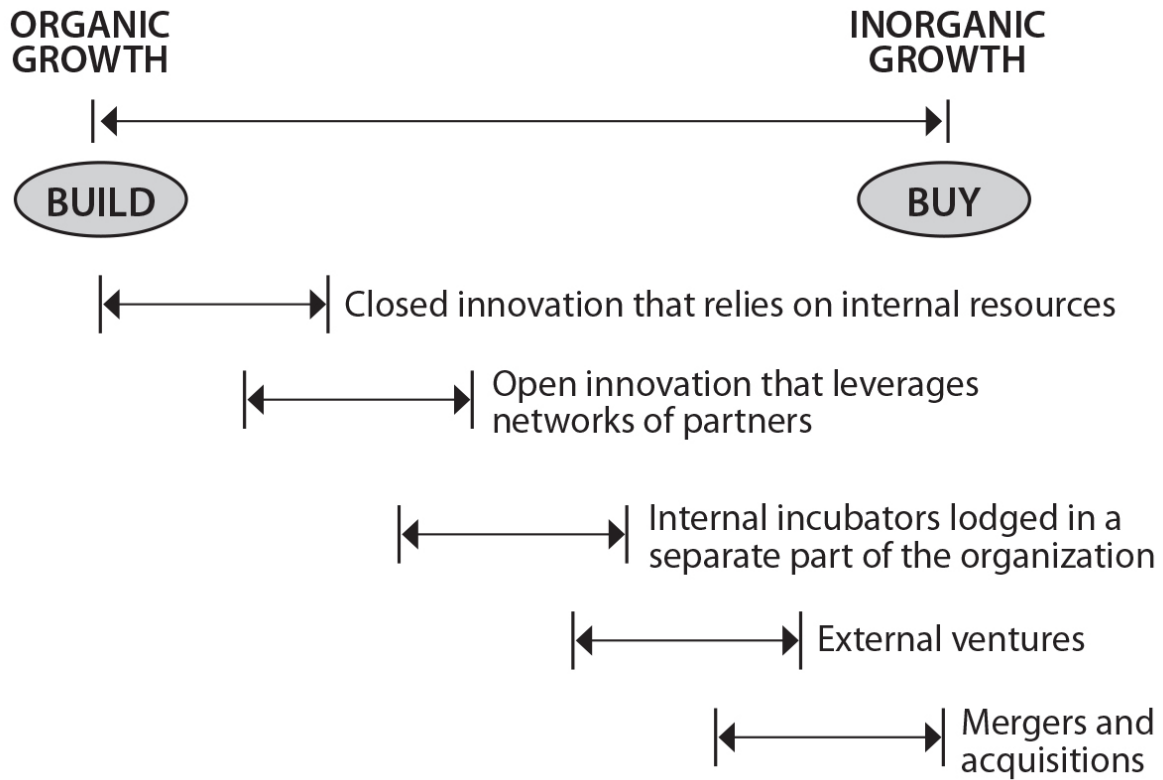


*\*The areas of the circles reflect the expected size of the sales (and/or profits) of the project relative to the other projects in the portfolio.*

