Connecting new generations **with a** legacy brand:
Designing a Theme–Based **innovation process for the** Heineken Innovation Lab

Colophon

Abbreviations

HLab	Heineken Innovation Laboratory
IL	Innovation Laboratory
DT	Design Thinking
MVP	Minimum Viable Product
GenYZ	Generations Y and Z (18+ years)
HD&S	Heineken Point of Sales Design and Sustainability
BA CC	Brand-Agency Co-Creation
CC	Co-Creation
SG	Stage-Gate
BML	Build-Measure-Learn Loop
OI	Open-Innovation
DD	Double-Diamond Approach
QS	Quality socialising

Abstract

Heineken wants to become more popular under generations Y and Z. Therefore, the Heineken Design and Sustainability team want to create the Heineken Innovation Lab. The HLab aims to be a playground for co-creation, a mix between a bar and design space.

However, co-creating means sharing unfinished ideas, innovations, and opinions with people outside the company. Heineken is a legacy brand and has a strict brand policy to ensure the brand's premium quality is maintained. Poorly executed creations or prototypes might water down the Heineken brand.

It is difficult for Heineken to relinquish their strict brand principles because they fear damaging or hurting the brand. However, these strict principles can overshadow creative space when working on the disruptive innovation the HLab wants.

This thesis aims to solve the following Research Question: How to set up a design and innovation process that balances creative freedom with a legacy brand and aims to create novel prototypes in the Innovation Lab of a multinational organisation?

The double diamond method is used in this thesis as a base for the process, which cuts the project into four distinguished phases: Discover, Define, Develop, and Deliver. This method provides the necessary structure for organising diverging and converging phases.

This research uses literature and interviews to gain insights into how to co-create without damaging a brand and what elements of Innovation methods the HLab should use. Furthermore, this thesis collaborates with the HLab team and external agencies during two workshops and several meetings. The workshops are used to realign the parties involved in the HLab and create a common ground and theme on which GenYZ can connect with Heineken.

The research found that there is no readymade method that the HLab can use to innovate with GenYZ. Rather, this thesis shows that combining elements of popular methods already proven to work within other Innovation Labs is a better option. This thesis finally proposes a specially crafted Innovation Flowchart for the HLab.

This Flowchart satisfies most requirements that were determined in the Discover and Develop phases. The Flowchart is based on Design Thinking, Lean and Open-Innovation methodologies.

Moreover, this thesis also found that Heineken and GenYZ have enough common ground to connect. The design of the Theme and Exploration Roadmap shows just one of the many possibilities to engage GenYZ with the Heineken brand effectively.

The thesis concludes by advising Heineken on how to start the process. The HLab should start by giving more authority to GenYZ and choosing believable external creatives who can be affiliated with Heineken. To protect the Heineken brand, the HLab should carefully pick communities or groups of like-minded GenYZ collaborators for co-creation and could use a sub-brand for outward communication.

Acknowledgements

Content

INTRO

Chapter 1: Introduction

Chapter 2: Problem statement

This first part of this thesis gives the introduction of the project. It is the pre-work for the design process process by combining the project goals that Heineken gave me with some first literature insights and design knowledge. This part is split into two chapters. In the following two chapters this part dives into the materials and theory of the introduction of this thesis. The next part of this thesis is the Discover phase in which I explain all the gathered information for the design process.

Chapter 1: Introduction

1.1: Introduction to Heineken

1.2: Status quo of the HLab

What you can find in this chapter

The following chapter introduces this graduation project. This part starts with an introduction to Heineken and the Heineken Innovation Lab (HLab). Thereafter, it describes the problem statement, stakeholders and scope of this project. This part concludes with a description of the research questions. The next part shows the approach that was crafted for this graduation project.

Chapter 1.1 introduces the brand Heineken, and its strategy. It shows what the most important challenges are for Heineken. Thereafter it introduces the Heineken Innovation Lab as a solution.

Chapter 1.2 begins by explaining what an Innovation Lab is. Secondly, it introduces the HLab and states the most important goals of the HLab. Thirdly, this chapter further elaborates on the HLab by explaining how the HLab team aims to develop the HLab.

1.1 Introduction to Heineken

This chapter aims to introduce the reader to the world of Heineken. This chapter starts by giving a general introduction to Heineken and the brand Heineken. The sections thereafter explain the three main challenges Heinekens faces that have caused the creation of the Heineken Innovation Lab.

Heineken is one of the most popular beer brands globally

Heineken is 149 years old and available in 192 countries around the world, calling itself the world's most international beer brand (Wij zijn Heineken® | Ons verhaal | Heineken.com 2022). David Aaker defines a brand as a set of assets (or liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service. The Heineken brand sells Heineken beer under the Heineken logo and artwork. They define themselves as witty, progressive, and having an open character.

Figure 1.1: Heineken is a globally influential brand (*Wij zijn Heineken® | Ons verhaal | Heineken.com 2022*)

Several brand indexes put Heineken among the most popular beer brands globally, with most competition from Corona Extra and Budweiser (Kantar 2022b) (Best Global Brands – 2022 (Interbrand) | Ranking The Brands n.d.) (Beer brand value worldwide 2021 n.d.).

The two main ways of measuring a brand's popularity are brand value and brand equity (Aaker 2022). Brand equity refers to the importance of a brand in the customer's eyes, while brand value is the financial significance the brand carries. Both brand equity and brand value are educated estimates of how much a brand is worth (Aaker 2022).

A combination of brand value and brand equity gives a good estimate of the status of a brand (Kantar 2022). Kantar, one of the worlds leading data and insights companies, calls this combination Brand power(Kantar 2022b). This is a highly accepted index that is also used by

Heineken internally. In this index, Heineken scores right behind Corona and Budweiser compared to other beer brands.

To conclude this paragraph, Heineken is one of the most popular global beer brands. They are also one of the biggest and most globally represented. Suffice it to say that Heineken would like to keep it that way.

How Heineken remains a popular beer brand

Heineken has always been progressive and innovative, they say it is in their DNA (Wij zijn Heineken® | Ons verhaal | Heineken.com 2022). But Heineken's main product, beer, has been the same for roughly 450 years. So to make people worldwide recognise their progressiveness and innovativeness. One might ask if Heineken is really as Innovative as they say.

Heineken claims to be more creative than other beer brands by building a complete experience (Mark van Iterson, Heineken design). This complete experience is created through innovations different from beer. The paragraph below gives examples of these.

Heineken shows its progressive character in witty commercials and by sponsoring big events. Another area that Heineken aims to innovate in is through their packaging and bottle design. But because of their heritage and strict brand policies, this design has stayed mostly the same. However, they specialise in designing limited editions or festive special aluminium party bottles. Lastly, Heineken is one of the first brands to provide at-home draft beer in various shapes. Beer tender, the keg, the sub, etc.

Figure 1.2: Old Heineken bottles & New Heineken products Lineup (*Wij zijn Heineken® | Ons verhaal | Heineken.com 2022*)

Figure 1.2 above shows a few items out of the Heineken assortment with an old and an aluminium bottle. Heineken sells three types of lager beer: Original, 0.0, and Silver. All beers are available in glass bottles and cans with shapes varying per country. Heineken also sells home draft equipment in the shape of the Sub and the Blade.

Figure 1.3: Screengrab from Heineken commercial (Wij zijn Heineken® | Ons verhaal | Heineken.com 2022)

Heineken is under pressure from new generations

Lager beer is under pressure from other drinks. Moreover, so is Heineken, whose main product is lager beer. Lager beer is especially under pressure by GenYZ, who prefer sweeter, low-calorie drinks, speciality beers, and seltzers (Elgy 2022b). Heineken notices this pressure by evaluating their brand assets with market research.

Generation Y, also known as Millennials, generally refers to individuals born between 1981 and 1996 and are often characterised as tech-savvy and socially conscious. Generation Z, also known as Zoomers, generally refers to individuals born between 1996 and 2012 and are often characterised as digital natives with a strong focus on social justice and environmental issues. (Generation Y (Millennials) 2018)
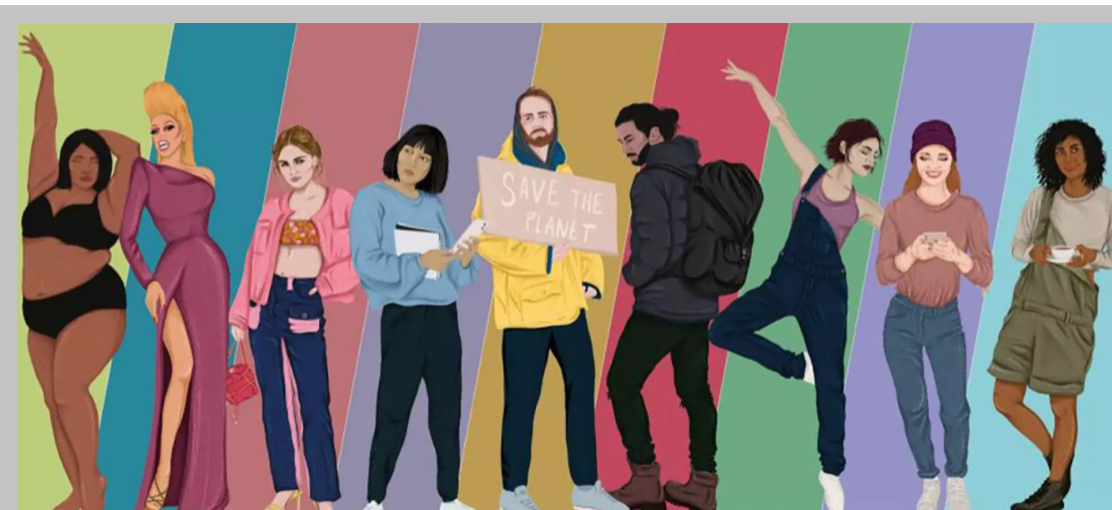
Figure 1.4: A depiction of the different types of customer groups within GenZ (Gen Z : The Beauty of Tribes | SEPPIC n.d.)

Butterfly is one of the agencies that perform market research on the Heineken brand. Their latest research pointed out that lager beer is losing territory because it lacks a good connection with younger generations (Curtis 2021). Lager beer is not popular or hip.

Besides Butterfly, IPSOS and Polaris have conducted separate research for Heineken that points out the lack of good connection of younger generations with lager beer (Cawthorne 2022; Curtis 2021; Discover ai. Future of Socialisation.pdf 2022).

GenYZ are important because they represent 54% of customers' spending power worldwide (Elgy 2022b; Gen Z Has $360 Billion to Spend, Trick Is Getting Them to Buy 2021). They will dictate the economy around drinks in the coming years. GenYZ will be the most influential generations for the coming decades. Thus, Heineken must understand them and act to suit their needs.

Heineken is noticing this change in generational habits and needs by looking at the spending habits and lager beer sales compared to other drinks sales. Lager beer sales are growing slower than, for example, seltzer sales. Although, this is to be expected because seltzers are a relatively new product category. New product categories usually grow faster than existing ones. Nevertheless, research indicates a trend of young Customers more regularly opting for a different drink than beer. Especially the age groups under 30 years (Elgy 2022a).

Moreover, Heineken notices the impact of changing generations through brand measurement tools and research on Heineken's behalf (Curtis 2021; Discover. ai. Future of Socialisation.pdf 2022; Kantar 2022b).

These tools and research show that brand power has declined over the past five years. Figure 1.5 shows a decline in Heineken's Brand Power. Brand Power, as measured by Kantar, is the ability of a brand to attract a share of its particular market by influencing buying decisions. The figure shows that Kantar measures it as the sum of three values: Meaningfulness, Difference, and Salience.

Meaningful, different, and salient brands derive three times more of their volume from the brand's strength. It is thus important to grow these properties of the brand (Kantar BrandZ Global report, 2022).
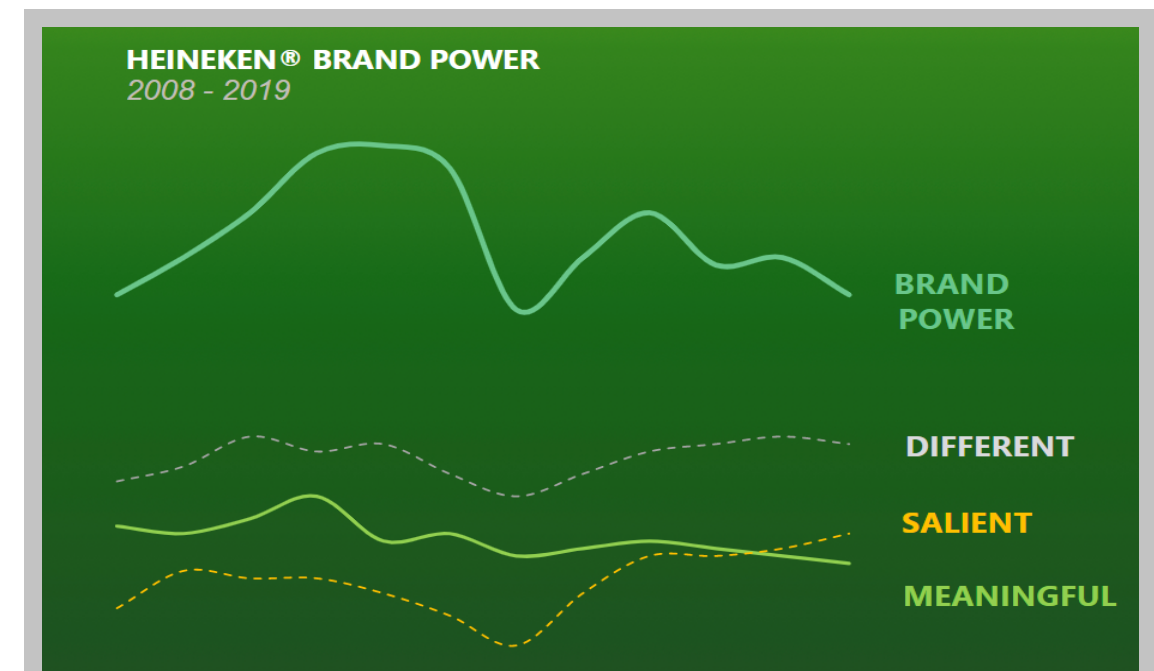
Figure 1.5 Heineken Brand Power (Westenbrink 2022a)

The difference value means: delivering a brand property that others do not. This value has remained steady over the last couple of years, but a slight drop can be seen in the figure (Kantar BrandZ Global report, 2022).

The salience value is the degree to which your brand is thought of or noticed (Kantar BrandZ Global report, 2022). This value has been growing over the last couple of years. People notice and think of the Heineken brand more often.

The meaningfulness value is defined by its impact on our personal and collective well-being, plus its functional benefits (Kantar BrandZ Global report, 2022). The meaningfulness of the Heineken brand has been dropping in the last couple of years.

The research for Heineken concludes that this is due to a low connection between GenYZ with the Lager beer category and Heineken(Cawthorne 2022; Curtis 2021; Discover. ai. Future of Socialisation.pdf 2022). Heineken acts on this by adapting their global strategy to become the #1 beer brand of choice for GenYZ by innovating more (Westenbrink 2022a). Which should also improve the balance between heritage and innovation for Heineken. The next paragraph introduces Heineken's innovation capabilities and explains the challenge that Heineken has to innovate for GenYZ.

Innovation becomes more important for Heineken

Competitors are gaining on Heineken in various ways and markets (Westenbrink 2022a). So new management strategies within Heineken dictate that Heineken has to amp up their game and focus more on innovation. They believe that Heineken can revolutionise the lager beer industry just like Starbucks did with the coffee industry(Bakker 2022).

Revolutionising a category that has stayed roughly the same for 450 years is no small feat. Heineken needs disruptive innovation for this. But disruptive innovation in a large corporation is difficult. Let alone innovating and changing a brand like Heineken.

Heineken has been a dominant player in the beer market for a long time, with clear brand assets, making it a legacy brand (Wakeshima 2022). For Heineken to remain dominant, they followed strict principles, design language, and built on its heritage. Heineken has more to lose because they have worked hard on creating their brand. Small mistakes can easily be backlash and hurt the brand.

For example, in 2018, Heineken launched an ad for the Heineken Light beer. Several media outlets reported this ad as racist, as seen in Figure 1.6, and Heineken was forced to pull the ad. Although no losses on the stock of Heineken can be seen during that time, the negative attention might have led to a loss in the brand image of Heineken. Not a lot later, Heineken pulled its light beer from the market. It was not a success.

Figure 1.6: Trevor Noah on the popular Daily Show backlashing racist Heineken's Light Beer ad (Heineken Pulls 'Lighter Is Better' Ad After Outcry Over Racism – The New York Times n.d.)

The packaging designs and logo have always followed the heritage of Heineken. On the one hand, this is because of the Heineken family's impact on the brand. On the other hand, it is because of what Customers perceive as premium for a brand. However, this also means that Innovation-wise, the Heineken brand has not changed significantly over the last 150 years. Furthermore, Customers now perceive the once-progressive character as less progressive.(Westenbrink 2022a).

Customers abandon legacy brands because only building on nostalgia is not enough anymore (Reed and Kahn 2019). Legacy brands need to balance their heritage on an emotional level with innovativeness on a product level (Reed and Kahn 2019).

Apple, Patagonia, and Nike are good examples of companies with a good balance of heritage and innovation. They also strongly connect with GenYZ. These three companies score very high in the Kantar brand index (Johan Lanseng and Erling Olsen 2012; Kantar 2022b).

These brands connect through their innovations (Apple), nature-positive attitude (Patagonia), and strong personalisation and creative freedom in their products (Nike).

Furthermore, the family shareholders still decide the general direction Heineken needs to go. Also, shareholders usually have a short-term vision aimed at profit instead of a long-term vision aimed at strategic innovation (Freeman and Engel 2007). Meaning that in companies where stakeholders focus too much on their own needs of short-term profit, it is more difficult to embed a focus on the long-term strategy that innovation asks for.

Lastly, the strict processes and defined structures that allow for mass-scale operations in large corporations give difficulties in disruptive innovation. They do not allow for a fail, fast, try again mentality that disruptive innovation uses(Freeman and Engel 2007; The Most Commonly Cited Barriers to Innovation in Large Companies? Internal Politics n.d.; Viki n.d.).

This paragraph concludes by stating that Heineken needs to balance their heritage and innovation capabilities to improve their connection with GenYZ., But, the company's organisational structure and strict processes make it hard to apply new innovation principles that disruptive innovation needs.

The new Heineken strategy dictates that Heineken needs to innovate more to regain its progressive character and revolutionise the Lager Beer category

Sustainability for Heineken

The third and last point that Heineken is currently working on is sustainability (Westenbrink 2022b). climate change has finally become a generally excepted truth. Moreover, customers and governmental legislation push large corporations to become more sustainable.

Furthermore, research has shown that young Customers are willing to pay more for a product when it is more sustainable(Elgy 2022b). Heineken responds to this by making their overall goal to become carbon neutral across their own value chain in 2030 and across their whole supply chain in 2040(Wij zijn Heineken® | Ons verhaal | Heineken.com 2022).

This goal is very ambitious as Heineken produced 17.7 million tonnes of CO2 equivalent in 2020, a reduction of 11% compared to 2019 (Heineken n.d.). Interviews with Heineken employees show that most do not know what the goal of becoming carbon neutral means.

Right now, Heineken falls short of delivering their sustainability promise. There are still many improvements in merchandise, glass use, resource use, and energy use. So they would benefit from more insights or innovations that improve the sustainability of their business.

Lastly, Heineken has noticed that enforcing its sustainability strategy in outward communication through marketing channels in Brazil is very good for its brand perception and customer satisfaction (internal conversations).

Because of the strong advocacy for a greener city in Brazil, Heineken is the 3rd most popular brand there. Heineken, however, has mostly been able to show their green side to Brazil by using green energy in their production chain. So also, in Brazil, Heineken can take more steps to improve their sustainability.

To conclude, government legislation and customers push Heineken to become more sustainable. Especially younger Customers will create a better brand connection with Heineken when Heineken pushes a sustainable brand perception. Heineken acts on this and has strategies in place for becoming more sustainable. To get there, they still have much area to cover, but the knowledge of doing this is not widely available to their employees.

Key insights of the challenges for Heineken

1.   There is a drop in connection between GenYZ and Heineken. GenYZ is becoming the most influential generation in the coming years. These generations do not like lager beer because the culture of lager beer does not connect to their values and habits.

2.   Heineken wants to innovate more, but innovating a legacy brand of a large corporation brings several difficulties. Heineken's strict brand policies and organisational structure do not allow disruptive innovation. Also, Heineken's conventional innovation processes do not allow for a fail-fast mentality of disruptive innovation.

3.   Finding ways to deliver on their sustainability promises. Implementing sustainability in Brazil taught Heineken that it is a good way to go. However, implementing sustainability in things beyond green energy is new for Heineken. Lastly, Heineken employees do not have actionable insights on how to be more sustainable in their jobs.

A solution to Heineken's challenges

The Heineken Design and Sustainability team acts on Heineken's problems by creating a customer-facing design & Innovation Lab. The main goal of this lab is to make Heineken the number one drink brand for GenYZ by using design to reinvigorate the Lager beer category and the future of socialising.

The HLab plans to achieve this goal by co-creating with creatives with good knowledge and connection with GenYZ. Co-creation is the collaborative process of creating new value with external experts and stakeholders (Veenhof and Pater 2019). This way, the HLab team hopes to create sustainable innovations that take the Heineken brand closer to GenYZ.

Furthermore, the HLab will be a public location to showcase and test these innovations for real-time feedback. However, this lab is a work in progress. The next chapter explains the status of the lab and what Heineken plans to do to finish the project.

Summary of chapter 1.1 Introduction to Heineken

Firstly, this chapter has explained that Heineken is one of the most popular beer brands globally and wants to keep it this way. Still, they face many challenges. The first is: addressing a new generation that does not like their main product, the second is innovating in a large corporation, and thirdly, Heineken needs to become more sustainable. This chapter points out that creating a design and Innovation Lab is one of the solutions for combating these challenges. This chapter concludes that the goal of the HLab aims to get closer to GenYZ by innovating more and being more sustainable. The next chapter: Status Quo of the Heineken Innovation Lab Project, explains the goals and strategy of the HLab and the approach Heineken has crafted for developing the HLab.

1.2 Status Quo of the Heineken Innovation Lab Project

The previous chapter explained that the Heineken Design and Sustainability Team wants to create an Innovation Lab to battle and solve Heineken's challenges. This chapter explains what the Heineken Design and Sustainability Team means with their Innovation Lab and how they aim to develop it. The first section of this chapter starts by explaining what an Innovation Lab is, followed by what Heineken means by their Heineken Innovation Lab (HLab). The next section states Heineken's goals and strategy for the HLab. The Heineken Innovation Lab is still a work in progress. However, the HLab team has created an approach to defining the HLab. This chapter describes the approach they aim to follow to create the HLab. The last section explains the stakeholders in the HLab project. The next chapter gives insight into how this graduation project fits into the HLab project by stating the challenges of the HLab project that this project addresses.

What is an Innovation Lab?

This section aims to give a definition of Innovation Labs in general. Chapter 3.1 clarifies the different types of Innovation Labs and how the HLab fits among them.

Since the early 1980s, different kinds of Innovation Laboratories have risen (Lewis and Moultrie 2005). Over the past few years, Innovation Labs have become common practice for corporations in almost all industries (From AT&T To Xerox 2021).

Although Innovation Labs can hugely differ, like in which sector they operate or the organisational process they use (What is an Innovation Lab? 2021). They all share that they are dedicated facilities for encouraging creative behaviours and supporting innovative projects (Lewis and Moultrie 2005).

An Innovation Lab is a partly separated organisational unit with the mission to work on innovation initiatives that demand capabilities (resources, processes, values) distinct and different from those of the core organisation (van der Meer, Selig, and Stettina 2021).

Lastly, although the idea of an Innovation Lab seems grand and a fitting solution to an organisation's innovation problems, many labs have not succeeded in attaining their goals (Ahuja 2019, 2019).

Because of the huge diversity of Innovation Labs and their different challenges, it is important to define what Heineken means with their Innovation Lab to see which challenges the Heineken Lab could face (Tõnurist, Kattel, and Lember 2017; Zivkovic 2018). The next section describes what Heineken means with their Innovation Lab.

What does Heineken mean with their Innovation Lab?

The name Heineken Innovation Lab is a bit misleading. The title Innovation Lab can mean many things, and people thus interpret it in many different ways (van der Meer, Selig, and Stettina 2021). These different interpretations were also noticed through conversations with Heineken employees during the research.

This section will give the general ideas and strategy of the HLab, to help the reader understand what Heineken means with an Innovation Lab. However, the ideas and strategy are not set in stone because the HLab is still in its design and development phase not all parts of the HLab are certain.

A playground for co-creation

According to the HLab team members: The Hlab is going to be a playground for co-creation with all sorts of creatives, a test kitchen to try out prototypes, and a showroom to connect with and to teach the public about Heineken's progressive and open-minded character.

It is a long-term project with learnings along the way to stay agile and create new concepts that challenge the qualitative socialising domain. By co-creating meaningful experiences, collaborations, and testing on the spot.

'It is our laboratory to explore new things, new brewing techniques, new flavours, new rituals, new experiences, new music, new art, and design to shape the future.' ~ Heineken Lab team

Physical location

The HLab will be a physical space of around 500 m2 with different rooms, of which some are open to the public and some are not. It will consist of an open bar where people can enjoy Heineken's newest innovations and design spaces where creators can develop these innovations. Next to this, Heineken plans to design a special multi-sensory room to flavour test drinks in different physical environments.

What are the goals for the HLab?

The goal of the HLab follows Heineken's strategy. Heineken is a corporate profit-based company. They need to grow their sales more than their competitors to increase the trust in the company for the stock owners. Therefore Heineken's main goal is to gain more revenue with fewer expenses. In short, earn more money selling beer but producing it more cheaply.

Making more profit does not mean that Heineken has to sell more beer. Selling less beer for a higher price is more favourable for Heineken, as it creates more premium brand equity (Westenbrink 2022a). This also means that initiatives driving the brand equity of Heineken in terms also drive profit.

The HLab functions only to drive the main Heineken brand. Directly or indirectly, it should stimulate Heineken's goal. Without funding from Heineken, the HLab cannot exist as it won't be profitable. As the Hlab won't sell much beer, they have to drive the profit of Heineken indirectly.

The Heineken Design and Sustainability team mainly exists to stimulate the Heineken brand and increase brand equity. They do this with packaging design merchandise and special operations like the HLab. Therefore, the HLab should stimulate the Heineken brand equity in one way or another.

To improve brand equity with the HLab, the Heineken team has developed the following goal:

"Make Heineken beer the #1 drink for Generation Y and Z in Quality socialising and reinvigorate the Lager beer category by co-creating sustainable and progressive innovations."

This main goal needs further clarification:
- GenYZ are Heineken's target group chosen for their strategy (Westenbrink 2022a).
- Quality socialising is an internal Heineken term and points to the moment of socialising in which Heineken fits. This moment consists of feeling good and looking good while drinking a beer and having a good time with friends. It is not a party vibe nor a moment of being alone and taking care of yourself (Curtis 2021). A more elaborate explanation of Quality socialising (QS) can be found in Chapter 3.
- Heineken is a lager beer brand. This is part of its heritage and a strict policy within Heineken. However, lager beer has almost always been the same across all brands. Heineken feels that still, within lager beer, many new beer flavours and ways of drinking and socialising can exist (Bakker 2022). The HLab's goal is to test this
- Another important point in Heineken's strategy is becoming more sustainable (Part 1, Chapter 1.2). Since this is new for Heineken and they don't know how to convert their existing products, they also want the lab to test new sustainable innovations (Conversations with Heineken employees).
- Lastly, within the design team, the belief in co-creation is firm. Co-creation is the collaborative process of creating new value with external experts and stakeholders (Veenhof and Pater 2019). Because of earlier successes with co-creation, the Heineken design team wants to explore this option further.

Using brand agency co-creation to develop the HLab

Heineken does very little in-house. They minimise the number of own employees and employ agencies for the bulk of the work. The HD&S team uses other agencies to do most of the research, designing, and innovation work, while Heineken employees manage and decide what to produce.

This collaborative approach to projects finds its way back to the HLab development. The next section explains how the HLab team plans to develop the HLab by engaging in brand-agency co-creation.

What is Brand-Agency co-creation?

Brand-agency or client-agency co-creation is a form of Open-Innovation that uses external agencies to introduce novel ideas, information and ways of working into a company by closely working together (Calderwood, Koslow, and Sasser 2021).

Open innovation uses purposive inflows and outflows of knowledge to accelerate internal innovation and expand the markets for external use of innovation, respectively (Chesbrough 2017). In brand agency co-creation, it is important to stress collaborativeness in a project.

The client does not steer the agencies and tell them what to do. It is a collaborative approach to define what to do together and determine who should do it. A stable-client-agency relationship is, therefore, important.

The HLab is a project from the Heineken Design and Sustainability team. The initiator and the current main decision maker in the HLab project is the HLab team.

The HLab team consists of Caroline van Hoff (senior design manager at Heineken Global), who is responsible for the overall holistic overview of the Lab. Ruud Bakker (Innovation manager at Heineken Global), responsible for beer and drinks innovation strategy and input from Heineken innovation. Thijs Philippus (junior design manager at Heineken Global) is responsible for gathering information from the agencies through organising workshops, weekly meetings and briefings. And finally, I, the writer of this thesis (graduation intern).

The HLab team only consists of four employees, including me. These employees don't work full-time on the project. Thus, the HLab team needs more help to finish the project in a reasonable period. To make up for this, three agencies participate in brand-agency co-creation to develop the Hlab.

Heineken uses brand-to-agency co-creation for many of its projects. The Design and Sustainability team calls themselves a team of teams (Internal presentation). So for the HLab, this was an obvious choice to make. However, Heineken can engage in brand-agency co-creation in multiple ways (Calderwood, Koslow, and Sasser 2021).

The following paragraphs show how the HLab team plans to use brand-agency co-creation to develop the HLab with external agencies JLL, Love Creative, Savanta, and Virtue - Vice media.

Workshops

The HLab team's approach to co-create the Hlab is based on workshops. These workshops are one-day-long creative sessions to define one of the four parts of the HLab. Beerlab, Bar, Lounge, Program. Firstly the next paragraph explains these four HLab areas

Beerlab, Bar, Lounge, and Program

The design process of the HLab splits the Hlab into four areas or parts. These are not physical but conceptual, strategic parts that aim to be the areas of creative possibilities for the HLab to explore.

The design phase before June 2022 gave the areas an initial description. In the first part, the BeerLab, Heineken aims to co-create to develop new beer tastes and experiences. This part also includes the multisensory room.

The second area is the Bar. Besides being an embodiment of a futuristic bar vision, it is also the idea of what to innovate around the bar. Everything from socialising around the bar to serving rituals and bar personnel.

The third area is the lounge. This area also focuses on socialising, serving rituals and personnel, but with table service.

The fourth and last area is called the Program. Which means everything Heineken can do and try in the HLab. From music festivals to artist exhibitions, anything to get closer to GenYZ. The definition of the program is a bit more tricky. Some misunderstandings about this area formed throughout this project. The understanding of some of the agencies was: what to do in the HLab and when. Later in the process, the HLab team clarified the definition to the agencies.

Figure 1.7, below, shows a diagram of the whole approach from June 2022 onwards. The rest of this chapter uses the figure to explain the approach of the HLab project.
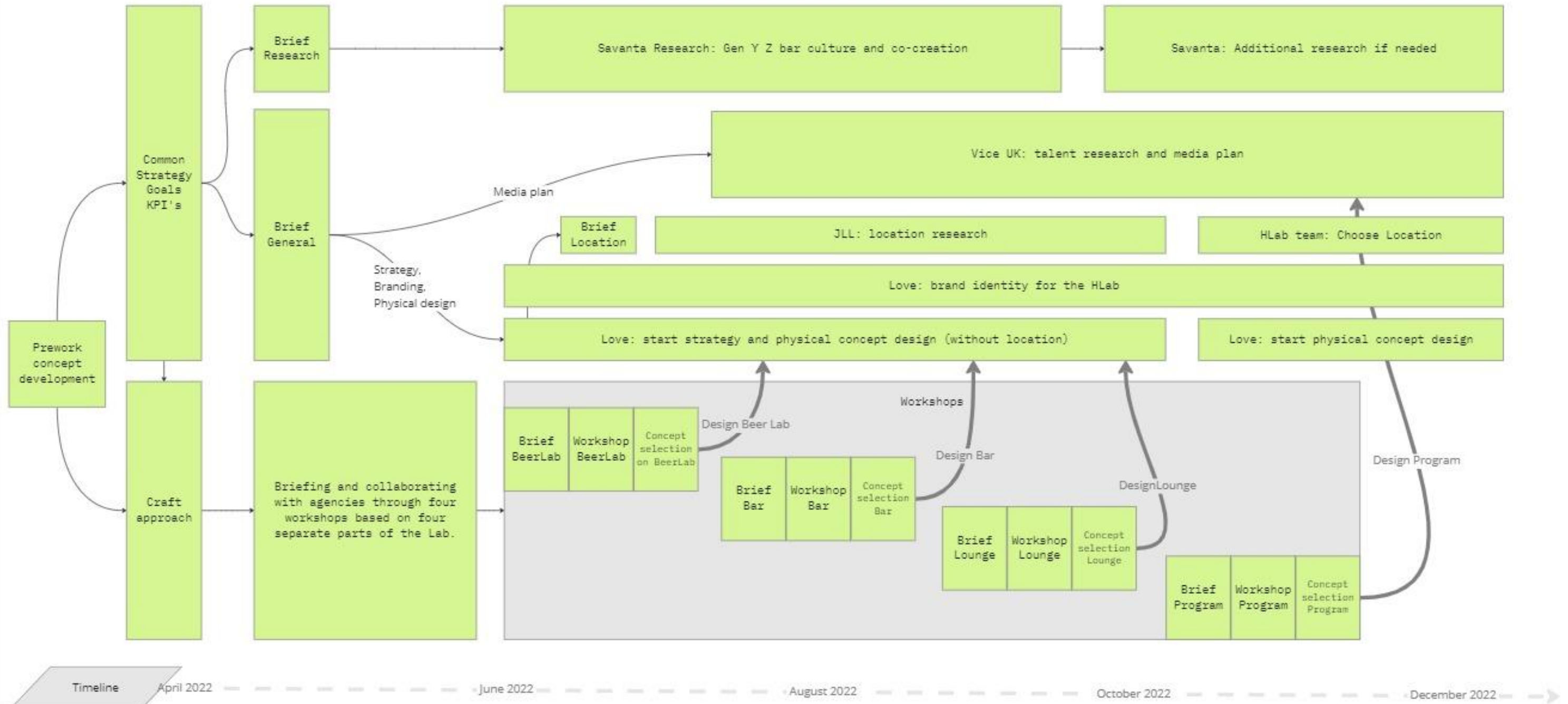

Figure 4.7: The original plans for developing the HLab as of June 2022

Explanation of Figure 1.7: Original approach of the HLab project as of June 2022

On the left side, the figure begins with the first building blocks of the Hlab. As of April 2022, prework, concept development, and the initial strategy and goals had been made. Also, the approach to defining the HLab had been crafted.

The next step the HLab team took was to create a brief based on what Savanta should research and a general project brief with the concept of the whole project for Love and Vice.

The bottom part of the figure shows the four workshops. Each workshop exists out of three main steps.

The first step is the preparation of the workshop. In this step, the Hlab team creates a brief on the topic of the workshop and designs the content of the workshop. In the second step, the Hlab team and the agencies do the workshop during a one-day creative process. Thirdly the HLab team evaluates the workshop's outcome and selects the concepts that feel most appropriate to them. These concepts are finally shared with the agencies so they can continue designing them.

As the figure shows, Heineken plans to do this four times. These workshops aim to shape the definition of the HLab and are the input for the further project work that the agencies do.

On the far bottom of the figure, a timeline represents the planning aspect of the project. Heineken initiated the HLab in September 2021 and is still in the process of designing the HLab. At the beginning of this graduation project (July 2022), it was unclear when the HLab would be finished or what the eventual HLab would be. Now, six months later, it is still unclear when the HLab team will finish developing this project.

Lastly, there are a few more communication channels that the Hlab team uses to collaborate with the agencies. There are weekly progress meetings with all agencies separately to discuss the latest ideas and opinions. Also, there is an online slack environment where all agencies and the Hlab team can upload ideas and opinions.

Collaborating Agencies

The HLab team choose the following four agencies to collaborate with: JLL, Love Creative, Savanta and Virtue – Vice Media. The paragraphs below explain what each agency does for the HLab project. Each paragraph also explains the effect the agencies have on this research project.

JLL

JLL is a multinational realtor and project developer with offices worldwide. They are responsible for location scouting and the final project development of the HLab building. Because JLL is not a contractor, they are responsible for hiring the right people to build the HLab. The HLab team chose this agency through a recommendation from Heineken Netherlands. The agency has proposed roughly 15 locations in Amsterdam and Rotterdam, of whom none were a perfect fit.

Love Creative

Love Creative is a Manchester packaging and interior design agency. Their motto is: 'we see what you do not.' and applies to their knowledge of popular culture in which they see and find the gaps that others do not. Love is especially experienced in creating designs for the (alcoholic) drinks industry.

This agency has been included from the beginning of the HLab project and collaborates closely with the HLab team. They were included in the project because Senior Management had a good experience from past work with them.

Love Creative is responsible for the physical design of the lab, a part of the lab strategy and the lab identity. When the lab goes live, they will oversee that the visual identity stays updated throughout the lifetime of the lab. They will manage any design changes to the physical space, digital items, or Brand identity of the HLab.

In weekly meetings, Love presents their latest design options to the HLab team, to which the HLab team can respond and realign in the right direction.

Approximately seven people from Love are working on the design aspects of the HLab. These include strategists, interior designers, architects, UX designers and client relationship managers. (LOVE. – Creative Advertising, Packaging Design and Branding Agency n.d.)

Savanta

Savanta is an award-winning data, market research and advisory agency with offices in the UK, US, Canada, India and the Netherlands. The HLab team collaborates mainly with the London office. Savanta is responsible for everything about GenYZ and Customer trends that impact the lab.

They have been doing specific research on the HLab's target group in London and Amsterdam and a few tests on the HLab's name and branding. The Hlab team has been collaborating with four people from Savanta since the start of the HLab project. (B2B & B2C Market Research Company 2022)

The research from Savanta forms the basis of the argumentation of the HLab. Savanta also collaborates with the HLab team during the workshops. But although they provide valuable information and research, they do not make design elements, make decisions for or propose changes to the elements of the HLab.

When the HLab opens for the public, Heineken plans to make Savanta responsible for managing and processing the data that emerges during the explorations.

Virtue – Vice Media

Virtue is a creative agency inside the famous media company Vice. They build brands from within culture. Virtue has offices all over the world. Virtue specialises in connecting brands with culture through marketing campaigns. They are known for their open mindset and for giving creatives a podium.

The HLab team collaborates with five people from the Dutch office of Virtue. They are responsible for the workshops' inspiration, trends, and creative input during the design phase of the HLab. They are also responsible for finding the right talent to work with and media coverage of the HLab, to place it inside popular culture (Virtue – The Agency Powered by VICE n.d.).
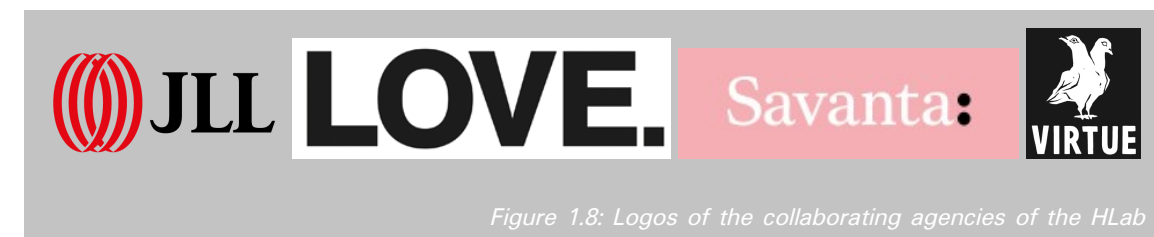
Figure 1.8: Logos of the collaborating agencies of the HLab

Other stakeholders

Besides the Hlab team and the agencies, there are a few other stakeholders in the HLab project. The paragraphs below aim to explain how they influence the HLab and this graduation project.

Senior management

Heineken is a big layered organisation in which senior managers make the important choices for projects all over the company and this influences the HLab project. The funding and decision power of the HLab is dependent on the opinion of senior management.

Senior management might be one of the most important stakeholders because they can easily pull the plug on the project or change it radically. The HLab team must communicate the HLab to senior management correctly. So, in turn, the senior management understands how the HLab builds on the Heineken strategy and why it is worth the time, effort, and money Heineken spends on it.

During the HLab project, there will be several meetings with senior management in which the HLab team aims to persuade them of the importance of the HLab for the Heineken brand and its strategy.

For this graduation project, it is thus essential to define the HLab, so that Senior Management sees the added benefit. A strong emphasis on understanding the Heineken strategy is a leading factor for the definition of the HLab.

Because senior management at Heineken has a lot of decision power, their opinions can change the HLab project and this will also affect this graduation project.

Other employees

The idea of the HLab has been circulating among other Heineken employees. Because the HLab promotes itself inside Heineken as an open platform for developing novel and creative ideas by testing them in the HLab. Other employees in Heineken want to develop their ideas in the HLab too. These employees might have ideas on how they would like to work in the HLab.

For example, the Heineken Master Brewer and a testing specialist have already given their wishlist for how they would like to use the HLab. For defining the HLab, it is important to understand what other employees will be working in the HLab expect.

Summary of Chapter 1.2 Status Quo of the Heineken Innovation Lab Project

This chapter started by describing what the Heineken Innovation Lab aims to become once it is finished. Secondly, this chapter explains who will make sure this actually happens. After this, the plan to make this happen and how to follow this plan is explained. The chapter ends by explaining the main decision-makers and stakeholders in the Heineken Innovation Lab project. Developing a corporate Innovation Lab of a legacy brand comes with some challenges. The following chapter explains which challenges of the Heineken Innovation Lab project this graduation thesis plans to solve by creating the problem definition of this graduation thesis.