**Figure 1-5**  
**Integrating Outside-In and Inside-Out Thinking**



**Figure 1-6**  
**The Organic–Inorganic Growth Continuum**

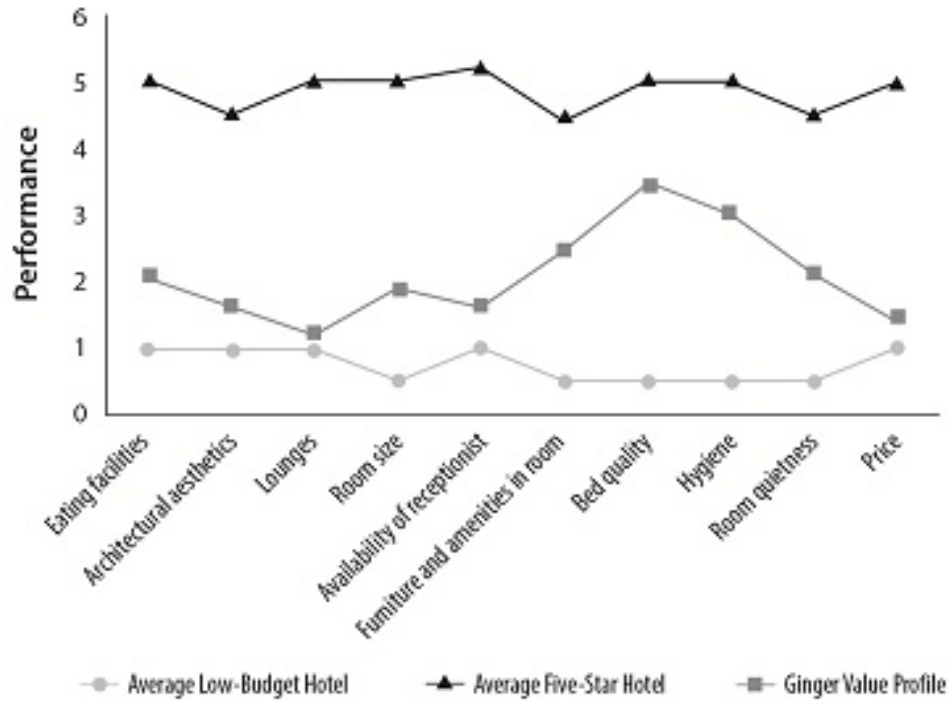




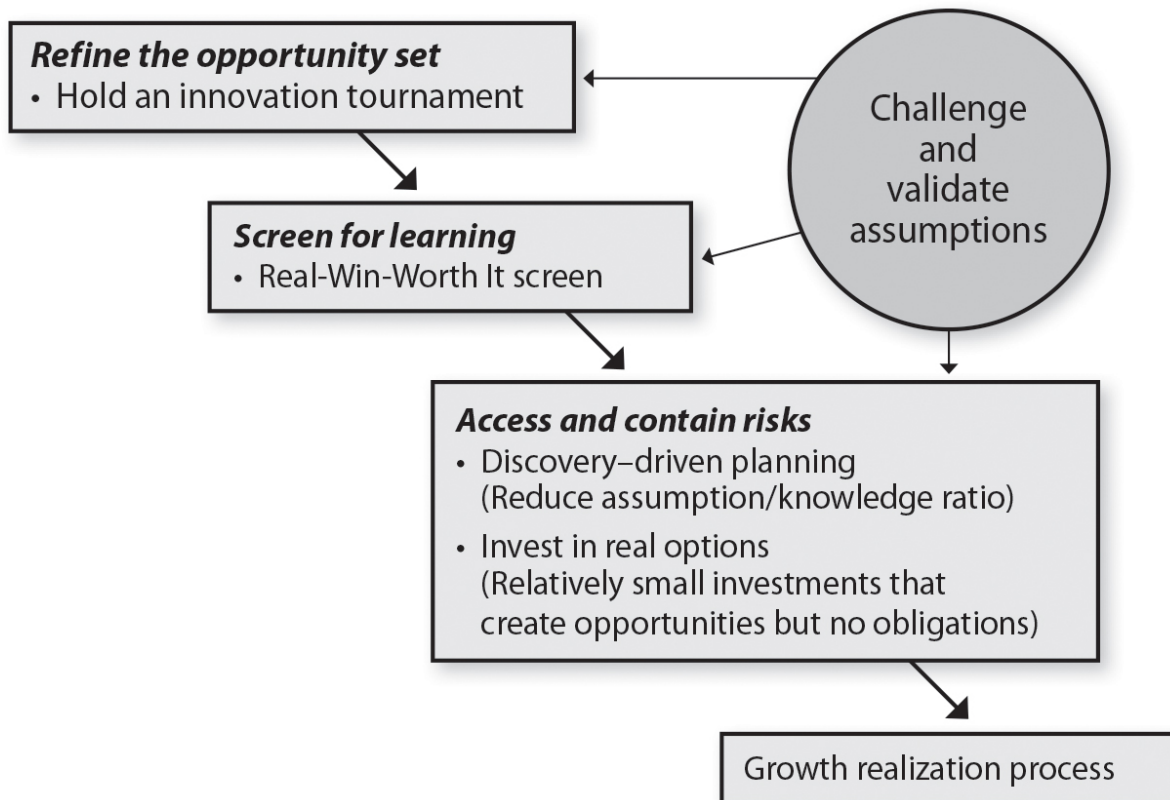
**Figure 2-1**  
**Full-Spectrum Innovation: The 14 Growth Pathways**