Chapter 2: Problem Statement

2.1 The main challenge

2.2 Scope & Research Question

2.3 Project Approach

2.4 Summary of Part 1 INTRO
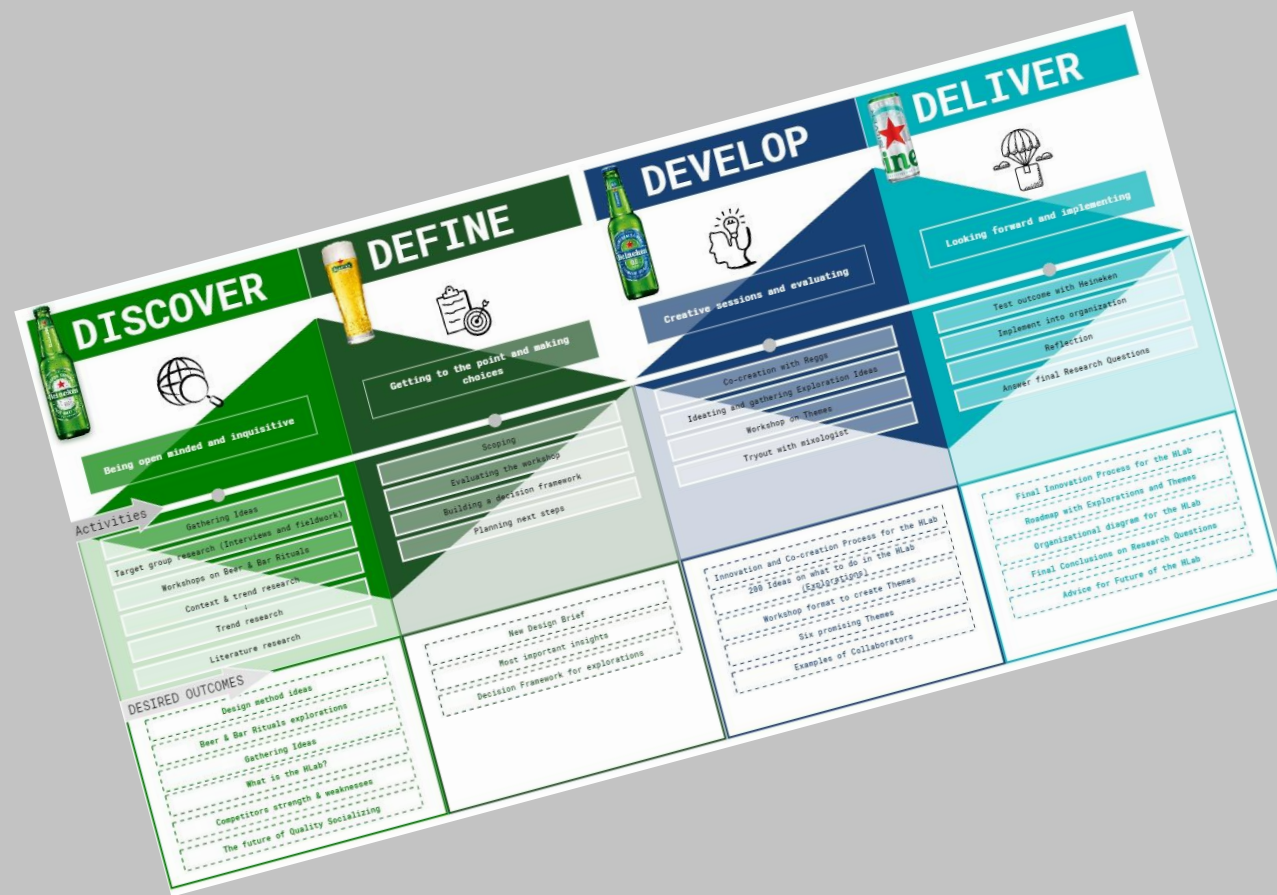
What to expect from this chapter

The aim of this chapter is to describe the problem statement of this project. This chapter begins by evaluating the outcome of the HLab team's approach to developing the HLab. The first part of this chapter(2.1, the Main challenge) also states the problem statement for this project.

The chapter hereafter, 2.2, gives the project's scope and theoretical research questions (RQ). The RQ aims to clarify this project's topics and make a base for the rest of the design process of this project.

Chapter 2.3 gives the design approach of this graduation project. This chapter also shows how this graduation project fits into the whole HLab project and connects to the stakeholders and agencies.

Chapter 2.4 gives a summary of Part 1: INTRO and an introduction to the rest of this report.

2.1 The Main Challenge

The HLab team has crafted an elaborate approach to developing the HLab. This approach involves developing the physical space, research into the target group, a location search, talent research, and a media production plan. The approach uses workshops that aim to develop the strategy of the HLab further and define what kind of innovations the HLab should create. This chapter presents what else the HLab needs to become a success. Furthermore, this chapter shows the areas this project should focus on and gives the problem statement. The next chapter: project approach, aims to show how this project will take on this challenge.

What should an Innovation Lab contain?

Research shows that Innovation Labs have roughly four components, 1 A Physical space, 2 resources, 3 facilitation(Gryszkiewicz, Lykourentzou, and Toivonen 2016) and 4 the people, employees and team members(Fecher et al. 2020).

The physical space of Innovation Labs exists to enhance creativity outside of the regular workplace and outside of a company's conventional barriers. Their physical ambience allows for creativity in a non-threatening and stimulating way (Fecher et al. 2020). The Hlab's approach accounts for this physical space.

Participants of the Innovation Lab need access to both financial and technical resources. These can be materials, tools, external know-how, or the ability to outsource certain activities. The use of these resources needs to be quick and uncomplicated to promote agility and creativity(Fecher et al. 2020; Lewis and Moultrie 2005). The HLab's approach with the four elements: Beerlab, Bar, Lounge, and Program aims to define the resources needed for the HLab.

Furthermore, the facilitation of the innovation process is also an important component. The Innovation Lab needs a facilitator who can guide participants through the process from insights to prototyping and testing. This also includes that each Innovation Lab needs a specific innovation methodology or process that this facilitator and other employees can follow(Fecher et al. 2020; Memon and Meyer 2020). The HLab's approach does not account for this yet.

The last component of an Innovation Lab is the people. An Innovation Lab can consist of multiple kinds of employees ranging from external collaborators to company specialist managers and facilitators. Innovation Labs produce better innovations and more learnings with better team dynamics. This team should be diverse in knowledge and skills. Although the HLab team has some ideas on this, the approach does not identify what the team should be of or how to develop this.

Also, managing the teams is important, being able to state tasks for team members clearly. Lastly, using expectation management with the team members and aligning on goals increases the team's performance. The approach of the HLab partly accounts for this element by asking Virtue to look for upcoming talent.

To conclude, the approach the HLab uses already defines tasks for the physical space and management of resources, but it doesn't define the approach for facilitating the innovation process, creating prototypes or organisation of employees. Heineken also noticed this and argues that a good starting point is co-creation because of earlier successes.

Further developing the first ideas on what to do in the HLab

With the initial strategy and goals of the HLab already came some ideas on what to do in the HLab. These ideas came from old Heineken projects or employees that heard about the HLab. Some of the ideas in the HLab strategy came from creating the strategy of the HLab and the four elements BeerLab, Bar, Lounge, and Program.

These ideas usually would not pass through Heineken's regular innovation process. The conventional innovation loop of Heineken has intense demands on concepts that narrowly fit the brand attributes. In the HLab, these demands are less strict to create a more open platform for innovation. For example, in the conventional innovation loop, the scalability of a concept is essential, whereas, for the HLab, this is not of high importance.

Although these ideas give a good insight into what Heineken aims to explore in their HLab, they have a few things that could be improved. Firstly they are not necessarily rooted in popular culture or connect with the target group Generation Y and Z. The ideas are first thoughts rather than near a concept phase. They thus need to be explored more to see their potential.

The HLab team states that the development of the HLab through the workshops aims to assist in further developing these ideas. The HLab team wants to get more specific on what to do in the HLab. To gain insights into what kind of innovations the HLab should create. The workshops that aim to develop the HLab further have yet to have a format, and they still need to be designed. Heineken has some first ideas on how to solve these challenges. The sections below show these.

The workshops

The junior design manager already created the first workshop to define the Beerlab. However, every workshop is about a different subject and requires a different approach. Because the junior design manager also manages the workshops, I will, together with him, create the other workshops.

External collaborators and co-creation

In the past, Heineken has successfully used co-creation (a form of collaborative innovation: ideas are shared and improved with external parties rather than kept in the company) for several projects. It has gotten them closer to popular culture and given them a credible reputation as a progressive brand that uses design to enhance its business.

Because of these successes, Heineken is thus keen to see how they can use a form of expert customer co-creation as a means to innovate for their design and Innovation Lab. Reusing old methods used by Heineken during these projects could be a starting point.

However, only using co-creation is not enough. The HLab needs an innovation process that goes from insights to prototypes that can be tested on-sight(Fecher et al. 2020; Memon and Meyer 2020). This process needs to go even further into eventual adoption into Heineken's own innovation streams to scale up.

However, co-creating and innovating a legacy brand like Heineken comes with its own challenges. Heineken is afraid of damaging the brand by producing the wrong innovations. These can cause backlash on the brand or not fit the desired brand image, diluting the brand.

Nevertheless, putting too many restrictions on the creative process does not result in novel innovations and concepts. This means that for the HLab, there has to be a balance between the Heineken brand restrictions and to leave creative space for the collaborators in the HLab. This project aims to look for this fine line.

The Heineken design team does not do anything in-house anymore

Another notable finding is that the Heineken Design team has changed to collaborate more with other agencies. In the past, with, for example, the Open Design Explorations, a lot of the prework was done by Heineken employees. Now, the agencies also do some of the strategic and vision work.

This is also the case for the HLab. A collaboration with four agencies makes up the total team to create the HLab. This means that it is essential that I must clearly and concisely present the goals and ambitions of the HLab to the agencies and the Heineken Lab team. Also, the approach of creating the HLab by using co-creation should not end up in outsourcing the development of the Hlab to the agencies. Outsourcing can eventually lead to more problems, like a change in scope or problem definition(Denning n.d.).

Research states that the participants and people working in an Innovation Lab are important for the success of the Innovation Lab(Fecher et al. 2020). This graduation project will look into how to HLab can facilitate innovation by keeping in mind that Heineken uses agencies to develop their products and services.

Problem statement (Design Challenge)

The outcome of the approach for creating the HLab is missing three things. Heineken has some advice and first ideas on how to solve these challenges. This project should consider Heineken's opinion because it is one of the major stakeholders. The list below states the three challenges that this project aims to solve.

1.   Firstly, this project aims to determine what kind of activities and innovations the HLab should develop to attain its goals. In short, what should happen in the HLab?

2.   A process that uses external collaborators to develop ideas into usable prototypes that HLab employees can test in the HLab together with the public. Keeping in mind the restrictions of the Heineken brand while leaving enough creative space for external collaborators.

3.   A vision for the employees of the HLab that empower and sustain the innovation approach by a community of external parties with the HLab. While keeping in mind how the HLab connects back to the business of Heineken.

Summary of Chapter 2.1 the Main Challenge

This chapter has defined this project's problem statement. This project aims to solve and aid the HLab team in solving three challenges. First, this project aims to determine what should happen in the HLab. The second part of the project aims to create an innovation strategy and process that the HLab can use to co-create. Finally, this project aims to find an organisational employee system for the HLab to underbuilt its innovation process. The next chapter states the scope and research questions of this project.

2.2 Research Questions and Scope

This chapter gives the project's scope and theoretical research questions (RQ). The RQ aims to clarify this project's topics and make a base for the rest of the design process of this project. This chapter presents the main research question and several sub-research questions (SRQs). Together all sub-research questions answer the main research question. This chapter concludes by giving the scope of this project. The scope contains the main challenge that this project aims to solve. The next chapter explains the approach of this project, 'the how' to solve the main challenge.

Research Questions

The challenges that Chapter 2.1 concludes with translate into the following research questions:

RQ. How to set up a design and innovation process that balances creative freedom with a legacy brand and aims to create novel prototypes in the Innovation Lab of a multinational organisation?

The research question aims to solve a few things. Firstly, It investigates how the borders of creative freedom of the Heineken brand manifest themselves within the HLab. Secondly, It investigates the impact of a co-creation innovation process on the creativity and novelty of the desired outcome. Thirdly, this study explores what the innovation process should look like for the HLab and how to implement GenYZ with Heineken with the innovation process.

Three Sub Research Questions underbuild the main Research Question.

SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should they create in order to effectively engage with GenYZ?

SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

SRQ 3 How can the HLab use co-creation to get closer to GenYZ without damaging the Heineken brand?

Scope

This project aims to create ways for the HLab to collaborate with external parties and develop novel ideas that engage GenYZ to interact with Heineken. Also, create ways to gather ideas to test, which are important for Heineken to further develop and test in the HLab. By redesigning and further developing the innovation and design process for the HLab so that all ideas fit into the scope of the HLab and are valuable for both the target group and Heineken.

The target group for this design process are the HLab employees and agencies connected to the HLab. While considering the habits and needs of GenYZ. Ultimately, Heineken employees and agencies will work in the HLab and use the process together with GenYZ.

This project aims to solve the issue that (Lager) beer is outdated and unpopular, especially with GenYZ. While these generations also have different ways of socialising. Besides this, it is important to keep in mind the restrictions of the Heineken brand.
This project aims to discover how the HLab can employ prototyping fast, test fast, and fail and try again mentality that stimulates disruptive innovation.

This project wants to figure out **whom** the HLab should collaborate with, **how** the HLab can collaborate to get closer to popular culture without damaging the Heineken brand, and **what** sort of innovations Heineken needs to explore in the HLab to get closer to Generation Y and Z.

2.3 Project Approach

This chapter gives the approach of this project. Because this project is done in collaboration with the Heineken Lab Team, it is important to fine-tune the planning and approach with their approach. This chapter also explains the other stakeholders in this project and their involvement. The next chapter concludes chapters 1 and 2 of this report.

Double diamond

This project uses a double-diamond approach. This simple and straightforward approach is easy to use (Design Process – an overview | ScienceDirect Topics). The Double Diamond is a staple approach for Design Thinking projects and something I am familiar with. It consists of four main steps: Discover, Define, Develop, and Deliver. Below, Figure 2.1 shows the content of each step with the activities and desired outcomes. The content of this thesis follows the same order of categorisation of chapters as the double diamond. Chapter 3, which follows after this chapter, starts with the discovery phase and so on. The report closes off with an outro.

DISCOVER	DEFINE	DEVELOP	DELIVER
Being open minded and inquisitive	Getting to the point and making choices	Creative sessions and evaluating	Looking forward and implementing

Activities

DISCOVER	DEFINE	DEVELOP	DELIVER
Gathering Ideas	Scoping	Co-creation with Reggs	Test outcome with Heineken
Target group research (Interviews and fieldwork)	Evaluating the workshop	Ideating and gathering Exploration Ideas	Implement into organization
Workshops on Beer & Bar Rituals	Building a decision framework	Workshop on Themes	Reflection
Context & trend research	Planning next steps	Tryout with mixologist	Answer final Research Questions
Trend research			
Literature research			

DESIRED OUTCOMES

DISCOVER	DEFINE	DEVELOP	DELIVER
Design method ideas	New Design Brief	Innovation and Co-creation Process for the HLab	Final Innovation Process for the HLab
Beer & Bar Rituals explorations	Most important insights	200 Ideas on what to do in the HLab (Explorations)	Roadmap with Explorations and Themes
Gathering Ideas	Decision Framework for explorations	Workshop format to create Themes	Organizational diagram for the HLab
What is the HLab?		Six promising Themes	Final Conclusions on Research Questions
Competitors strength & weaknesses		Examples of Collaborators	Advice for Future of the HLab
The future of Quality Socializing			

Incorporating this project into the HLab development approach

The HLab is a new project with a futuristic perspective and strategy, giving the project some uncertainties. For example, external factors interacting with the project during the development of the HLab can change the desired outcome. The strategy of the HLab changes, the agencies the HLab team collaborates with, or the project's planning goes differently.

This thesis is in collaboration with the Heineken Innovation Lab. Because the HLab already has planning and goals, this thesis has to adapt to what happens in the HLab project to succeed and get the right answers at the right time.

Figure 2.2 on the next page shows the planning of the HLab project and on which points this thesis interacts with it. This figure also shows that the HLab project is dynamic by pointing out some aspects that have changed during this thesis. The rest of this section further explains the changes in the HLab project that interact with this thesis.

Changes for this project

Figure 2.2 on the next page shows that in the approach Heineken has made, they did not account for a graduate student working on developing the HLab. This figure expands the whole approach of the Hlab with blue-coloured boxes to include this.

The blue boxes on the right of the figure show the desired outcomes of this project. The red lines show what aspects of the approach are connected and fill in each other.

Also, the strategy crafted by Heineken did not include the development of the (expert) Customer co-creation process in the HLab. Figure 2.2 aims to incorporate the development of the (expert) customer co-creation process in developing the HLab.

Changes in Agencies

This renewed approach also introduces another colour, green, in Figure 2.2. The boxes with the darker green colour show what has changed between the new and the original approach to the development of the HLab. The following paragraphs explain these changes.

Savanta: The first name of the HLab did not resonate with higher management inside Heineken. Love was invited to design new names. To argue against Heineken's higher management regarding which name is the right name for the HLab, Savanta was asked to research the Names. Another extra for Savanta was checking if their target group research in London was the same for Amsterdam. This research was needed because the first location of the Hlab will be in Amsterdam.

Vice UK: At first, there was a collaboration between Vice UK and the HLab team. This collaboration was not fruitful because of a bad alignment of the parties. Because of earlier good experiences with Vice Benelux, the HLab team changed to collaborate with Vice Benelux. It did not make sense during the project for Vice to already focus on media development while there was no physical location for the Hlab yet, so they provided creative input for the workshops. Later in the project, Vice presented examples of influencers and other professional creatives for the Hlab to co-create with.

JLL: The location search of JLL was unsuccessful. The locations did not fit the brief of Heineken, so none of the locations was chosen.

Love: Reluctantly, Love started the design of the physical concept for the HLab without the knowledge of the building or the area. Their initial approach was to make a holistic combination between the area building and the physical design of the HLab. The Hlab team wanted a head start by already designing how certain aspects could look. Later one of the locations of JLL was chosen to put the design in. When the location was deemed inappropriate for the HLab, Love returned to designing without a physical location.

Changes for the Workshops

During this graduation project, the approach of the Hlab changed from four to three workshops. Also, the subjects of the workshops changed. Chapter 4 further elaborates on these workshops by explaining their design process and outcome.

Stakeholders in this thesis

Besides the Agencies and other Stakeholders in the HLab project as a whole, this project also has some stakeholders that this project needs to manage. The following paragraphs describe these stakeholders.

Heineken

This project takes place in the HLab environment and is initiated by the Heineken Design and Sustainability team. Heineken being the initiator means they are also one of the biggest stakeholders.

My manager within Heineken and the Heineken strategy that is already in place cannot be changed. The strategic goals of Heineken need to be assumed by this project as truths after careful evaluation. For once, if this project delivers advice that goes against everything Heineken stands for, it would be doubtful to be continued by the HLab team.

Graduate student at the TU Delft

The second big stakeholder in this project is the TU Delft. Because this is a graduation project, it should commit to certain requirements stated by the exam party of the TU Delft. Only following Heineken's needs and wants could result in a project that does not have enough academic value. therefore all decisions that Heineken makes must also be evaluated to fit the demands of the TU Delft for this project.

Lab Agencies

Although JLL is a big stakeholder in the HLab project, their findings will not significantly affect this research. They will not collaborate in the workshops and are not involved in the co-creation process of the HLab. (Vastgoedadviseurs & professionals | JLL Nederland n.d.)

Because Love closely collaborates with the HLab's strategy and design, they will also significantly impact this research project. Firstly, during the workshops, they will provide input for this research. Secondly, their ideas will build an understanding of what the HLab should become together with the HLab team and play an important role in further defining the HLab. Finally, their communication with the HLab team and understanding of the HLab will provide valuable input on the co-creation process in the HLab.
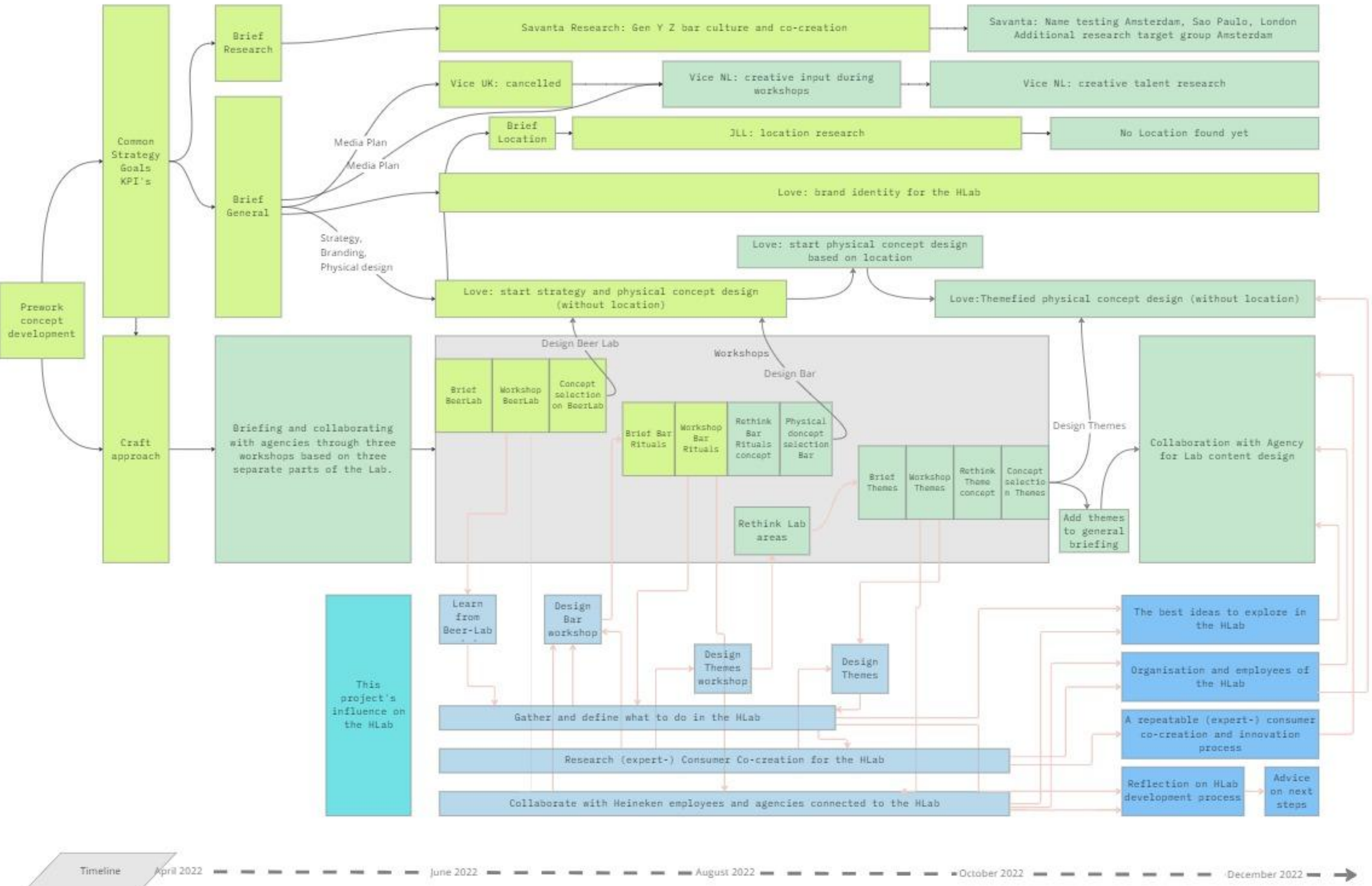
Figure 2.2: The adapted plans for the HLab with this project.

Savanta will influence this project only with the research input they provide and how they communicate with the HLab team. Finally, their influence in the second part of this research (the design of a co-creation framework) will be one-sided by only providing information when needed.

Virtue impacts this research project in several ways. Firstly they will provide the HLab team and this project with their insights and trends in popular culture on which the HLab will be defined partially. Secondly, Virtue has an already identified way of working with creatives, which needs management and understanding to let the co-creation sessions in the HLab run smoothly. Lastly, this project will collaborate with Virtue to create a workshop to define the HLab further. The creation of this workshop aims to combine the insights and ways of working of Virtue with the HLab strategy and the insights found during this project.

Organising the Discover Phase

This project now has three challenges to solve, one RQ and three SRQs. But they do not follow each other one on one. Figure 2.3 explains how the challenges and RQs represent each other. This figure introduces four buckets to organise all insights.

Every Chapter of the Discover phase concludes with an organisation of the insights per bucket. The Define phase uses the buckets as starting points for creating the new design challenge. All four buckets together will aim to answer the main research question of this report.

Summary of Chapter 2.3 Project Approach

This chapter has shown that this thesis uses the Double Diamond approach to create structure in the design process. The rest of this thesis is divided into five parts: Discover, Define, Develop, Deliver and Outro. This chapter also shows that this thesis is intertwined with the HLab project by its general content but also in the approach. This thesis uses the workshops as a platform to connect with the agencies of the HLab project. All goals of this thesis will result in added functionalities for the HLab. The next chapter closes the introduction phase of this thesis. By giving a summary and showing the main insights.
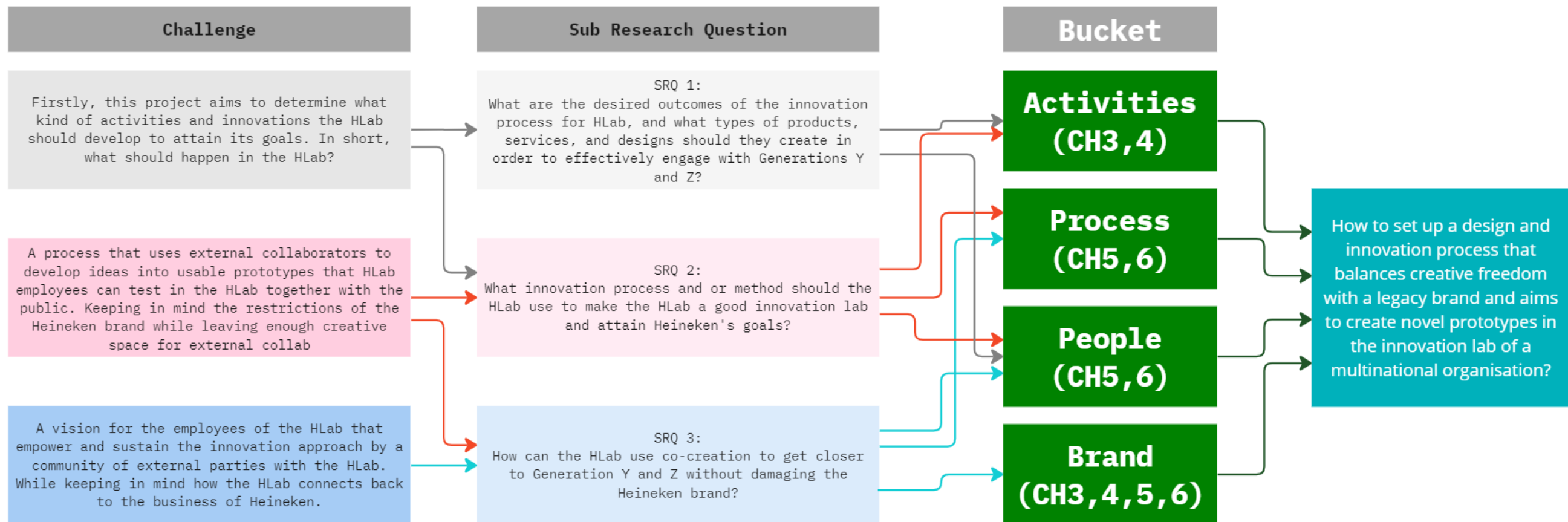
Figure 2.3: Connecting the challenges and SRQs

2.4 Summary of the Introduction

This is the last chapter of part one of this graduation project. Chapter 1 gave an introduction to Heineken and the Heineken Innovation Lab project. Chapter 2 explained *which* challenges this thesis aims to solve and *how* it aims to solve them. The next phase of this thesis is the Discover phase which gathers all the necessary research information for this project.

What has been defined

- The main RQ is How to set up a design and innovation process that balances creative freedom with a legacy brand and aims to create novel prototypes in the Innovation Lab of a multinational organisation?

  - SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should they create in order to effectively engage with GenYZ?

  - SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

  - SRQ 3 How can the HLab use co-creation to get closer to GenYZ without damaging the Heineken brand?

- This project will use the workshops with the agencies of the HLab as a platform to define and solve the problem statement of this graduation thesis.

- This project uses the double diamond method as a base for the process, which cuts the project into four distinguished phases: Discover, Define, Develop, Deliver. Finally, this report closes off with an outro.

The main conclusions

- Heineken wants to become more popular under generations Y and Z with their HLab

- The HLab aims to be a playground for co-creation, a mix between a bar and design space.

- The HLab is a work in progress and a dynamic project that changes often.

- It is difficult for Heineken to relinquish their strict brand principles because they fear damaging or hurting the brand. However, these strict principles can overshadow creative space when working on the disruptive innovation that the HLab wants.

- This project problem statement is threefold and listed below.
  1. Firstly, this project aims to determine what kind of activities and innovations the HLab should develop to attain its goals. In short, what should happen in the HLab?
  2. A process that uses external collaborators to develop ideas into usable prototypes that HLab employees can test in the HLab together with the public. Keeping in mind the restrictions of the Heineken brand while leaving enough creative space for external collaborators.
  3. A vision for the employees of the HLab that empower and sustain the innovation approach by a community of external parties with the HLab. While keeping in mind how the HLab connects back to the business of Heineken.

DISCOVER

This part exists out of qualitative insights gathered throughout the process with literature research, Interviews with other Innovation Labs and Interviews with possible target Customers and users. The aim of this Part is to gain information in order to create a design brief.

Chapter 3: Context of Innovation Labs & Bars

3.1 What is the Heineken Innovation Lab?
3.2 Bars and social life
3.3 Conclusion

Goal and explanation of this chapter

The goal of this chapter is to find out how the HLab relates to other Innovation Labs and other competitive bars. Also, to determine what position the Hlab should take in connecting and collaborating with GenYZ.

This chapter uses desk research and Heineken's research to find answers.

This chapter also conducts interviews and an interactive night out with GenYZ customers organised by a research agency that collaborates with Heineken.

The end of this chapter partly answers SRQ 1: What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should they create to effectively engage with GenYZ?

The next chapter uses the insights of Chapter 3 to further build on answering SRQ 1.

3.1 What is the Heineken Innovation Lab?

This chapter uses literature research to further elaborate on the types of Innovation Labs and how the HLab can fit in between them, creating insights into what to do in the HLab. This chapter concludes that the HLab is a Joint Innovator. The Hlab is not only an Innovation Lab but also aims to be a popular bar and socialising experience, the next chapter, 3.2, explains how that impacts the HLab.

Four types of Innovation Labs

Innovation Labs have become popular for multinational corporations to bypass their conventional innovation streams and produce more out-of-the-box innovations (van der Meer, Selig, and Stettina 2021). Because many different corporations use them, many kinds of Innovation Labs exist. This section shows the different types of Innovation Labs and compares the HLab with them.

A study from 2021 shows that Innovation Labs can be organised into four different types (van der Meer, Selig, and Stettina 2021). This study researched a selection of different Innovation Labs of established companies from the Netherlands and Germany, intending to clarify what an Innovation Lab is and for what purpose it can be used. Figure 3.1 below shows the four types of Innovation Labs.
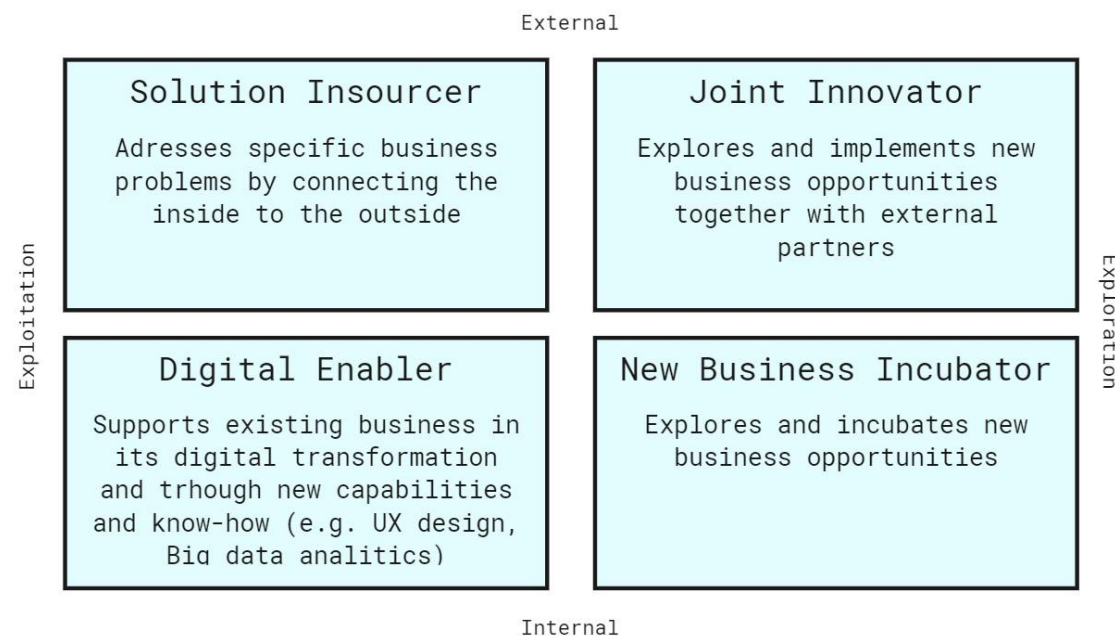

Figure 3.1: Four types of Innovation Labs (van der Meer, Selig, and Stettina 2021).

The matrix uses exploitation vs exploration on the horizontal axis. Exploitation stands for incremental innovations, such as improving current products or businesses. On the other hand, exploration stands for radical or disruptive innovation, such as totally new products or businesses. When exploitation and exploration are simultaneously used for innovative practices, it is called

innovational ambidexterity. Several previous studies link ambidexterity to high performance in corporations. (Ogrean and Herciu 2019; O'Reilly and Tushman 2013; Raisch et al. 2009)

Much like other large corporations, Heineken deeply understands their exploitation activities. For example, Heineken constantly improves their packaging and logo design. But they struggle with explorational activities, such as adding new beer flavours or kinds into their product mix. In the past, most explorations have failed, like Heineken Light. The HLab aims to create more opportunities for Heineken in the exploration area of innovation. The HLab aims to reinvent the lager beer category just as Starbucks did with coffee. (Bakker 2022)

The vertical axis of Figure 3.1 resembles the collaboration aspect. On the bottom stands internal, where the corporation focuses on internal capabilities and expanding them. The top, external, focuses on building new capabilities by collaborating with external parties. The Heineken design team already uses many different agencies to develop their products. They have strong confidence in this way of working and thus also want to explore this more in the HLab.

To conclude, the HLab can be categorised as a joint innovator. The study found several aspects that need to be taken into account. Definition and aim, working approach, Organizational interface and Common roles. The paragraph below states these implications for the HLab.

The HLab as a Joint innovator

Definition and aim: A Joint innovator aims to explore novel opportunities by collaborating with external parties (van der Meer, Selig, and Stettina 2021). In many cases, these are startups but not exclusively. In the case of the HLab, these are agencies and expert, creative Customers. This type often uses open innovation to complement capabilities and resources, and share risk.

This approach is usually not found in the mother corporation. As Heineken does partake in many external collaborations, they need to ensure that the collaborations they do in the HLab are sufficiently new or different.

Working approach: A big piece of the work of such a lab is to find new businesses and partnerships. In this search, aligning the interests with external collaborators is important to create a fruitful joint effort. For the HLab team, it seems important to be very clear in their communication with external parties. But also be open to their point of view.

Organisational interface: To uphold the lab's flexibility and speed, it should be organised rather autonomously from the mother company. It is important that the HLab can make decisions on what to do on its own to explore new business opportunities and collaboration. The HLab, therefore, needs a strong alignment with top managers within Heineken to ensure that they have free decision space but also willingness within Heineken to later adopt the innovations.

Common roles: Team members for Joint innovator labs can develop cross-industry initiatives. For the HLab, this would imply that they need knowledge of most of the business aspects for collaborating but also more technical beer and socialising knowledge. Lastly, these members need a good internal network within the mother company to connect external to internal specialisms.

Lastly, this research identified some hybrid forms that cross multiple lab types. Especially for ambidexterial hybrid labs, the research states that potential tensions can arise because of different or unmet expectations in the mother corporation. Because the scope, time horizon and visibility of the result can be different. Especially on the visibility aspect of the HLab, this is important. Heineken's visibility is very important for managing the brand, and certain discrepancies can make big unwanted impacts. So it is important for the HLab to stick to one type, Joint innovator. Moreover, The Hlab should have a clear scope and communicate this back to the mother company, Heineken.

Summary of the Implications for the HLab

Activities

– The HLab needs a high authority in deciding what to do with respect to the mother company
– The Hlab should make sure that its activities are significantly different from what Heineken already does.

Process

– Align expectations with Senior–Management of the mother company to give high authority to the HLab
– The Hlab should be clear in communication with the external parties and open to their point of view.
– The Hlab should make sure that their collaborations and innovation processes are significantly different from what Heineken already does.
– The Hlab should align its expectations with the Senior management of the mother company, Heineken, to create a high level of authority for the HLab and willingness of the mother company to adopt innovations later on.

People

– The employees of the HLab need knowledge of business aspects and technical beer and socialising knowledge.
– The employees of the Hlab benefit from a good internal network within the mother company to connect external to internal specialisms.

Brand

– None

3.2 Bars and social life

Besides the HLab being an Innovation Lab, the HLab team also defines it as a popular night out experience for generations Y and Z. This way, Heineken aims to bring the Heineken brand closer to Generation Y and Z. This chapter gives an introduction about generations Y and Z, what is so special about them and what should Heineken pay attention to when addressing them.

This chapter is built up of three elements. Firstly, this chapter discusses the research that Savanta does about Gen YZ for the HLab. Secondly, this chapter shortly discusses bar culture. Thirdly, this chapter discusses what bar culture is like for Generations Y and Z. This chapter closes with a general discussion on the implications for this project.

The connection between GenYZ and the HLab

GenYZ is the target group of the HLab and Heineken's focus for their new strategy. The HLab should make Heineken more popular amongst GenYZ, and in turn Heineken wants to learn from GenYZ and see what innovations they can make together.

GenYZ will be the majority of the general public visiting the HLab to enjoy the activities and have a good time. Secondly, GenYZ will also be the people to give input to the HLab in ways of co-creation for innovations.

Savanta on GenYZ and the HLab

Savanta is one of the agencies closely collaborating with the HLab team. They have weekly meetings to discuss progress, results and further steps. The final objective of Savanta is to present the HLab team with research about what GenYZ wants and needs and how the HLab should address them or can connect to them.

Savanta gives the HLab team access to an online portal that displays a community of the target group. Each participant answers a couple of questions and can upload videos and pictures. This way, the HLab team gets general insight into the lives, habits and needs of the target groups socialising activities.

Furthermore, Savanta also presents conclusions about this online environment and other research activities in several documents.

The research is used in ideating and exploring the different explorations in Chapter 4. This research is also direct input for the trends and insights used in Chapter 10 for the Theme workshop.

GenYZ Habits and Needs

Below is a list of the most popular habits and values among GenYZ, obtained from the research of Savanta.

Sincerity: GenYZ are data-driven individuals who have grown up in a world where it is easy to fact-check information, yet they are also exposed to misinformation, which has led to scepticism towards information and a desire for authenticity. GenYZ use the internet and social media, particularly platforms like TikTok and Instagram, as sources for information about restaurants, recipes, fashion, travel, and other topics.

Conscience: GenYZ are the first generations that are intrinsically motivated to address the issue of climate change due to their upbringing in a world where it is an established fact. They prioritise doing good in all areas of their lives.

Ambition: GenYZ prioritise following their passions and pursuing careers that bring them happiness rather than solely focusing on financial gain. They have access to a wealth of online information, which they use to learn new skills and share knowledge.

Acceptance: GenYZ are the most open-minded generation to date, with an embedded acceptance of the LGBTQ+ community. They value diversity and see the benefits of cultural mixing.

Influencers: Popular culture must be relatable and authentic to resonate with GenYZ. Influencers who showcase real-life situations and experiences are more relatable to them, particularly those who are open about topics like sex, drugs and alcohol. They love embarrassing stories and humour. Social media platforms like TikTok, Instagram, and YouTube are their primary sources of information and entertainment.

Advertising: Advertising has shifted from traditional mediums like television and magazines to social media platforms and 3D billboards. Collaborating with multiple influencers is now a common strategy for building a brand, with bold colours and extravagant costumes being popular. Brands like Just Eat, McDonald's, and Coca-Cola have launched notable campaigns.

Designer Brands: GenYZ have a unique approach to designer brands and their interpretations of them. Collaborations between 'high street' brands, like Adidas and 'luxury' brands, like Luis Vuitton, have gotten the categories somewhat mixed up (Gen Z Has $360 Billion to Spend, Trick Is Getting Them to Buy 2021).

They are anti-capitalism and do not buy something for the brand but for its appearance. Important 'luxury' brands are Gucci, Tommy Hilfiger and Dior. These brands are also highly active in the metaverse

GenYZ Consumption Values

The research by Savanta Identifies the following consumption values for GenYZ. This paragraph discusses the importance of each value for the HLab. The paragraph also gives a few opportunities for the HLab per value.

- The rise of alcohol-free:
  - There is a growing trend towards non-alcoholic and low-alcohol beverage options. This trend also opens up the ability of beer to be included in activities other than those with alcoholic beverages. The HLab could use this as an opportunity to give beer a healthy brand image.
- DIY bartending:
  - Customers are increasingly interested in creating their own drinks at home with the help of online resources and tutorials. Many popular influencers on social media create extravagant cocktails and drinks intending to teach others. The HLab could use these influencers and co-create drinks with Heineken beer as one of the ingredients or offer workshops that give these influencers a podium for teaching and learning.
- Paying more for quality:
  - Customers are willing to spend more for high-quality ingredients and experiences. GenYZ especially regards sustainable offers as higher quality, which gives The HLab

the possibility of creating a more sustainable version of their beer for a higher price to see if customers are attracted to it still.

- Wellness in mind and body:
  - Customers are seeking out experiences that promote wellness and healthy lifestyles. Beer is usually not associated with wellness in mind and body as this is a rather asocial practice. Wellness in mind and body also does not fit in the Quality Socialising domain that Heineken finds itself in because it is usually done alone. Opportunity for the Hlab is in finding ways of connecting socialising with wellness in body and mind or beer with sports and fitness.
- Sustainability:
  - There is a growing demand for sustainable and eco-friendly practices in the food and beverage industry, especially by GenYZ. Because this topic is very large, it also provides many opportunities for the HLab. For example: showing sustainable farming practices by Heineken, innovation in cooling beer, and recycling glass bottles. The Hlab has an easy entry into sustainability because of the already green appearance of Heineken. Heineken Brazil has shown that focussing on sustainable brand attributes helps to improve the connection between Heineken and GenYZ.
- Sweeter profiles:
  - Customers are showing a preference for sweeter and fruitier flavour profiles. This insight is very product-focused and difficult for the HLab to work with. Heineken beer has always had the same taste, and Heineken does not want its beer to be affiliated with too sweet profiles. Moreover, Heineken has never before combined their beer with other big flavours. The Heineken Point of Sales Design and Sustainability (HD&S) team shows interest in beer cocktails, which could be an option to start exploring.
- Sharable theatre:
  - Experiences that are visually striking and shareable on social media are becoming increasingly popular. These theatrical activities centre around rituals of pouring and creating drinks. Lager beer already has an extensive ritual, but the HLab can use this to expand the ritual or change it to a way that GenYZ might like it even more.
- Being adventurous:
  - GenYZ seek new, unique experiences and are more willing to try experimental and unconventional options. The HLab will be focused on trying new things so this is a perfect starting point for connecting GenYZ to a more adventurous Heineken brand.