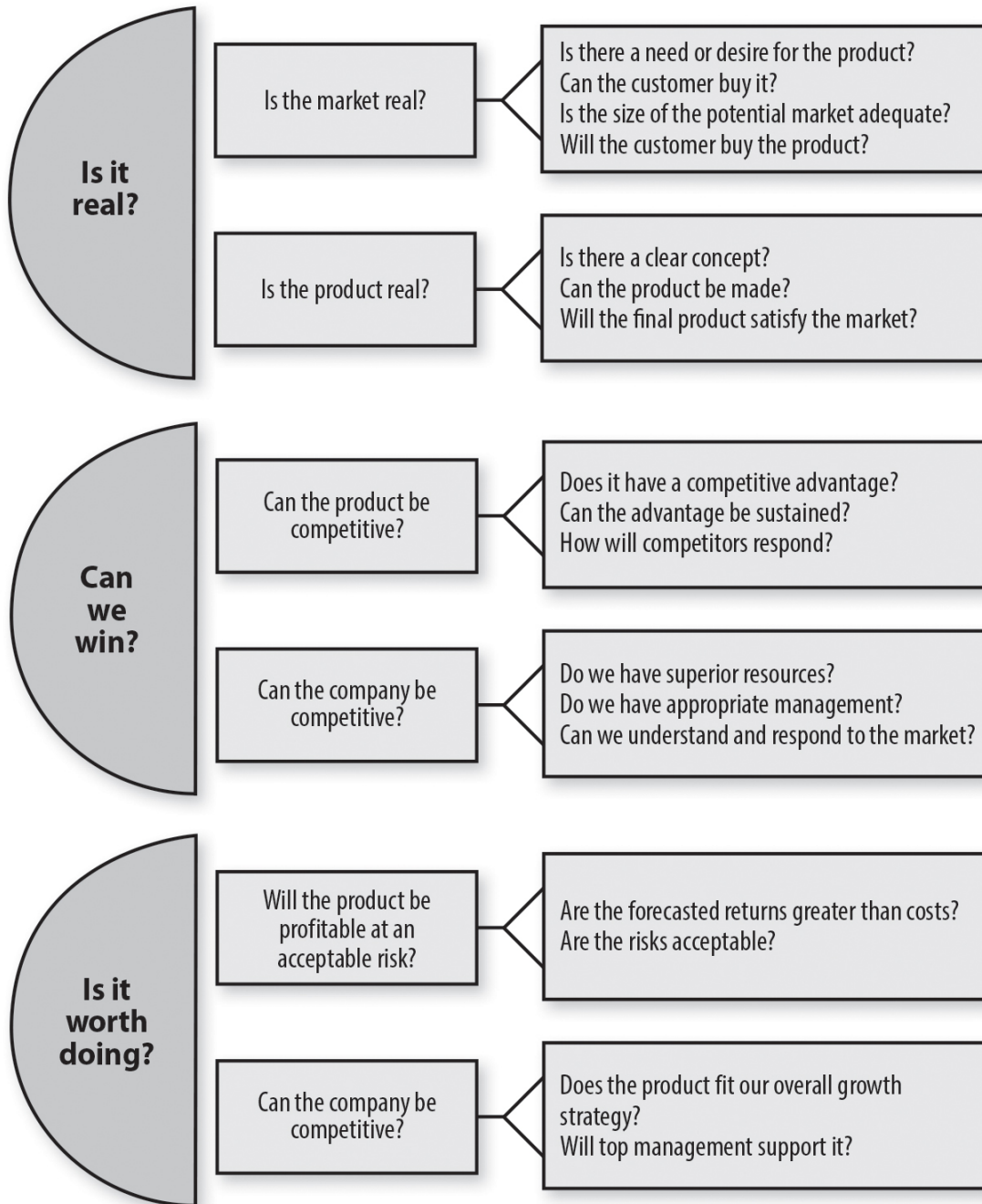
**Figure 2-4**  
**The Budget Hotel Market in India**



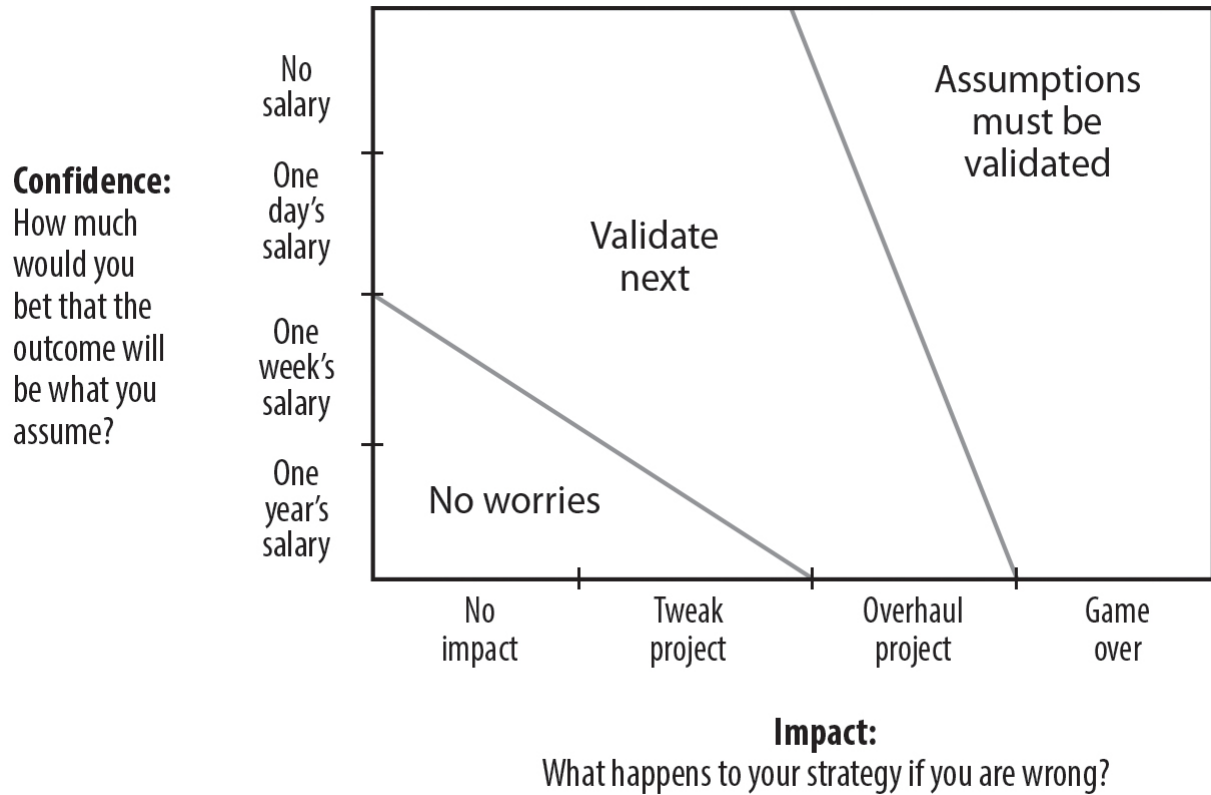
**Figure 3-1**  
**Converge on the Best Opportunities:**  
**Successively Tighter Filters**