Overall the HLab is a fitting platform to connect these consumption values of GenYZ to Heineken. Especially the areas of alcohol-free, sustainability, and being adventurous seem like a straightforward and fruitful bond.

However, for all areas, building a bridge between GenYZ and Heineken or beer is possible, as the values do not seem to bring up any negative associations. Therefore, all of them should stay included for further ideation.

These insights can be used as areas of opportunity for what to do in the HLab.

Findings in successful bar concepts

Because the Hlab also aims to be a bar to GenYZ, Savanta also looked into what elements successful bar concepts contain. The paragraph below lists these findings and discusses their implications for the activities, process and people in the HLab.

- Personalization and tailoring are key:
  - Customers appreciate experiences tailored to their individual preferences and needs. Many corporate brands give options for personalising products and services, which is not new in the market. But, Artificial Intelligence might open up new ways of tailoring, for example, beer tastes to customers. Although this finding is already in the market for years, it could still be something for the HLab.
- The rise of competitive socialising:
  - socialising experiences that involve friendly competition, such as games and challenges, are becoming more popular. Because of legal reasons, it is difficult for Heineken to connect drinking with games. So if the HLab wants to explore this option they should be cautious and have good control over the process.
- Seeking collaboration and culture:
  - Customers seek experiences that allow them to connect with others and celebrate shared interests and values. Heineken is a global brand, so it seems like the ideal base to connect people from all over the world to each other. Not everywhere in the world Heineken or beer enjoys the same popularity, so maybe it is also an option for the HLab to extract popularity from different cultures and ways of drinking beer.
- Shifting the traditional serving dynamic:
  - Bars are experimenting with new and unconventional ways of serving drinks, such as self-serve options or table-side cocktail carts. Heineken has a very traditional serving ritual embedded in their brand attributes. The HLab team have expressed that they are open to altering this traditional ritual. Collaborating with Cocktail Mixologists and Interaction Designers could bring this to a new level.
- Searching for authenticity:
  - Customers are drawn to experiences that feel genuine and authentic, focusing on real ingredients and unique stories. The Heineken brand is already strong on this point, with natural ingredients and a big heritage. The HLab could emphasise these points in the Heineken brand to strengthen its relationship with GenYZ.
- A sense of belonging and identification:
  - Customers seek experiences that make them feel like they are part of a community or connected to the brand or establishment. GenYZ likes to identify with brands by collaborating with them. They only feel part of a brand if they and their peers helped create it. Co-creation is a perfect example, but this means that the HLab should give more authority to GenYZ.
- The importance of zoning:
  - The design and layout of a bar, including the use of different zones or spaces, can greatly impact the overall experience for customers. This is a physical attribute of the location and is not included in the scope of this thesis. Love does the design of the physical location.

- Multi-sensory harmony:
  - Successful experiences often involve a balance of different sensory elements, such as sound, sight, and taste, that work together to create a cohesive and memorable experience. The HLab team and LOVE are fond of creating such a location. On the contrary, many popular bar concepts have a more raw and industrial vibe. So can they combine this?
- Balance of live vs digital:
  - Bars are finding ways to incorporate digital elements, such as virtual reality or social media integration, into the live experience and, at the same time, maintaining an authentic and engaging atmosphere. While this is true, GenYZ are conscious about their social media use and in the future this integration might change.

The insights created by Savanta mostly focus on what is happening now in popular bars. Not on what popular bars in the near future might do. Most insights can easily connect to the Heineken brand and the HLab. Especially Seeking collaboration and culture, Shifting the traditional surfing dynamic, and Searching for Authenticity. The HLab should also involve GenYZ as much as possible because it will help with GenYZ's sense of belonging and identification with the Heineken brand.

Bar culture in London & Amsterdam

The HLab team plans the first location of the HLab to be in Amsterdam. So why do research in London? The HLab team feels London is the starting point for many nightlife rituals and trends. These trends then further evolve and spread to other cities.

Because of the international allure and size of London, this feels right indeed. But Amsterdam is not a small town and also has a significant international allure with its own culture. This thought led the HLab team to cross-check the insights with separate research in Amsterdam. Most of the insights were the same.

Interactive night out in London

One of the activities Savanta does to get to know the target group better is to go out with them. The HLab team and I thus partook in one of the nights out with three people from the target group in London. While this was a fun experience, just going out with my friends and paying attention to what happens might give me more valuable insights, as I am in the same age group as GenYZ.

Influence of GenYZ on Bar concepts

Although going out with my friends might give me valuable insights, the interactive night out in London made me realise that even within a generation, there are soo many different groups of people with different habits and needs and different personal likes. For the HLab to focus on a whole generation seems too generalistic. They must be more precise about which people from this generation they want to address.

When visiting London, during the day we went to some inspiring bar venues. However the bar we went to with GenYZ at night was much different. It had more of an unpolished, raw vibe. I recognise this vibe from the venues that my friends and I visit. The venues we visited during the day might be popular and inspiring, but in my opinion, they do not adhere to the values of GenYZ.

GenYZ is a group that wants an unpolished raw playground that they can make theirs. I found this from my experience and by looking into which bars and clubs are popular in the

Netherlands (Gunneweg 2022). These bars and clubs are mostly repurposed old warehouses and the like with still a raw, unfinished, and industrial look.

The reason that GenYZ like this raw industrial open canvas is hard to prove. One option could be that they want to express themselves more, and they can do this better without distractions from the environment. If the environment is a raw unpolished canvas, they can be the authority to create on it.

It seems to me that it is more important for GenYZ than other generations that they are given Authority by the HLab to do as they would think is best. To be able to let them express themselves and give them a platform for creating.

Summary of the Implications for the HLab

Activities
- Especially the areas of alcohol-free, sustainability, and being adventurous seem like a straightforward and fruitful bond between Heineken and GenYZ.
- Findings in successful bar concepts that are more likely to connect the HLab and GenYZ naturally are Seeking collaboration and culture, Shifting the traditional surfing dynamic, and Searching for Authenticity.

Process
- Involve GenYZ more in the process. Watch out for thinking that the HLab team understands them already.
- The HLab should involve GenYZ as much as possible because it will help with GenYZ's sense of belonging and identification with the Heineken brand.

People
- Giving GenYZ authority and a raw open canvas in the HLab allows them to express their style and creativity.

Brand
- GenYZ has a unique approach to designer brands. They are not afraid to mix high-end luxury brands with cheaper mass-consumption brands. Their outlook on brands is playful and indifferent to original brand values.

3.3 Summary and main Insights of Context of Innovation Labs & Bars

Main insights & contributions to other chapters

Activities

– The HLab needs a high authority in deciding what to do with respect to the mother company
– The Hlab should make sure that its activities are significantly different from what Heineken already does.
– Especially the areas of alcohol-free, sustainability, and being adventurous seem like a straightforward and fruitful bond between Heineken and GenYZ.
– Findings in successful bar concepts that are more likely to connect the HLab and GenYZ naturally are Seeking collaboration and culture, Shifting the traditional surfing dynamic, and Searching for Authenticity.

Process

– Align expectations with Senior-Management of the mother company to give high authority to the HLab
– The Hlab should be clear in communication with the external parties and open to their point of view.
– The Hlab should make sure that their collaborations and innovation processes are significantly different from what Heineken already does.
– The Hlab should align its expectations with the Senior management of the mother company, Heineken, to create a high level of authority for the HLab and willingness of the mother company to adopt innovations later on.
– Involve GenYZ more in the process. Watch out for thinking that the HLab team understands them already.
– The HLab should involve GenYZ as much as possible because it will help with GenYZ's sense of belonging and identification with the Heineken brand.

People

– The employees of the HLab need knowledge of business aspects and technical beer and socialising knowledge.
– The employees of the Hlab benefit from a good internal network within the mother company to connect external to internal specialisms.
– Giving GenYZ authority and a raw open canvas in the HLab allows them to express their style and creativity.

Brand

– GenYZ has a unique approach to designer brands. They are not afraid to mix high-end luxury brands with cheaper mass-consumption brands. Their outlook on brands is playful and indifferent to original brand values.

Contributions to Research Questions

SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should it create in order to effectively engage with GenYZ?

– Significantly different from Heineken as is
– It is important that GenYZ is the one to create the innovations however areas that might be good starting points for connecting GenYZ and Heineken are: alcohol-free, sustainability, being adventurous, Seeking collaboration and culture, Shifting the traditional serving dynamic, and Searching Authenticity.

SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

– None yet

SRQ 3 How can the HLab use co-creation to get closer to Generation Y and Z without damaging the Heineken brand?

– Giving authority to GenYZ is the first step.
– GenYZ could feel more comfortable with a raw open canvas to allow them to express their style and creativity.
– Multiple areas of inspiration create a bond between Heineken and GenYZ: alcohol-free, sustainability, being adventurous, Seeking collaboration and culture, Shifting the traditional serving dynamic, and Searching Authenticity. These can be used as starting points and inspiration to align GenYZ's creativity to the Heineken brand's possibilities.

Chapter 4: Activities of the HLab

4.1 Heineken's ideas
4.2 Competition and inspiration
4.3 What is an 'Exploration'?
4.4 Conclusion of Chapter 4

Goal and explanation of the chapter

This chapter aims to find out what Heineken wants to do in the HLab and what Heineken should do in the Hlab for the Hlab to achieve its goals. The HLab team has a vision and strategy and some first ideas. However, this is still rather unscoped and global. This chapter aims to discover what Heineken wants, what others are doing, and what works. Finally, what Heineken actually needs.

This chapter uses desk research, interviews, meetings, and conversations with Heineken employees to determine what Heineken wants. Furthermore, this chapter conducts a workshop with agencies of the HLab to find out what kind of explorative activities the Hlab should do.

The next chapter, 5, dives into the realm of design and Innovation methods to find a suitable method for developing the ideas into prototypes for the HLab.

4.1 Heineken's ideas

This chapter aims to find out what Heineken wants. The Hlab team has a strategy and vision for the HLab. Furthermore, other Heineken employees have ideas about what they want to do in the HLab. Also, the agencies have their own vision for the HLab. The chapter hereafter looks at sources of inspiration for the activities of the HLab.

What the HLab team wants

This section goes into the main HLab strategy and the areas the HLab team thinks the HLab should innovate in. This section also describes the design mantra of concept bars that the HD&S team uses for their projects.

What to do in the lab

The first and main activity for the HLab is to come up with innovative prototypes to connect GenYZ with Heineken. These prototypes do not have to be finished products or services, but must be defined enough to test their main principles. Startup literature calls this fidelity of a prototype a minimum viable product (MVP).

Furthermore, the Hlab work together with GenYZ by co-creation. There are two categories for this. Co-creation sessions on drinks in the HLab in a multisensory environment. These come mainly from the innovation department within Heineken. This co-creation is a lot of testing and less designing than the other category. The other is co-creation sessions on rituals, products and services in the HLab. The ideas for this come mostly from within the HD&S department.

Moreover, the HLab wants to be able to test these MVPs. The HLab team will collaborate with an external agency to oversee the testing. The testing will take place in the dynamic multisensory environment of the HLab.

With this dynamic multisensory environment, the HLab team aims to impress and excite GenYZ and test external factors on their behaviour and experience. Much like that, drinking a beer on the beach differs from drinking a beer in an Irish pub.

Who is the HLab for

The HLab team plans the HLab to be a public location, so everybody can join in testing the prototypes, but they do want to attract mostly GenYZ. They plan to do this by adding bar elements and activities that this generation likes.

It is also a location for Heineken employees to test their concepts on GenYZ. Because the bar area is open at regular times, Heineken employees can use it to test their concepts with a real-life audience for better and quicker feedback.

The HLab should also be an inspiring location for the HD&S team to design and do their work. They want to use the HLab for their own projects and get live feedback from GenYZ.

Quality socialising

Besides Heineken, Heineken also owns several other beer brands. To distinguish Heineken in the market from these brands and competitors, Heineken uses demand spaces. These spaces are moments of socialising in which a consumer drinks one of Heineken's products. Heineken and its partners continuously update this strategy and research.

Figure 4.1 shows how Heineken organises these demand spaces. On the horizontal axis, the energy level goes from low to high and on the vertical axis, Heineken is located in the demand space of Quality Socialising (QS) with attributes: Connecting, Looking good, Physical benefits, Discovery, Quality & Reputation.
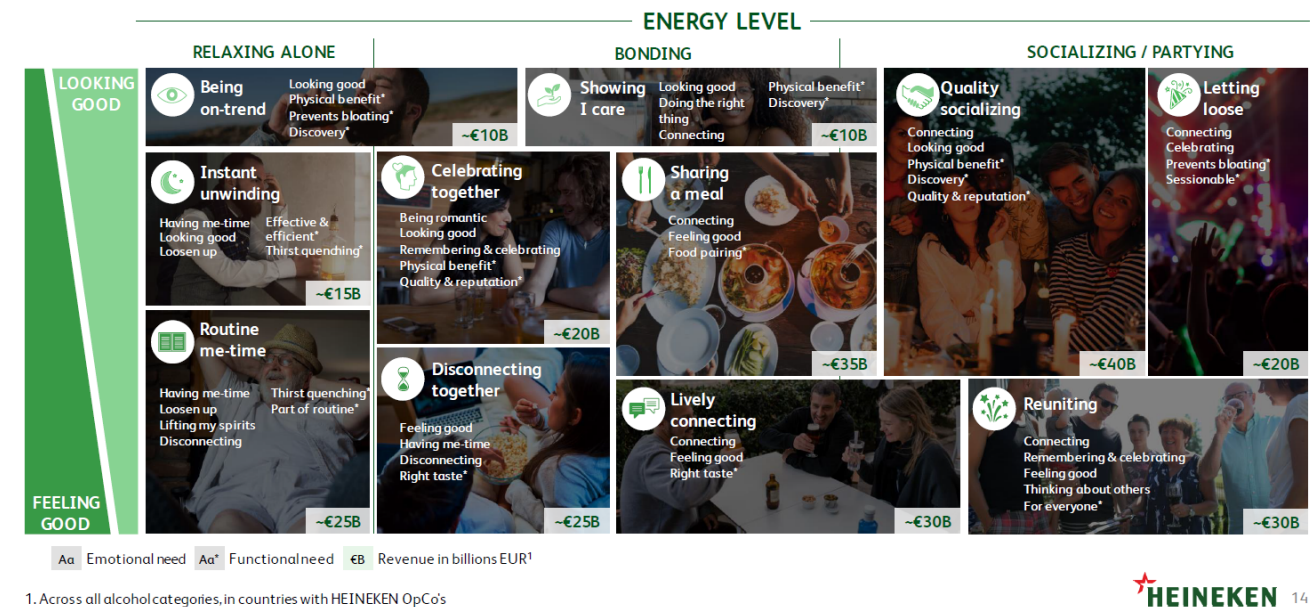
Figure 4.1: Heineken demand spaces (Westenbrink 2022a)

During the HLab project the Hlab team noticed that the demand space for Quality socialising is held very important by senior management. All projects within Heineken need to align with the Quality socialising demand spaces. So for the HLab to be successful within Heineken, the strategy has to follow Quality Socialising. Everything that happens in the HLab should align with QS.

Innovation manifesto

To align the QS demand space with the HLab, one of the members of the HLab team made a strategy for the HLab. This member comes from the innovation team and thus aligns more with the drinks aspects of the HLab.

Therefore the strategy was focused on only one area of the HLab: the beerlab. This Innovation manifesto was specifically tailored to contain a scope for drinks in the QS domain. So it could not be used for the other HLab areas. The HLab team never adjusted this strategy for the other areas. (Bakker 2022)

This innovation manifesto gave a clear goal and scope for the beerlab on what to do and why, which was missing from the other areas for a long time during the project. The workshop in Chapter 10 aims to solve this.

Concept Car & Bar principle

In the past, most of the design implementation in the brand of Heineken was done through the Open Design Exploration (ODE) projects. This way, Heineken could manifest itself as a progressive future-minded design company. Earning design awards as recognition. They could use the design language around the world in their outlets and at the same time, come up with new innovative products. These have focused on a Concept Car principle to explore what is possible with design inside Heineken and see what the future can bring for Heineken by looking outside the box.

'Concept Cars offer a design-led approach of researching the future, where visual synthesis, prototyping, and storytelling play an important role. Concept Cars act as probes that simultaneously explore technologies and styling while also communicating a probable, plausible, and preferable future in one time horizon. Concept Cars offer a tangible easy-to-digest showcase of a brand that people with many different backgrounds can experience and thus has a broad reach. However, developing such a concept car or bar is a time and resources intensive process but only results in one outcome(Mejia Sarmiento et al. 2016). '

A Concept Car only shows one possible future, but the innovations the Hlab is looking for have to show multiple options in new futures. I believe this limitation is one of the reasons why the Innovation Lab is the improved manifestation of these Open Design Explorations.

The HLab aims to apply this Concept Car principle to smaller futuristic concepts. Multiple concepts can exist within one future if the concepts are different services or products. However, it would be confusing if all concepts have a different future perspective.

The following section gives two examples of concept bars that Heineken has produced in the past.

Milan Open Design Exploration

THE Milan ODE in 2013 was a great success for design awards and brand credibility. The first ODE was set in 2013 during the Milan-design Week. Heineken collaborated with 20 young designers from four major cities worldwide (New York, Sao Paulo, Tokyo, Milan) to create a bar of the future. This collaboration resulted in an origami design language that Heineken used in product marketing years later. Bars and clubs used this design language for their interior design. Moreover, Heineken won a red dot design award in co-creation.

The final design was based on Origami and RGB colour schemes and featured an interactive bar, aluminium bottle designs, fashion design, and innovative beer tablets, examples are shown in Figure 4.2 and 4.3.

Figure 4.2: Milan ODE (Heineken internal images)
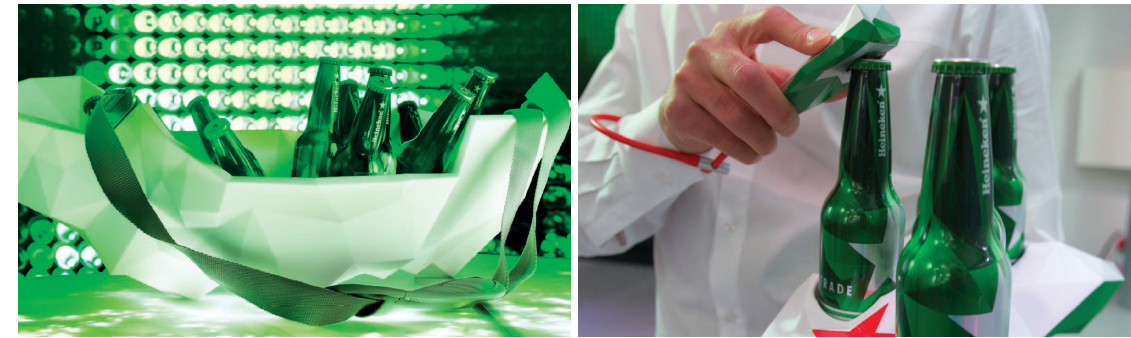
Figure 4.3: Milan ODE (Heineken internal images)

London Open Design Exploration

In 2014, Heineken repeated the Milan success with another big co-creation project, showcasing Heineken's vision of lounging in the future. The sequel to the Milan club ODE manifested in a Popup lounge bar in London.

The creation was based on the same principles as the Milan club but with some slight improvements and on a lounge instead of a club. Twenty young experiential designers were challenged to create a unique lounge bar inside two shipping containers. The execution created more tangible solutions and focused on taste experience as well.
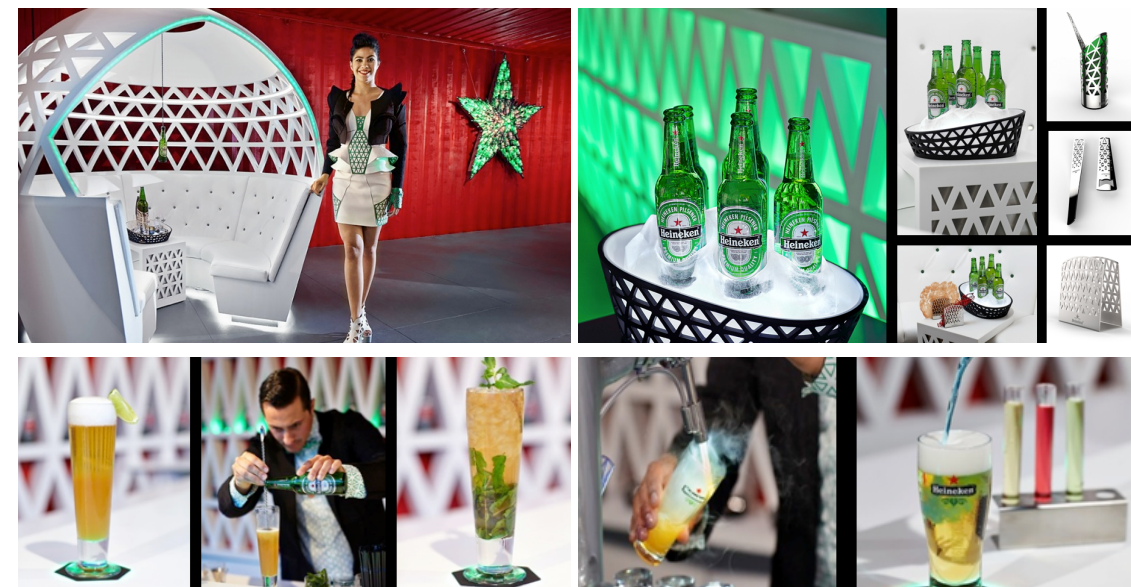
Figure 4.4: London ODE (Heineken internal images)

Results of the ODE

Although the ODE received positive media attention and positively influenced the Heineken brand image, the conceptualised innovations never reached scale. Some venues adapted the design language for interior design but not on a large scale. The concepts stayed concepts.