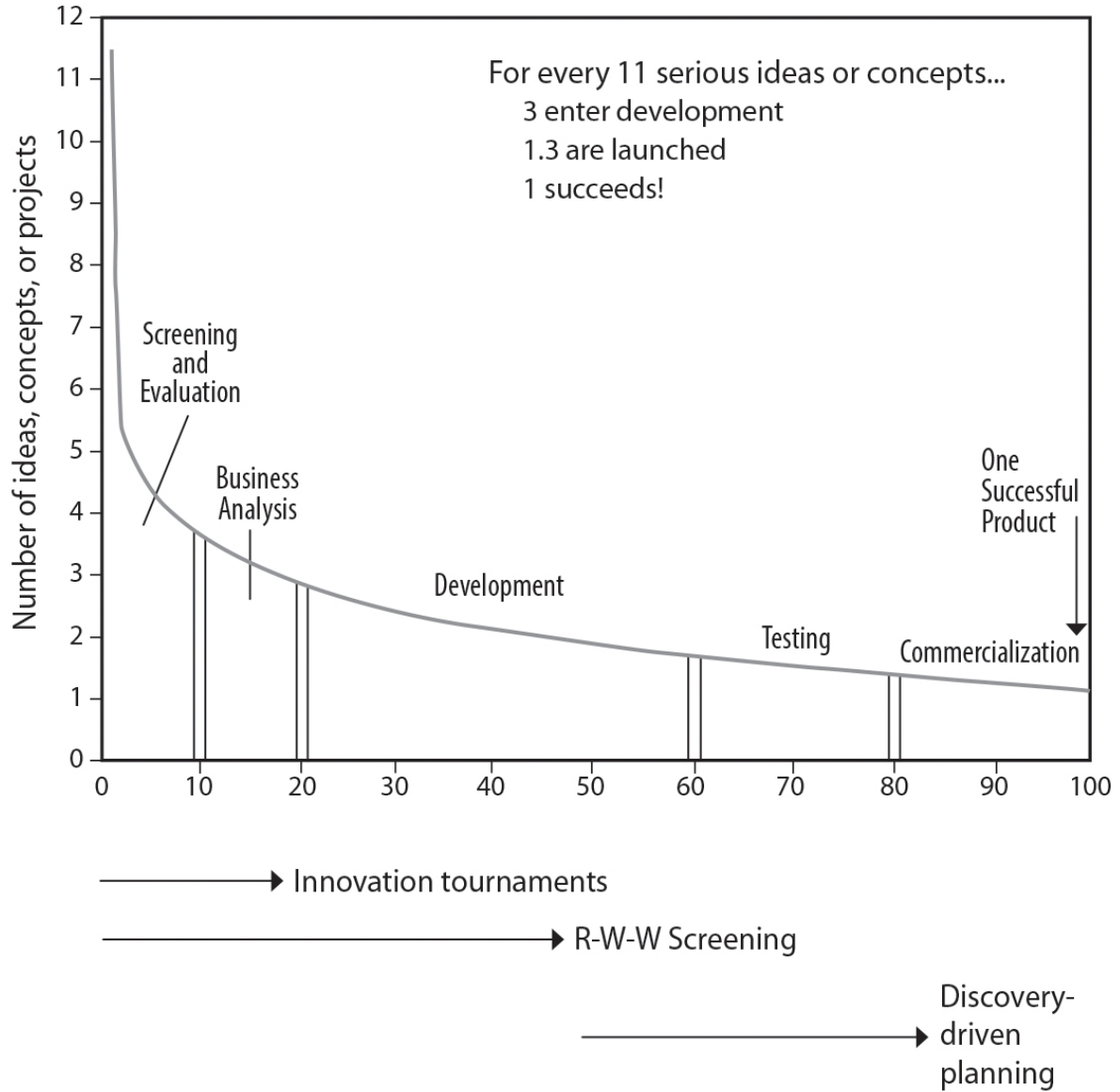
**Figure 3-2**  
**Screening for Success**



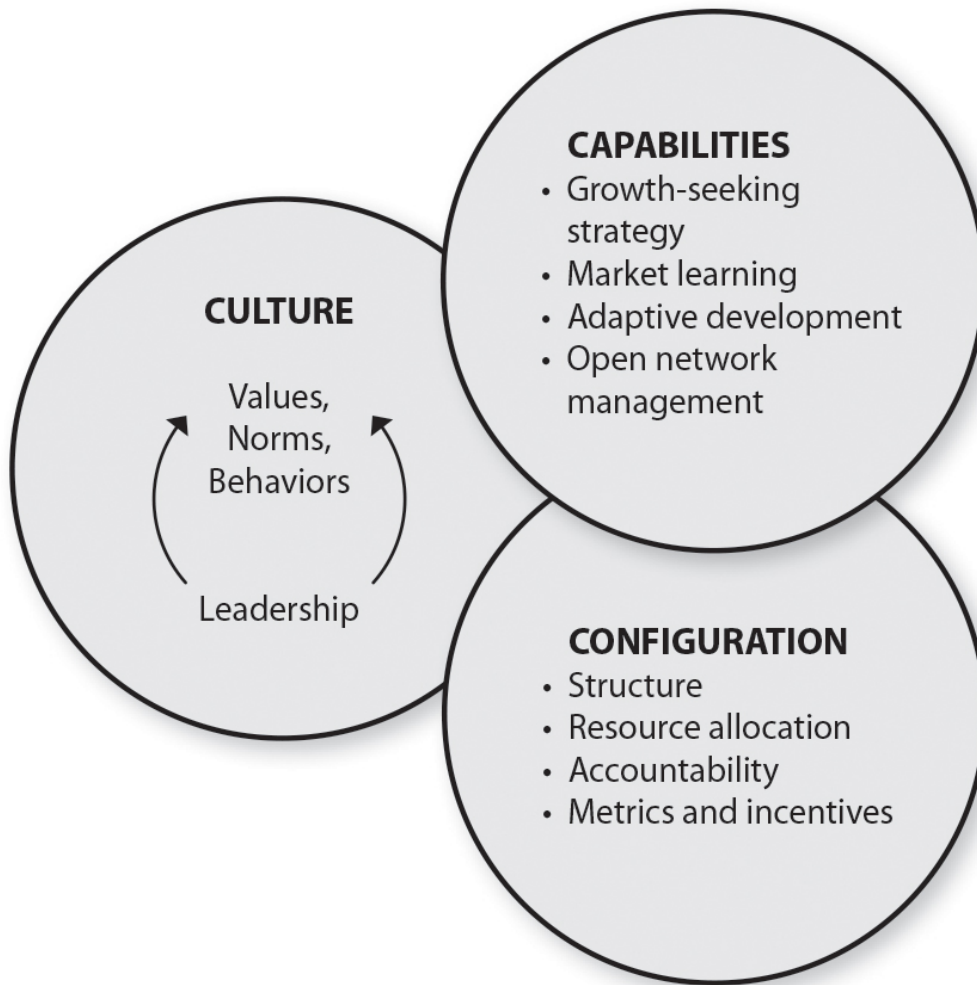
**Figure 3-3**  
**Prioritizing Assumptions**