Also, Heineken did not continue testing and improving the innovations after the ODEs. It was a once-and-never-again tryout. It could have resulted in a better acceptance of the concepts within the scaling opportunities within Heineken because the concepts did receive overall positive feedback during the ODE.

What the HLab team is not sure about yet

The HLab areas and general strategy for the HLab are relatively clear and set in stone. However, the Hlab team does not agree yet on a few points for the HLab. While these points are not detrimental to developing and ideating on what to do in the HLab, some have a significant influence and need further thought. This paragraph explains and discusses the most significant points.

Branding and affiliation of Heineken

The Heineken design team is a strong advocate of affiliation of the HLab with Heineken. They believe it can create a good buzz for Heineken and help build the brand in the right direction. However, this also brings some more difficult points with it.

By putting the Heineken stamp on the HLab, the things we can do in the HLab have to be 'Heineken'. This means that everything in the HLab must feel, look, and taste like Heineken. This brings a lot of constrictions on what is possible and creates a more narrow creative space. Besides, when something in the HLab is not a great success, it could negatively influence the Heineken brand or damage it.

Next to this, when collaborating with external parties, it is difficult and narrowing to imply all the constraints of the Heineken brand on the creative process. While it may attract certain collaborators that would love to work with a brand like Heineken. GenYZ does not have a strong affinity with Heineken, and thus it would not attract the right people.

For a truly creative experience and more creative and innovative options, affiliation with Heineken should be on the sidelines, not predominantly. This will keep creative freedom high, limit bias and allow for more possible collaborators.

Opening hours

This is also a point of discussion within the Hlab team. For beer taste testing it is good to open the HLab regularly, meaning 3–4 days a week. On the other hand, the HLab should stay something special and not be available every day. HLab team members feel it should be an exciting experience whenever you come in. It would be too much work and too expensive to open the HLab 3–4 times a week. A concession is now on the table to open a small part of the HLab for beer tasting 3–4 times a week and have bigger events a few times a month.

Covert/overt concept

Here, the question is if the HLab should be available for everyone all the time. Should the HLab organise special tastings and experiences for focus groups? No wrong information can leak out to the public, and mistakes can be controlled more easily in such a controlled environment.

Or should the HLab always be open? More like a Michelin kitchen, where guests can have a look at how their food or innovations are made.

Within the HLab team, the opinions are spread, and no decision has been made on this topic yet.

Location

This is a more intricate discussion as the original idea of the HLab was to have a location in either Amsterdam or Rotterdam and after success, another Hlab could open its doors somewhere else in the world.

Finding a suitable location has sadly proven to be more difficult than expected. And while culture and habits are different in different areas around the world, Heineken is a global brand that allows for the HLab to be anywhere.

Since, senior management has also gotten involved in the search for a location, which has given the HLab more options, Sao Paulo, London, and Berlin. These options and the involvement of senior management have made it even more difficult to decide.

The search for a location is an open discussion and project.

Beerlab, Bar, Lounge, Program

To make the activities and strategy of the HLab more clear, the HLab team has tried to define four areas. They use these four areas to categorise the ideas, concepts and opportunities. The paragraph below explains each area and what the HLab thinks could happen in them. These areas are best compared to scopes in a design project.

The introduction already mentions that the HLab team will use workshops to define these areas further. The section hereafter describes the first workshop for further defining the Beerlab. Chapter 4.3 describes the workshop for the Bar, and Chapter 10 further defines the lounge and program with another workshop.

Meeting/Workshop Beerlab in Amsterdam

This first workshop aimed to discuss and determine what the HLab needs for the BeerLab part. The HLab team organised this workshop and held it at the Heineken office. Besides The HLab team, LOVE, and the manager from the HD&S team, also a specialist in testing from the Heineken R&D department and I attended the workshop.

The workshop, gave me some insights and points to improve. The workshop was more of a long meeting. There was an agenda that they went through with topics on what should be in the Beerlab. Each topic led to a short discussion; however, there was no process of diverging and converging activities like in a creative session. The whole session was rather flat.

I believe this was the result of four things. Firstly the main creator of the workshop could not be there to lead and explain the steps in the workshop. Secondly, the room was crowded and uninspiring. Everybody was centred along one big presentation screen, and the whole group discussed at the same time instead of more intimately in smaller groups. Thirdly, six workshop participants had to leave earlier than expected, so the HLab team had to improvise and shorten the workshop, excluding the most creative steps. Lastly, the relationship between LOVE and the Hlab team was not good at that time.

The HLab team wanted LOVE to come up with inspiring designs for the building of the HLab, but LOVE wanted to know the location before they could start designing. As LOVE wanted to make a holistic design for the building, incorporating aspects of the existing building with the new design. This misalignment caused some friction between both parties.

Eventually, most of the decisions on what the beerlab should contain came from the R&D testing specialist. However, the parties did not create much new value during the workshop.

Nevertheless, the workshop resulted in a more defined beerlab. The appendix A shows a full recap of the Beerlab and Bar workshop that I made together with the Junior designer from the HLab team.

Summary of the Implications for the HLab

Activities

– Everything that happens in the HLab should align with QS.

Process

– The HLab has to be future–minded, and while having one sharp future perspective, this perspective should allow for multiple variations and innovations to be created.

People

– Heineken employees also want to use the HLab for their projects.

Brand

– The HLab is a tool to bridge the Heineken brand and GenYZ

4.2 Competition and inspiration

Being innovative is important in the food and beverage industry in order to increase customer engagement (Yen, Teng, and Tzeng 2020). Some options to innovate on are: different menu items, serving experience technology-based experiences, integrating technology with menu items and serving experiences, and sharing everything on social media outlets. Other companies do this, and Heineken wants to innovate too. But what should the HLab innovate on? This chapter looks at other brands, rituals, innovations and bar concepts to gather inspiration for the HLab.

This chapter, 4.3, converts these initial ideas and areas of opportunity into more tangible concepts and a sharper scope of what to do in the HLab.

Innovation in the beverage industry

The following section shows a few examples of important innovators in the beverage industry. The beverage industry has many areas of innovation, which would be too much to all include in this thesis. This section discusses the insights and implications for the HLab.

Coffee

Coffee used to be boring. Now you can drink an Iced, Half Caff, Ristretto, Venti, 4-Pump, Sugar-Free, Cinnamon, Dolce Soy Skinny Latte or Quad Grande, Non-Fat, Extra Hot Caramel Macchiato Upside Down at your local Starbucks or one of the many speciality coffee bars.

Especially Starbucks has started a disruption of the coffee industry. You can drink coffee hot or cold, mix it with almost anything and drink it any time of day or night for any occasion. Furthermore, being a barista is suddenly more popular than being a bartender. It is more exciting. Why can we not do the same with Heineken beer? The HLab thinks it can.

Starbucks has multiple innovation initiatives around the world. In their biggest innitiative, the Starbucks Tryer Center (Inside the Tryer Center, the Starbucks lab where anything is possible n.d.), Starbucks aims to make a platform where it is safe to fail. This is very important for their success in innovating.

Starbucks not only innovates in their drinks but also in farming. Their farm hub (Starbucks farm is hub for research and innovation n.d.) stands at the forefront of innovations in coffee farming and is open for the public to showcase their concepts.

The HLab can learn from the coffee industry in innovation areas of temperature, adding and mixing ingredients and flavours, changing texture, changing occasions for drinking and showing farming innovations. Also, the concept of a safe place to fail will be important for the HLab.

Aperol Spritz

Another example of successful innovation in the beverage industry is Aperol Spritz (The rise of the Aperol Spritz; how did they do it? – Great Minds n.d.). What the HLab can learn from Aperol Spritz is their specific moment in drinking Aperol. The Aperol Spritz moment is tailored towards a beautiful day outside enjoying it with friends. The HLab could create special moments of socialising with special drinks that fit those moments.

Beer

First, we must distinguish between lager beer and all other beer. Lager beer is clear golden with white foam on top. It has a slightly fruity and soft bitter taste and is the most consumed beer in the world. Lager takes some effort in the production process as it is less forgiving in temperature changes when brewing. Lager distinguishes itself from other beers with a different brewing process.

Nowadays, there are countless other beer varieties besides lager beer. Speciality beers with higher alcohol percentages, radlers, IPA, to name a few. But Heineken believes that the HLab can still create countless varieties within lager beer.

Inspiration areas

This next section gathers inspiration from technological innovations in the beer industry, cultural drinking rituals, serving rituals and Bar concepts. The bar workshop in chapter 4.3 uses this inspiration to create the first ideas for the HLab and define the scope of the Bar area.

Technological innovations

Pubinno
A smart draft system for bars infused with AI knowledge to automatically serve the perfect beer with up to 20% less waste.

Cecillia
A slot machine like 'bar' with a virtual bartender that can crack jokes and make 120 different drinks to perfection.

Yanu
A robot arm bartender complete with a bar that can make you luxury drinks in an elegant and efficient way.

Self-pouring systems
Self-serve draft systems so you do not need a bartender anymore, easy use with a touchscreen panel.

Cultural Rituals

Sidra in Spain
The pouring ritual of sidra involves pouring the drink from the bottle with a special cork from above your head into a thin-walled glass cup positioned under your waist, with only two fingers' worth of liquid per glass. However, generally one-fourth of the bottle is wasted due to missing the target. This pouring technique aerates the drink and gives it some fizziness. A group typically has one pourer responsible for serving the drink, with the pourer drinking last. The drink has an acquired taste that is acidic and vinegar-like.

Once a year, during a special event, people make a tiny hole in one of the wooden kegs for the sidra to flow out through a thin spout. People stand in a row and fill up their glasses one after another. Once the last person is done, the first person begins again. (See the middle image for reference.)

Figure 4.5: Sidra pouring ritual

Sake in Japan

Sake is a rice wine from Japan. It can be drunk from cold to hot temperatures. There are many varieties to find. Most special are the rituals accompanying drinking Sake:

Serve others

Sake is a drink that acts as a vehicle of communication between groups in Japan. When drinking sake in a group, keep an eye on how much is left in others' cups. If their drink is nearly empty, make sure to ask or signal if they would like to be topped up, then pour. Paying attention to others' needs and serving them shows consideration and gratitude for their company.

Holding the cup:

When using a sake cup, hold the cup between the thumb, forefinger, and middle finger. When being served, place your other hand beneath the cup for support.

Pouring the vessel

When serving sake, use both hands. Hold the main neck of the vessel with your dominant hand, and place your other hand on the bottom to keep the vessel steady.

Sake is embedded in Japanese culture with religious rituals, celestial offerings, Art, and seasonal festivities.

Figure 4.6: Sake from Japan

Soju in Korea

Drinking Soju in Korea is a cultural tradition filled with symbolism. Pouring the soju is done by the person with the highest social status or age, and the glass is held with both hands as a sign of respect. The oldest or highest-ranking individual drinks first, followed by others in order of social status.

Moreover, some celebrities in Korea have even created their own soju brands, making them a part of the soju culture themselves. These celebrity-branded sojus have become quite popular among the younger generation for gifts or souvenirs.

The Soju drinking culture is big in Korea and also spreading all over the world. Soju is often drunk in combination with beer or as a mixer for beer, which offers interesting options for the HLab.

Figure 4.7: Soju from Korea

Serving traditions

Figure 4.8: Popping the Grolsch bottle
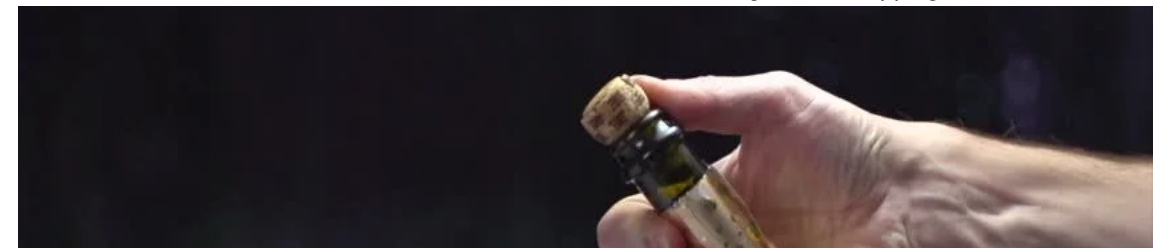
Figure 4.9: Popping champagne
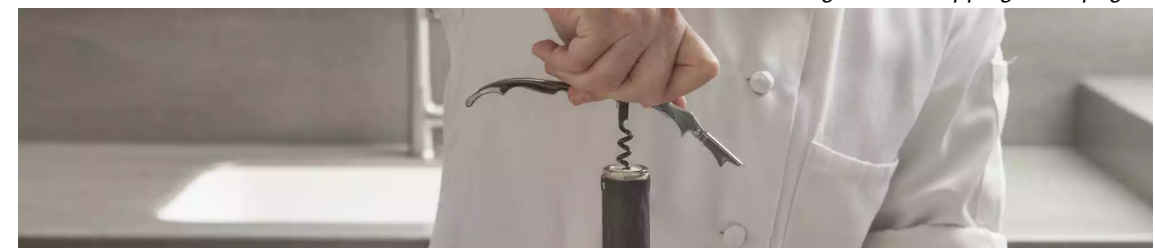
Figure 4.10: Decorking wine

SWAN   CORNETT   DUCK   AERATOR   STANDARD
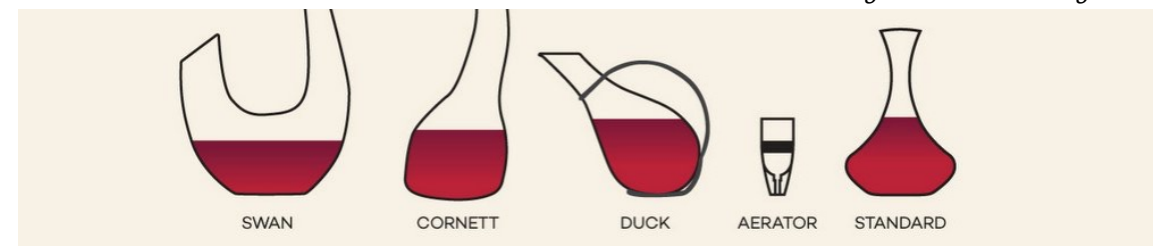
Figure 4.11: Decanting wine

Inspiring Bar Concepts

Tokyo's Graffiti Bar

This bar is literally filled to the rim with touchscreen displays that offer a gamified interactive experience. Consumers can enjoy media content, art, browse menus, or interact with the waiters through the screens.

Inamo Game rooms interactive restaurant London

A fine dining restaurant with touchscreen tabletops for a multisensory experience. The table tops show you the menu, you can use them to order, and it shows extra information about the food.

Sublimotion

The most expensive Michelin-star restaurant that uses a complete multisensory experience, with music, smoke, projections, and a changing atmosphere for each of the 20 courses.

Sencity London (2014-2017)

A club that uses sound, smell, taste, vision, and feeling to have a great night out.

Summary of the Implications for the HLab

Activities

– The HLab can learn from the coffee industry in innovation areas of temperature, adding and mixing ingredients and flavours, changing texture, changing occasions for drinking and showing farming innovations.
– Other sources of inspiration are Socialising moments, Technology, Cultural Rituals, Serving traditions, AI, and Multisensory experiences.

Process

– None

People

– Employees of the HLab should be encouraged to make mistakes. The HLab should be equipped in a way that protects the Heineken brand from failures.

Brand

– The HLab should be a safe place to fail for the Heineken brand.

4.3 Explorations for the HLab

This chapter aims to determine what Heineken should do in the HLab. More specifically, this chapter gathers the first ideas and aims to define areas that can act as starting points for further ideation with other external creators. Moreover, this chapter uses several ideation techniques and a workshop to develop the Bar area of the HLab. Lastly, this chapter also defines the criteria for the ideas. The next chapter, Chapter 4.4, summarises the most important insights of Chapter 4.

Gathering Ideas on What to Do in the HLab

The following section shows how I gathered ideas on what to do in the HLab. This section uses converging and diverging techniques, so it could also be placed in the Develop phase of the double diamond process. However, the findings from this section are used as explorative input for the final deliverable, so, therefore, putting the information here gives a better overview.

The plan for this chapter is as follows: First, I gather all ideas from parties associated with the HLab. secondly, I cluster these ideas and add my ideas to them. I will add ideas by using different ideation methods. Thirdly, I will test and control the ideas on the Heineken and HLab strategies. Fourthly, I will use the output from the tests and control to create criteria of what an idea for the HLab should exist of and measure up to. Lastly, I will use these criteria and the clusters to create a clearer scope of what to do in the Bar and Beerlab area.

This chapter does not consider ideas for the Lounge and Program area of the HLab. This choice was made because the core business of Heineken lies in the Beerlab and Bar area, and thus these areas have priority. Addressing all four areas would take too much time.

Existing Ideas

To get an idea of what to do in the HLab, I started by gathering existing ideas from people that know about the HLab project. I had meetings and conversations with the people from the HD&S team, Heineken R&D and Heineken innovation departments. Also, the HLab team had already gathered some ideas that gave a good starting point.

Ideation Methods

Chapter 4.2 explains how the beverage industry innovates by adding beverage options and exploring new moments of drinking. The Delft Design Guide gives access to a variety of ideation techniques.

Firstly, together with the HLab team's junior designer, I made a customer touchpoint map for everything around the bar. Hereafter, I chose the SCAMPER technique to ideate on Beer and the Bar like Starbucks did with coffee and Analogies to find new socialising moments.

Customer Touchpoint Mapping

To gather ideas on what is happening at the bar, the HLab team's junior designer and I created a customer touchpoint map, shown in Figure 4.12. This map focuses on the side of the bartender and also the side of the Customer. Both of them are indirect customers of Heineken.

This map aims to provide the Bar Ritual workshop with touchpoints on what could be improved or where the opportunities lie for designing new rituals and experiences in the HLab. The Bar Rituals workshop later uses the Customer Touchpoint map as a basis for the workshop activities.

The two paragraphs below explain how the map implements and gains information on the sides of the bartender and customer.
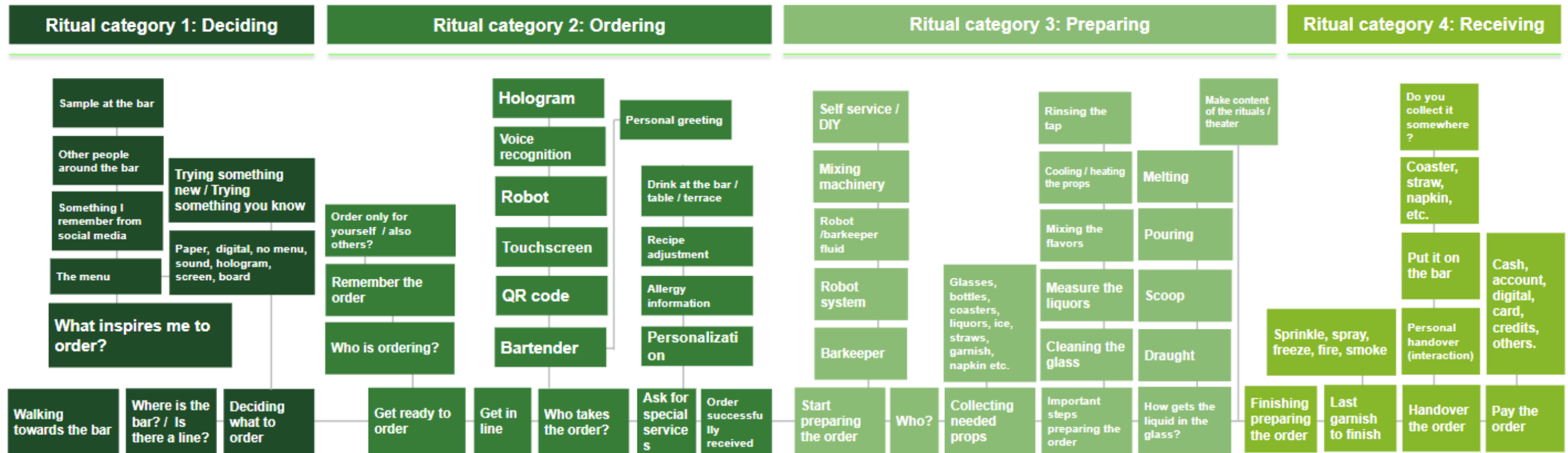

Figure 4.12: Customer Touchpoint Map

SCAMPER

The SCAMPER tool proved useful in creating interesting new product variations, but it was more difficult to use the SCAMPER tool for creating socialising moments. See below for some examples of the ideas. The next section, Organising ideas, clusters all ideas from the multiple ideation sessions.

1. **Substitute: What can be replaced?** (for example, components, materials, people)
   Example: Replacing alcohol with extra protein for a beer that is good together with exercising.
2. **Combine: What can be combined?** (for example, other features, devices)
   Example: Combining the bartender with a mixologist, pouring beer more spectacularly, adding other flavours and special effects to create an instagramable experience.
3. **Adapt: What can be added?** (such as new elements or functions)
   Example: Good night beer, adding an extra function to the beer to sleep better.
4. **Modify, Magnify, maximise, minimise: What can be modified?** (for example, change the size, shape, colour, or other attributes)
   Example: Adding an AI algorithm to beer tastes. Let consumers make a profile of their taste pallet. The AI algorithm mixes a new lager beer taste especially adapted to the users' tastes.
5. **Put to other use** (purpose)**: Could you use the product differently or use it in another industry?**
   Example: Good night beer, adding an extra function to the beer to sleep better.
6. **Eliminate or minimise: What can be removed or simplified?**
   Example: Removing the packaging of beer, beer dispensers in supermarkets.
7. **Reverse, reengineer, or rearrange: What would happen if you reversed the product's production process? What can be swapped or flipped?**
   Example: Making beer capsules or syrup to which you add water for a fresh beer. Decreasing the volume of transport.