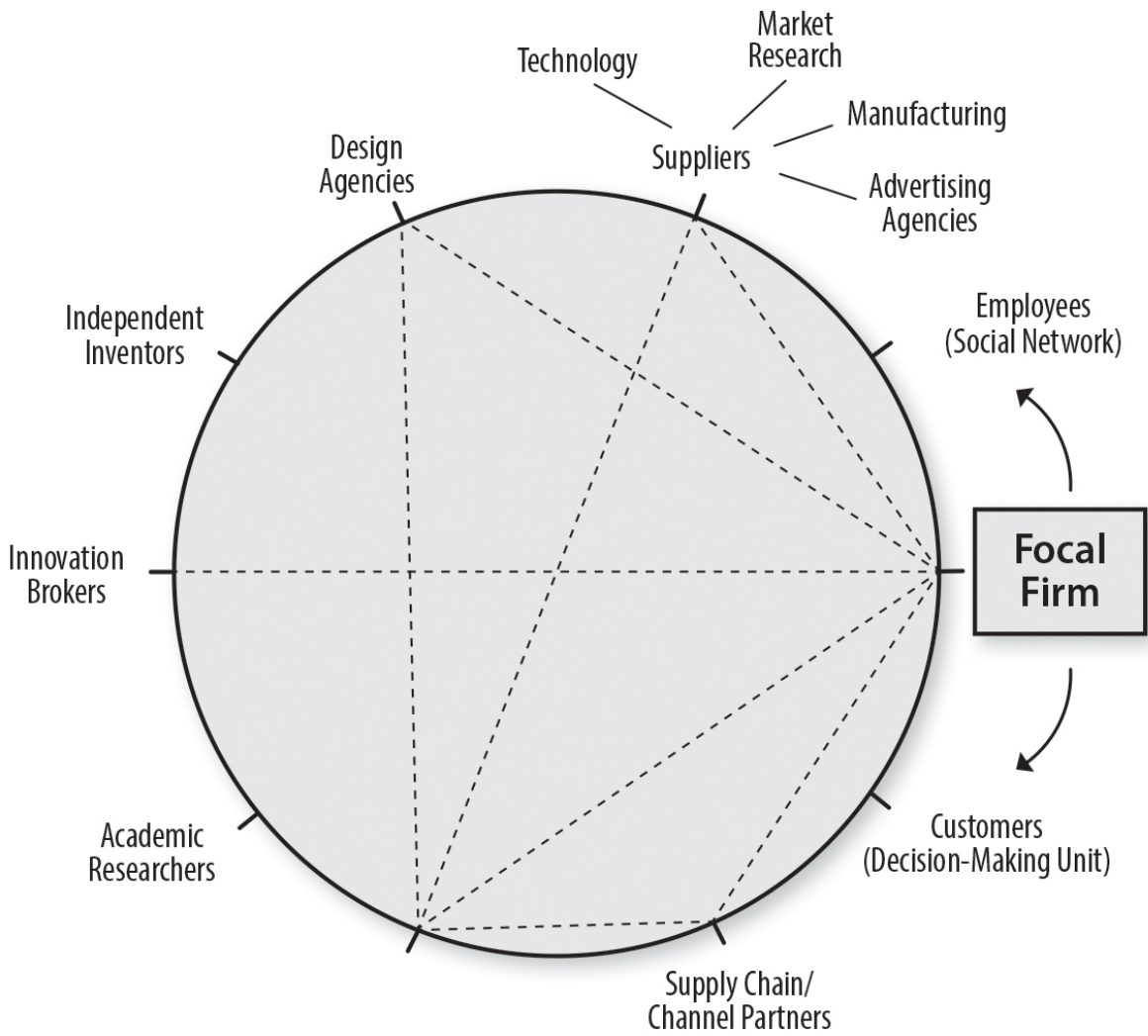
**Figure 3-4**  
**The Attrition Curve for Innovation Concepts**



**Figure 4-1**  
**Diagnosing an Innovation Ability**

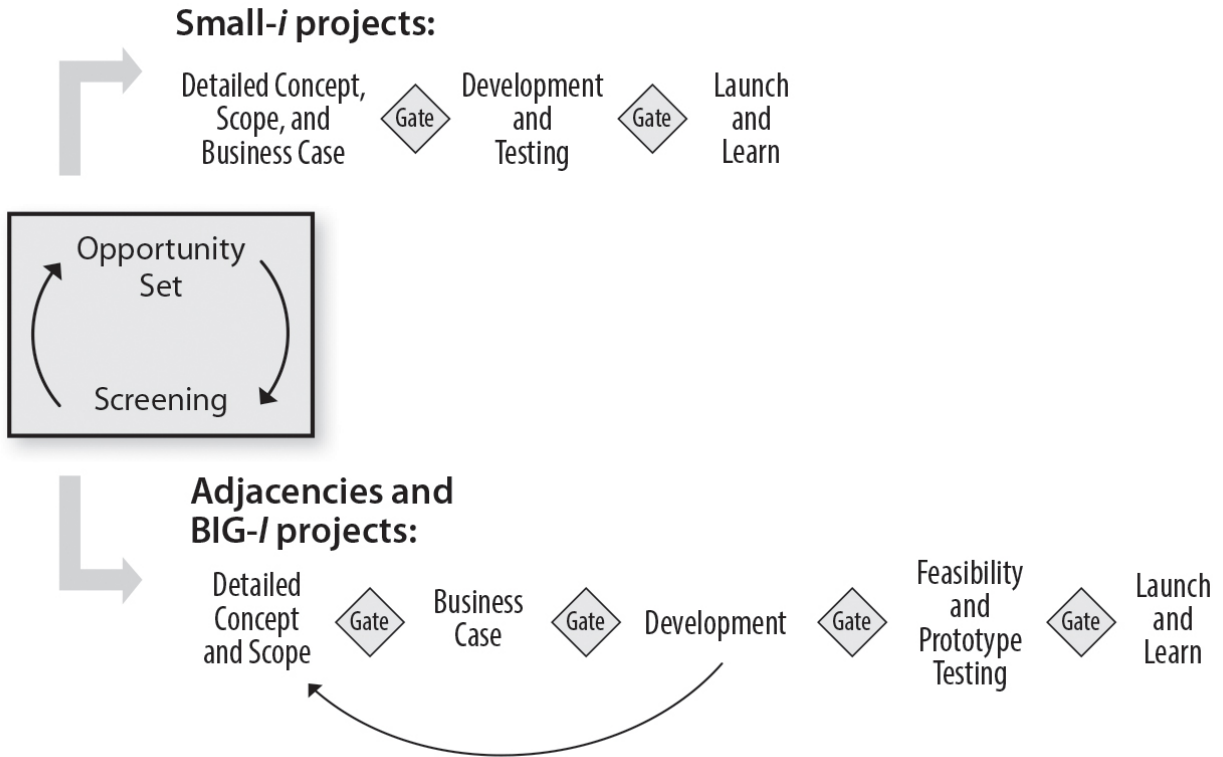


**Figure 4-2**  
**Innovating in an Open Network**





**Figure 4-3**  
**Variations on Stage-Gate Processes**



## Appendix A: Positioning Projects on the Matrix

	Intended Market				
	Be the same as in our present market		Partially overlap with our present market		Be entirely different from our present market or are unknown
Customers' behavior and decision-making processes will...	1	2	3	4	5
Our distribution and sales activities will...	1	2	3	4	5
The competitive set (incumbents or potential entrants) will...	1	2	3	4	5

	Relevance				
	Highly relevant		Somewhat relevant		Not at all relevant
Our brand promise is...	1	2	3	4	5
Our current customer relationships are...	1	2	3	4	5
Our knowledge of competitors' behavior and intentions is...	1	2	3	4	5
<b>Total</b>					
(x-axis coordinate)					

	Product/Technology				
	Is fully applicable		Will require significant adaptation		Is not applicable
Our current development capability...	1	2	3	4	5
Our technology competency...	1	2	3	4	5
Our intellectual property protection...	1	2	3	4	5
Our manufacturing and service delivery system...	1	2	3	4	5

	Comparison to Current Offerings				
	Are identical to those of our current offerings		Overlap somewhat with those of our current offerings		Completely differ from those of our current offerings
The required knowledge and science bases...	1	2	3	4	5
The necessary product and service functions...	1	2	3	4	5
The expected quality standards...	1	2	3	4	5
<b>Total</b>					
(y-axis coordinate)					