Analogies

The analogies were a more useful technique for ideating in new socialising moments. The basis of the Bar workshop also used this technique. Because we only did small ideation sessions, we did not follow the complete analogy technique as the DDG describes it. We used a slightly more simplified approach. The whole approach can be found in Appendix B.

Bartender's side

Bartenders nowadays do not have the allure they used to have anymore. Specialist mixologists and baristas have taken over their place. Therefore, World's best bars focus on special cocktails but not the authentic lager beer experience that Heineken offers (The World's 50 Best Bars – The best bars worldwide n.d.).

Figure 4.13: Visual representation of the world's best bars (The World's 50 Best Bars – The best bars across the world n.d.)

Conversations with the HLab team and other Heineken design team employees point out that it is in the HLab's best interest to explore this realm of new experiences. The HLab can hereafter use the findings to improve the position of the bartender and make it more popular and exciting again to become a bartender for Heineken.

To gain more insight into the work of a more classic bartender, I did a small interview with the bartender of a regular Dutch bar that mostly serves beers. This interview highlighted the following, which I later used to build the customer touchpoint map. The appendix shows the full interview.

Customer side

Of course, the customer perspective is just as important in the touchpoint mapping. To gain insights into the customer's perspective, I used my experiences and that of my friends when we were going out. But because this is just a sample of the whole target group, I also used the research provided by Savanta in the touchpoints.

Organising the Ideas

The next step in the process was clustering the ideas. Figure 4.14 gives an idea of what this looks like. For a more detailed overview, the larger figures are also found in Appendix D.

Both areas (Beerlab & Bar) segregate into multiple horizontal and three main vertical clusters:

- **How to get the ideas** (eg. Collaborating with local taste experts/influencers, Look at Rituals from other Cultures)
  While in these clusters are also ideas, they are mostly areas of opportunities for the HLab. These clusters give great insight into whom to collaborate with for Chapter 6.
- **Organising the ideas** (e.g. Changing the brewing configuration, Serving Ritual)
  These are the clusters of the actual ideas, a great help in defining the scope later on in this section.
- **Defining what we want to achieve** (eg, Elevated experience, Redefined Drinking)

These are the goals per area. For Beerlab, the Innovation manifesto from Heineken Innovation already defined these goals. For the Bar, I adjusted these to fit the ideas and clusters that we found.
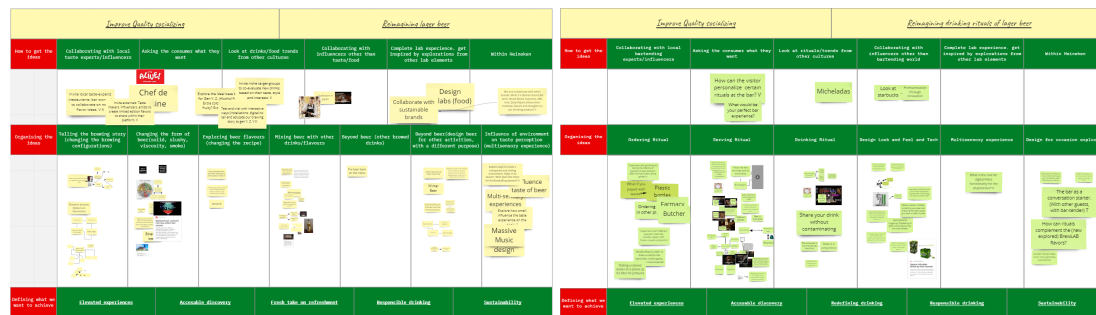

Figure 4.14: Clustering and organising Beerlab & Bar Rituals Ideas (Own Figure), Appendix XX

Workshop Bar Rituals

The last step in defining what the activities of the HLab could be is the design and execution of the Bar Rituals workshop. This is a necessary step in this graduation thesis because to find out how the innovation process of the HLab should look, I first need to find out what it is the innovation process should produce.

The goal of this workshop is thus to find out what the HLab should do in the bar area, what the bar area should look like and what physical elements the bar area should contain. This workshop was planned as part of the whole HLab project. A part of it served as input for this thesis.

The workshop took place in London and Savanta, Love, Vice and the HLab team were the participants. The workshop was held in one day, with substantially more time than the beerlab workshop.

Workshop plan

Thijs and I made the plan for the workshop, which included the preread with expectations for the agencies, agenda, goals, and creative sessions. We did not have much time to discuss the plan with the rest of the HLab team. Because of this late communication and some misunderstandings of the goals for the workshop. The HLab team last minute decided to change the workshop setup.

Although this change was unexpected and excluded some of the creative steps, the workshop gave some interesting results that this project could benefit from.

Besides this, the workshop also unearthed the tension between the HLab team and LOVE. Unexpectedly, LOVE presented a concept for the Bar in the HLab, while the goal of the workshop was to create options for concepts together. Because of this, reactions to their concept were mixed within the HLab team.

The HLab team did not accept the concept and gave LOVE new areas to work on, which points out a clear misalignment between the two parties. LOVE does not know what is expected from them, and the HLab team is not clear enough about what they want.

Because the HLab is a new project and a lot remains undefined, none of the parties knows what to design for it. My conclusion on this is that the HLab is missing a common vision that all

parties share. If the HLab did have a clear scope and common vision all parties at least align on where to go.

Workshop outcome

A full recap of the workshop can be found in the appendix A. The following two sections explain the workshop's input into this project.

Scoping the HLab Areas

The Bar workshop finally gave good insights in what was possible and interesting for the HLab. With this information I could create a clearer scope on the individual HLab areas. The workshop in Chapter 10 also uses these scopes to get the workshop participants familiar with the HLab.

Beerlab

Changing brewing configurations | Changing beer recipe | Changing beer appearance or viscosity | Mixing with other flavours | Design beer for activities or purpose | Influence Beer with the environment |

Bar

Ordering Ritual | Serving Ritual | Drinking Ritual | Design Look & Feel | Technology | Multi-sensory Experience | Design for occasion | Food pairing |

Lounge

Seating configuration | Art installation | Furniture | Lighting | Serving Ritual | Group Dynamic | Connecting strangers | Drink from Home | Technology | Multi-sensory Experience |

Program

Design collaboration| Sound | Gamification| Dance | Night Out | Fashion | Launch Party | Phigital / Meta|Drinking for activity |

Exploration criteria

An exploration is the internal HLab terminology for an idea on what to do in the HLab. We made the criteria canvas, shown in Figure 4.15 on the next page, to test if these explorations were good enough for the HLab. This canvas is one of the beginning points for creating the workshop in Chapter 10.

After evaluation, the canvas could use some improvements. Firstly, although it presents a wide scope with five different areas, the canvas focuses on Heineken's point of view.

Secondly, the innovation manifesto was built upon the QS strategy, so giving both criteria is two-faced. The HLab team needs to decide on which one they want to focus. Thirdly, the trends are not specific enough and thus need more thought. Lastly, GenYZ, as the main target group, is vastly underexposed and deserves more attention.

Exploration criteria

1. Does it resonate with the innovation manifesto?

Elevated Experiences	Accessible discovery	Fresh take on refreshment	Responsible drinking	Sustainability

2. Does it contribute to Quality Socializing?

Looking good	Discovery	Physical benefits	Connecting	Quality & reputation
The need of wanting to look good and impress peers by shaping your personal image with your drink choices	Discover new flavor, ritual, product and activity options with familiar and well-known brands, new brands and brand-extensions	Opting for new flavor, ritual, product and activity optionswhich provide a physical benefit. Allow consumers to manage a hangover or the need to feel refreshed	Improving the ability of beer to be a social glue to share moments of connecting	To extend into spirits drinking moments where consumers want to be seen to be drinking a reputable brand

3. What is in it for ... ?

Heineken Brand	Gen Y - Z	Markets
Can this be done in another Heineken department? Does it fit the Heineken brand? Ask Willem van Weasberghe Will the family like it?	Will GenYZ like it?] Does it make Heineken closer to popular culture?	Is there a brand that already does this? Tap into needs of Operation companies, Outlets, retail, bar personell

4. Does the exploration match one of our framed trends?

Wellbeing	Gamification	Personalization	Technology	Community Building	Education

Figure 4.15: Exploration criteria for testing the ideas of the HLab (Own Figure)

Summary of the Implications for the HLab

Activities

- More clear scope of the HLab areas
- Quality socialising is important criteria

Process

- Good alignment of parties within the HLab is important

People

- Good alignment of parties within the HLab is important
- GenYZ should be involved more in the process of creating the scope and HLab

Brand

- None

4.4 Summary and Main Insights on Activities of the HLab

Summary of the Implications for the HLab

Activities

- Everything that happens in the HLab should align with QS.
- The HLab can learn from the coffee industry in innovation areas of temperature, adding and mixing ingredients and flavours, changing texture, changing occasions for drinking and showing farming innovations.
- Other sources of inspiration are Socialising moments, Technology, Cultural Rituals, Serving traditions, AI, and Multisensory experiences.
- More clear scope of the HLab areas
- Quality socialising is the most important criteria

Process

- The HLab has to be future-minded, and while having one sharp future perspective, this perspective should allow for multiple variations and innovations to be created.
- Good alignment of parties within the HLab is important

People

- Heineken employees also want to use the HLab for their projects.
- Employees of the HLab should be encouraged to make mistakes. The HLab should be equipped in a way that protects the Heineken brand from failures.
- Good alignment of parties within the HLab is important
- GenYZ should be involved more in the process of creating the scope and HLab

Brand

- The HLab is a tool to bridge the Heineken brand and GenYZ.
- The HLab should be a safe place to fail for the Heineken brand.

Contributions to Research Questions

SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should it create in order to effectively engage with GenYZ?

- Everything should align with Quality socialising.
- Other innovation areas are: changing temperature, adding and mixing ingredients and flavours, changing texture, changing occasions for drinking, showing farming innovation, Technology, Cultural Rituals, Serving traditions, AI, and Multisensory experiences.
- GenYZ should be more involved with the whole process and making decisions

SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

- The HLab has to be future-minded, and while having one sharp future perspective, this perspective should allow for multiple variations and innovations to be created.
- The process of the HLab should align all involved parties
- The process should make a bridge between GenYZ and Heineken
- The process should allow for failures without damaging the Heineken brand

SRQ 3 How can the HLab use co-creation to get closer to GenYZ without damaging the Heineken brand?

-

Chapter 5: A process for designing the activities in the HLab

5.1 Innovation processes and methods
for Innovation Labs
5.2 Combination of methods
5.3 Heineken's ideas on the process
5.4 Conclusion

Goal and explanation of this chapter

The goal of this chapter is to find how Heineken can operate the HLab. Which methods they should use and how they should go from insights and ideas to actual prototypes for their Innovation Lab.

This chapter uses literature research, interviews, and my own experience in design methodologies to find insights into the methods and best practices that the Heineken Lab can apply to create their explorations.

5.1 Innovation processes and methods for Innovation Labs

Heineken has stated their interest in an innovation process that can be used in the Innovation Lab. Literature also states that a well-facilitated innovation process can help an Innovation Lab achieve its goals (Fecher et al. 2020). This section researches what kind of processes or methods Innovation Labs can use to their benefit.

Something different than StageGate

Conversations with the innovation manager of the Hlab point out that Heineken uses a StageGate model for their conventional innovation streams. But this StageGate model is expected to not work well inside the environment of the HLab for a couple of reasons that the paragraphs below explain.

Innovation Lab's fast-changing markets and social developments require them to swiftly adapt and respond to take advantage of new opportunities (Ovesen 2012). Most large corporates, including Heineken, use stage-gate models to structure their innovation process (Boedelens 2010; Ovesen 2012). Traditional stage-gate approaches alone work well in stable and predictable environments but have limitations when applied to the environment of an Innovation Lab (Fecher et al. 2020).

Research criticises stage-gate models for being too linear and strict and, as a result, missing opportunities (Cooper 2014). Thus, such a stage-gate model might not be a good idea for the HLab, which asks for the most novel and creative ideas outside Heineken's regular scope.

This fast-changing environment that Innovation Labs operate in sheds light on other innovation practices designed to operate within such dynamic environments. There are a lot of methods, tools and processes available that can be used to implement innovation in an Innovation Lab or other organisation. (71 Innovation Methodologies – Open Innovation n.d.) even describes 71 innovation methodologies. Table 5.1 shows the six most common principles found through internet research.

Principles	Most common methods	Used for
Lean	Lean startup canvas	Manufacturing, Startups, reshaping cluttered processes
Agile	Scrum, Kanban	Fast moving environments, Quick road to market
Design Thinking	Viability Desirability Feasibility, 5 step design process,	Empathy and human-centric design

Open-innovation	Co-creation, University research, Ventures, Crowdsourcing	In and outflow of information to supply innovation
Stage-gate hybrids	StageGate agile, StageGate lean	Structurizing agile or lean and making stage gate more dynamic and innovative

Table 5.1: Innovation principles

Lean

Lean: is a management philosophy that originated from Toyota's systemic practices for minimising risk and waste while maximising customer value. According to Solaimani et al. 2019, 'The Lean philosophy focuses on adding value for stakeholders, particularly customers, and encouraging employee's continuous contribution to safety, quality and performance improvements, while maintaining a holistic focus on the end-to-end process'. Using lean principles can help companies with radical innovation with limited resources in dynamic markets (Bicen and Johnson 2015).

Literature does not agree on a single uniform process for Lean (Solaimani, Haghighi Talab, and van der Rhee 2019). Rather so it is a combination of management philosophy principles and tools that aim to improve an organisation by eliminating wasteful elements (Bicen and Johnson 2015; Solaimani et al. 2019; Solaimani, Haghighi Talab, and van der Rhee 2019).

The next paragraph explains three often found sets of principles or processes that lean innovation uses.

1.   A circular 5-step process. Step 1 is identifying value for the stakeholders. Step 2 maps the value system by identifying all the steps in the process and eliminating steps that do not create extra value. Step 3 creates flow by putting the steps in a tight sequence. Step 4 is establishing pull by involving customers when they want something. Step 5 is the iterative step that completes the circle until value is created with almost no waste (What is Lean | History and early development n.d.).

2.   The 5s principles for organising, cleaning, developing and keeping a productive work environment are usually applied to manufacturing processes (US EPA 2016). Step 1 is Sort, keep necessary objects and delete unnecessary ones. Step 2 is set in order, keeping needed items in the correct place. Step 3 is Shine, keep the workplace clean. Step 4 is Standardise, maintain the first three steps. Step 5 is Sustain, make a habit of these procedures.

3.   Combat 8 wastes that bring inefficiency and reduce productivity in companies. These are: Wait, Defect, Transport, Movement, Excess Inventory, Excess production, Unnecessary processing, and Unused talent.

Lean startup

Lastly, Lean startup is a more recent framework derided from lean principles. It is primarily used to create viable business models for startups that create value for the Customer. But Lean startup principles can be extended to work in other areas to (Dennehy et al. 2019; Innovation Factory. Sounds good, what is it? 2022).

A Lean startup aims to create Minimum Viable Products (MVP) to test business hypotheses and start the learning process. The MVP is a version of a new product which allows a team to collect the maximum amount of validated learning about customers with the least effort (Ries 2011).

These MVPs are usually created and tested by following an iterative 6-step flow, shown in Figure 5.1. This flow starts with gathering ideas, the second step is to build the ideas. Next, the ideas turn into products (MVPs). By testing and measuring the influence of these products and measuring, data is gathered. The sixth step is learning from this data. Finally, the circle completes using the data to think of more ideas. This flow is called the Build-Measure-Learn process. (Rogers 2019)
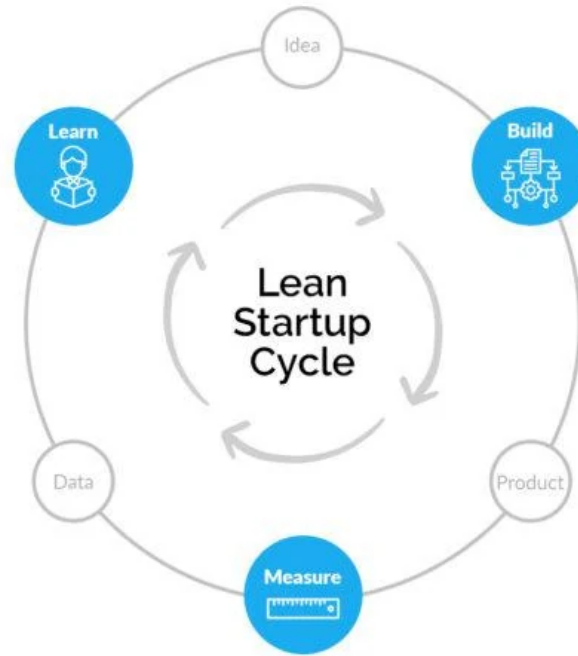
Figure 5.1: A visual representation of the BML loop (Pereira 2020)

Lean Startup (Canvas)

Another tool in Lean startup is the Lean startup canvas, shown in Figure 5.2. This is a one page fill-in document that creates a structured workflow to follow Lean principles. The canvas exists out of 9 blocks. Block 1: Problem, list the problems that the Customer segments need solving. Block 2: Customer segments (CS), list the customer segments. Block 3: Unique Value Proposition (UVP), the promise to your CS and what makes you different. Block 4: Solution, what is going to solve the problem? Block 5: Channels, how your startup will reach the CS. Block 6: Revenue streams, how you plan on earning money. Block 7: Cost structure, what do the operations of the startup cost? Block 8: Key metrics, define ways to measure performance. Block 9: Unfair advantage, what do you have that no one else can buy or create?

Figure 5.2: An example of the Lean startup Canvas (Robotham 2011)

Main takeaways of Lean and Lean startup for the HLab

➢ The steps in the lean process create an overview for the HLab of important subjects in innovation.

➢ When creating a process for the HLab, Lean can be used to streamline the process and eliminate wasteful practices.

➢ MVPs are a great way to test innovations in the HLab. The characteristics of an MVP can be a first baseline for prototypes in the HLab.

➢ A canvas is a good format to validate and create a more underbuilt idea.

➢ Lean uses many loops to improve products, ideas and business models continuously.

➢ The BML loop is useful for creating and improving the explorations in the HLab.

Agile

Agile: originated from Lean philosophy but uses slightly more pronounced tools and methods (Lean, Agile and Scrum n.d.; Ovesen 2012).

The most common method of using Agile in innovation is Scrum (Lean, Agile and Scrum n.d.; Ovesen 2012). Scrum is a set of practices, roles, events, artefacts and rules designed to guide a team. This Scrum framework uses short sprints to design (software) products quickly.

A Scrum master leads this process and framework. Days usually start with a stand-up where the team divides tasks. The week ends with a review of the progress and a retrospective on adapting to challenges that might have surfaced during the week.
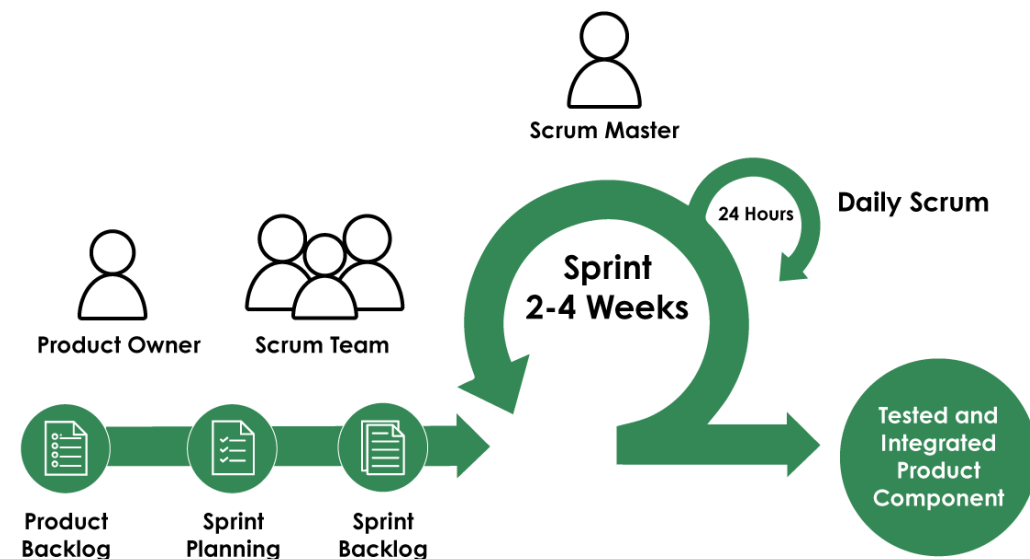
Figure 5.3: A visual representation of the Scrum process (Agile Software Development Methodology n.d.)

Main takeaways of Agile for the HLab

➢ A Scrum process is useful when a team works on only one innovation at a time because it is highly time-consuming.

➢ Scrum also implements the people working on the process and sees them as important players.

➢ An Agile approach like Scrum implements a way of working throughout the day and week. Actors in the process closely manage and track progress.

Design Thinking

Design Thinking (DT) is a principle with its footing in design academics. DT combines three overlapping perspectives: Viability, the business perspective, Desirability, the Customer perspective, Feasibility, the technological perspective. By addressing all three perspectives, innovation increases in a company (Chasanidou, Gasparini, and Lee 2015).

DT is beneficial for solving wicked problems, understanding the Customer by creating empathy, ideation, and use in multidisciplinary teams. The various design tools from DT help in achieving goals. The conventional process of DT consists of five stages: empathising, defining, ideating, prototyping, and testing. For innovating, DT is often used to get a head start on the project. However, a good innovation process needs more steps after the initial DT stages to ensure the innovation can be adapted and implemented by markets and a company (Chasanidou, Gasparini, and Lee 2015).

Main takeaways of Design Thinking for the HLab

➢ The tools and methods of design thinking are beneficial for ideation, creating empathy with the Customer and working in multidisciplinary teams.

➢ DT methods and tools are more helpful at the beginning of an innovation project than at the production or implementation stage.

➢ The various tools of DT are a great base for exploring the areas the HLab needs to innovate.

➢ The HLab is made by the design and sustainability team of Heineken. It would be foolish not to incorporate certain design elements into its process.

Open-Innovation

Over the past years, since its invention in 2003, Open Innovation (OI) has become one of the most popular topics in innovation management (Dahlander, Gann, and Wallin 2021; Huizingh 2011). Henry Chesborough first coined the term as: "the use of purposive inflows and outflows of knowledge to accelerate internal innovation and expand the markets for external use of innovation" (Chesbrough 2012). Research on open innovation has gathered enough evidence to claim that open innovation can improve business performance (Chesbrough 2017).

There are three main types of OI: Outside in, Inside out and Combined (Chesbrough 2012). The Combined OI means that a company uses the full OI and, therefore, completely opens up its R&D department to external parties both in- and outflow of information.

Not all companies want to do this because of patents and an otherwise competitive advantage they might lose by sharing company secrets. But they still want to reap some benefits of open innovation. Which resulted in the two different open-innovation flows. Only outside in collaboration, in which companies gain external knowledge by collaborating with external parties. For example, corporations do this with co-creation sessions.

The second option is inside out collaboration, in which companies share their knowledge so other parties can improve it. For example, when a company has an unused technology or product that does not fit their business model or brand, they can choose to do a corporate spin-off to develop this further.

Chesbrough suggests there are three major steps in the process: Obtaining, Integrating and Commercializing. Figure 5.4 shows how these steps connect to each other. These steps can also be adapted for inside out collaboration but will be explained for outside in collaboration.
Obtaining involves two parts, finding external sources of innovation and connecting the innovations with the firm.

The second step is Integrating these innovations into the company. When this is related to the HLab project, it seems like open innovation encompasses the whole of Heineken, and the HLab can play a major role in the integrating step. Therefore the HLab must have a strong connection with Heineken's existing R&D and innovation capabilities.

When looking only at the level of the HLab for the second step, integrating becomes easier. Although the HLab will use the basic principles of Heineken, the HLab aims to be open to external ideas, and so an open organisational culture is already in place. The difficulty here seems to be having a process for adapting these innovations the right way.

The third step is commercialising by testing the innovation and launching it to the market. Again the HLab can play a significant role in testing and iterating the innovation until it is ready for the market. Still, the HLab does not have the capabilities to scale up the innovation so this step has to be implemented by Heineken itself. (Jokubauskienė and Vaitkienė 2017)
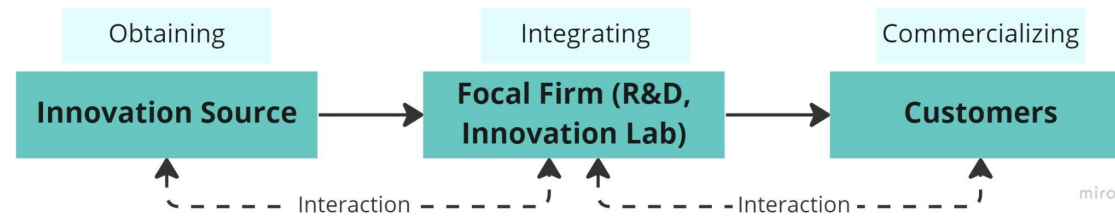
Figure 5.4: 3-step process of open-innovation

The most popular methods to practise open-innovation for outside-in OI are Co-creation, informal networking and university research grants for inside-out it is joint ventures. Co-creation is also common in Design thinking processes and is usually done with one-day creative sessions. Heineken already expressed interest in co-creation as a possible method for the HLab. Therefore, extra thought should go into it. Chapter 3.XX explains more about the topic of co-creation.

Main takeaways of Open-Innovation for the HLab

➢   It might be difficult for Heineken to be fully open to the world because of their set ways of working. However, the HLab could be a platform for this if it is completely standalone. Some losses should then be taken into account

➢   HLab team members already mentioned their preference for co-creation as a method for innovating. Besides co-creation, university research grants or joint ventures can be investigated.

➢   To conclude open-innovation for the HLab, it seems like the platform of the HLab is a great way to dive into open-innovation practices. But the HLab does not seem capable of doing the whole process as a standalone party.

➢   Integration with Heineken is necessary on two fronts. In the first two steps, the HLab must align its strategy with R&D and innovation within Heineken. In the third step, the innovations can be adapted by the business of Heineken. In the last phase of commercialising the innovations, they must be of the right fidelity so that Heineken can scale them.

5.2 Combination of methods examples

This chapter gives literature insights about innovation processes by showing two examples. First, this chapter gives the example of the Rabobank Innovation Factory. I interviewed the Rabobank Innovation Factory to gain deeper insights into their working methods. Second, this chapter addresses the Innovation process of the Nordstrom Innovation Lab. Finally, this chapter ends with conclusions on combining Design Thinking, Lean and Agile principles.

Stage-Gate Hybrids

Stage-gate Hybrids are the last principle for innovation. Regular stage-gate models have become outdated, and companies are moving to hybrids of the stage-gate model (Cooper 2014). One of the most common hybrids is an Agile stage-gate model with loops between the gates. It combines the structure and security of a stage-gate process with the quick and dynamic response capabilities of an agile process like Scrum.

Another example can be found in the Rabobank Innovation Factory. The section below explains how this Innovation Lab uses a hybrid stage-gate innovation model. The section thereafter gives another example of a hybrid model that does not use stage-gate but a combination of DT, Lean and Agile, The Nordstrom innovation process.

Rabobank innovation factory

The Rabobank Innovation Factory (RIF) is a successful Dutch corporate Innovation Lab. This success can be given to it because of its carefully designed methods, processes and organisation. The RIF was designed by Gert-Hans Berghuis, a part-time lecturer at TU Delft faculty of Industrial Design Engineering. The RIF's main outputs are digital startups. As Rabobank has its roots as an agricultural bank, most initiatives focus on this business. (Innovation Factory. Sounds good, what is it? 2022; The Whys and Hows of Stage gates 2022; Poot 2022)

Some articles online discuss the process of the RIF, but to get more insight, an interview is conducted with one of their employees.

Similarities with the HLab

The RIF aims to create startups in Horizon 2 and 3 from the McKinsey three horizons model. Figure 5.5 shows an adapted version of this model with the HLab in it, the RIF also situates in the same area. So New innovations and Disruptive innovations. With a strong affiliation with Technology (Innovation Factory. Sounds good, what is it? 2022).

Horizon 1 is meant to sustain by adding variations or cost reductions in existing markets with existing technology. Horizon 2 looks for adjacent growth opportunities, like next-generation products in emerging markets using emerging technology. Horizon 3 calls for exploring new markets by using new technology with visionary and transformative categories.

The RIF also strongly focuses on collaborating with external parties through their own open-innovation methods. The combined focus on new and disruptive innovations and external parties can put the RIF in the same category as the HLab, a joint innovator. Besides, the RIF is an Innovation Lab from a large corporate, just like the HLab. Also, both labs eventually want the innovations to spin back into the mother company.
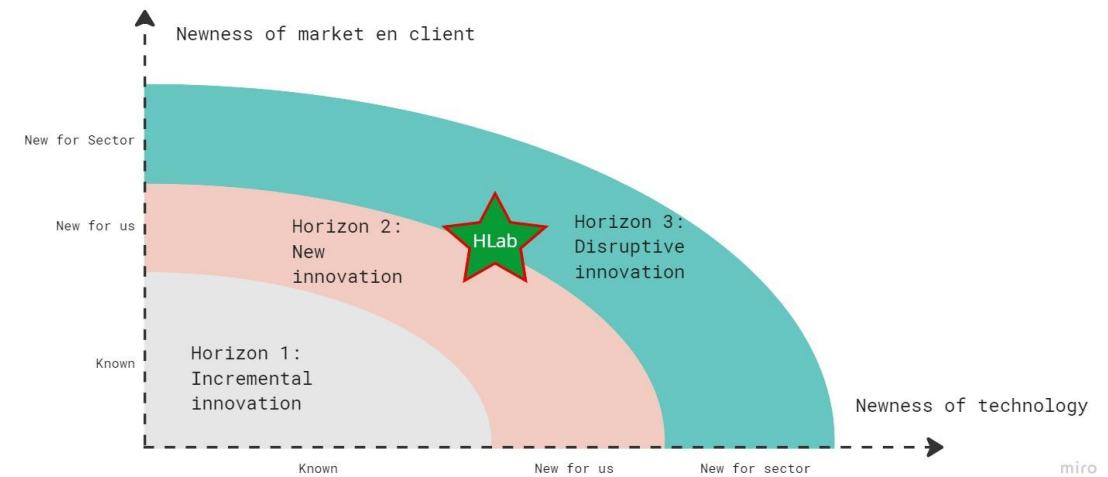
Figure 5.5: Three horizons of innovation adapted from McKinsey

Differences with the HLab

Although there are some similarities, there are also some differences. The RIF creates startups that are mostly digital products like apps, while the HLab aims to create social innovations or (physical) beer product-related innovations. Nevertheless, because of the similarities, the process of the RIF can be an important source of inspiration for the HLab.

The innovation process of the RIF

The RIF makes use of a combination of three popular innovation methods. The basis of their process builds on the Lean Startup framework. The Lean startup canvas is split into four elements, Problem fit, Solution Fit, Market Fit and Scale. The process starts with discovery and generating enough relevant ideas.

Secondly, this process is kept structured by an elaborate Stage-gate framework that the employees of the RIF follow to get from discovery to scale. The RIF employee uses a general slides deck with steps per stage and questions to solve to follow the stages to the gates. The gates are the orange flags in the image below.
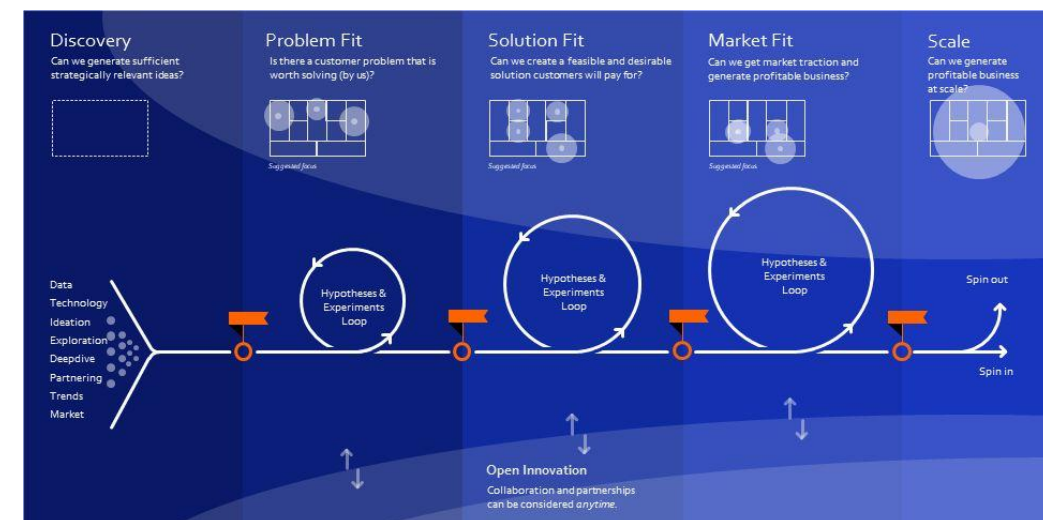
Figure 5.6: Rabobank Innovation Roadmap

The third principle embedded in the RIF process is open-innovation, which is a constant process that shows that employees of the RIF are encouraged to collaborate with external parties anytime. The interviewee mentioned that many projects closely collaborate with companies or possible customers to build strong products.

One of the ways they do this is with co-creation sessions. The format they usually use is a half-day workshop, in which they aim to align goals and ideate on possible solutions or problems depending on the project's stage.

As a last step in the process, the project spins back into the Rabobank and technical details are not available to the public. This makes the open-innovation aspect a little one-sided.

The interviewee mentioned that although the stage-gate framework seems like a strict process with hard cut-offs, it is a useful tool for staying structured. Every stage also consists of a loop, meaning that when the stage is not ready for the gate yet, the employee does more hypotheses and experiments to rerun the loop.

The business champ is the project employee of the RIF that undertakes the stage-gate process and eventually creates the startup with the help of other parties. Above the Business champ, three innovation leads work at Rabobank and are responsible for the subject of innovation the startup situates in. These Innoleads decide the themes that one of the startups should work on. and are also important in determining if a project passes a gate.

Besides the Innolead, a senior innovation expert, a portfolio manager, and a compliance legal and risk expert are present at the gate meeting, where they decide if a project passes the gate. They take the time for this meeting to completely talk through every aspect of the project so everybody understands it well. These meetings usually take 1.5 hours.

The RIF has roughly 50 employees, with at the top the three InnoLeads. This way, the RIF has multiple projects running simultaneously that are still structured and governed under Rabobank innovation principles. The projects are not publicly connected with Rabobank to avoid bias. Only later, when spin-in spin-off decisions are made, Rabobank connects to one of the startups.

Main takeaways of the RIF for the HLab:

➢ Innoleads govern a certain theme that is important for Rabobank and the innovations that originate from said theme. They are important for creating a connection between the business side of Rabobank and the RIF. Innoleads also play an important role in the HLab.

➢ The RIF has roughly 50 employees. The HLab will need more employees for their daily practices.

➢ Every business champ usually works on one or two projects simultaneously, in full-time work.

➢ The combination of Lean startup, stage-gate and Open-Innovation creates a process that is easy to follow, well structured and touches on most aspects to create innovations for Rabobank.

➢ The Rabobank is not always connected to the projects to avoid bias.

➢ A gate meeting takes roughly 1.5 hours.

Nordstrom Innovation Lab

The following section is an analysis and summary of the Nordstrom Innovation Lab and innovation process. This Innovation Lab, although from 2011, is more relevant for this project than other labs, because of the specially designed process they used and the dynamic environment they operate in.

The Nordstrom Innovation Lab is an important source of inspiration and learning for the HLab. Nordstrom is an American luxury department store chain with a $ 9.7 billion revenue in 2011 and a $14.8 billion revenue in 2021. (Fortune 500 2011 – Nordstrom n.d.; Nordstrom 2022; Nordstrom Named World's Most Admired Companies by Fortune | Nordstrom n.d.).

The ideology of the Nordstrom Innovation Lab

Nordstrom had difficulties in finding their silver bullet in innovation (Grossman-Kahn and Rosensweig 2012). Heineken has also mentioned that they are too perfectionistic in their innovation approach because they fear hurting the brand. The Nordstrom Innovation Lab (NIL) aimed to solve this by taking the approach of small bets in diverse practices. The HILab is also interested in this approach.

The process

NIL's process is a combination of Design Thinking, Lean Startup and Agile. The flow of the process is shown in the Figure 5.7. NIL's process was created iteratively by trying and doing. The process for creating the process for NIL started with trying out an Agile iteration stream, only after following with implementations of the Lean Startup and Design thinking principles.

The innovation process of the NIL starts with the Customer by using Design Thinking to uncover latent Customer needs and define a desirable, feasible and viable solution. The lean startup protocol of Build-measure-learn inspired the next part, creating an MVP that can be tested in increasing scaling for validation.

Lastly, the process embeds four Agile principles and ways of working to be more dynamic. 1. Every morning starts with a team stand-up to define tasks. 2. Every week ends with a reflection and defining improvements. 3. There is always a bias towards action by empowering the team to prototype even at low fidelities. 4. All tasks are prioritised based on customer and stakeholder needs.

Other insights

The first step in starting the NIL was reserving a meeting room to be the base of the NIL until they had found a real location. (Grossman-Kahn and Rosensweig 2012)

The team is an important aspect of an Innovation Lab. The NIL used 15 employees spread out over different studios that work on specific business challenges. Nordstrom's innovation committee defines these business challenges. The NIL's employees are not confound to the NIL. They are encouraged to freelance on other Nordstrom projects connected with the NIL.

The experiments start out internal and private to combat hurting the Nordstrom brand with mistakes made by the NIL. When enough validation is found, small groups of customers are used to validate the MVP even more, until there is enough validation to go public. (Brown 2017)

In 2015 Nordstrom launched another innovative initiative, Space. This initiative was an incubator program for upcoming designers. Nordstrom gave upcoming designers a podium for growing their own businesses. In return, this gave Nordstrom a better connection to upcoming designers. The now popular brand Vejas was one of the brands to partake in the program. (Cross 2017)

In 2015 Nordstrom announced that it was scaling back the NIL activities. Nordstrom spread out NIL employees across the whole organisation to continue working on innovation across the whole company. (Howland 2015)

Figure 5.7: NIL Innovation Process with Design Thinking Lean Startup and Agile

Combining Design Thinking, Lean (startup) and Agile

The NIL is not the only one to think of combining Design thinking, Lean (startup) and Agile principles, methods and processes. Not everyone agrees that this combination is the best of the three worlds. Research suggests some improvements and points out caveats.

Marty de Jonge on Linkedin (Combine Design Thinking, Lean Startup and Agile? Beware of Waterfall in disguise! | LinkedIn n.d.) points out some improvements and caveats. He states that inexperienced practitioners could interpret the diagram the wrong way. Most importantly, this diagram should not be understood as if it were three different silos but a process as a whole.

The diagram suggests three phases and each specialist can work in their own phase. Thus only at the touchpoints of the phases, there is communication and collaboration. This can lead to internal waterfalls in each phase that does not contribute to the final project. It is thus important to not staff the first phase with only thinkers and the last phase with only doers.

To conclude, it is important to make a coherent process from the three separate phases with internal feedback loops and collaboration between teams to ensure that everything that is done adds to the final work.

As a side note, de Jonge points out that Agile is not comparable to DT or Lean startup, in that Agile is more of a mindset than a method or framework. It would be better to use one of the Agile methods like Scrum to embed in the process instead of putting Agile in the last phase. (Combine Design Thinking, Lean Startup and Agile? Beware of Waterfall in disguise! | LinkedIn n.d.)

However, there are also some inherently positive sides to combining different approaches and using the best of three worlds.

Firstly, Pradeep Patel states that combining the Agile/Scrum approach with Design Thinking's empathic abilities and the iteratively of Lean startup loops has a few positive sides. A problem with Scrum approaches is the speed of the approach sometimes causes a lack of oversight and empathy with the Customer. This could be improved by using DT methods to create a more empathic base to build the Scrum approach on. Below is a list of what to do with each method in a combination of methods.

Main takeaways of the NIL for the HLab:

➢ To create a better connection within the mother company, the HLab could organise tours and make an internal website for Heineken employees.

➢ The Hlab can involve internal stakeholders in creating the goals and scope to share internal knowledge of Heineken.

➢ The innovation process for the HLab could later also benefit the innovation process of Heineken as a whole.

➢ An innovation process can consist of different methods and principles combined. Creating such a process is an iterative process.

➢ Design thinking is more useful at the beginning of a process.

➢ Lean startup is useful for creating and testing concepts.

➢ Agile tactics can be used as a starting point to define ways of working for the HLab.

➢ Small bets and diverse practices worked for Nordstrom to gain more insights into defining priorities for innovation. To translate this to the HLab, the HLab should start with small and diverse explorations and concepts and gradually work their way to bigger ones.

➢ The HLab does not need a big fancy location to start. A meeting room reserved for the HLab could be a good start.

➢ Employees are important for the HLab, but they should not be bound to the HLab project to increase creativity and connection within Heineken.

➢ To make a fail-safe environment of the HLab, the HLab should start with covert tests in regulated environments.

➢ Giving young designers a platform could help grow the Hlab's or Heineken's business.

How and what to use which method for?

Design Thinking

Using empathy to get to the heart of the problem
Ideation techniques for creating new solutions
Using different perspectives to generate innovative solutions

Lean

Quickly and cheaply build prototypes to test (MVPs)
Measuring and testing
Learning and adapting to create iterations

Agile

Turn prototypes into products
High efficiency working with less waste
Flexibility and quick adapting to changing environments by using short iterations loops
Transparency by clear task division and agenda.

5.3 Heineken's ideas on the process

The following short chapter gives the starting point for creating the innovation process for the HLab. It introduces the first draft version of the HLab's innovation process. This chapter discusses the process and points out how to improve it.

The start

The HLab team started with a simple flowchart in April 2022 to create prototypes for the HLab. This process was not tested nor finished. They stated it was a first sketch. However, this first sketch gives a good starting point for designing the final design innovation process for the HLab. This chapter further explains the separate steps of this process and what is missing by comparing it to the design and innovation processes of Chapters 5.1 and 5.2.

The Flowchart after Launch

The flowchart in Figure 5.8 shows a basic iterative process with one feedback loop and multiple inputs. The goal and outcome of this flowchart is an Exploration: a co-created MVP (minimum viable product) and socialising prototypes that are displayed and can be enjoyed in the HLab to test it. It can be anything from beer tastes, drinking rituals, socialising activities or interior design.

 The process begins and loops with the Learn step. This step takes earlier insights to create a new idea. This 'New Idea' is created by combining input from external streams with the HLab's knowledge of one of the four Lab Areas: Beerlab, Bar, Lounge or Programm. All four areas need one idea that then gets combined into concepts. The concepts get selected and follow the process until new insights can be gathered after the concept's launch and the Learn step is initiated again.

Comparing the flowchart to the processes from other labs

At first glance, the process seems too simplified, and further explanation is needed to understand the steps. Also, Heineken states that it is a first draft. This paragraph compares the flowchart to the processes of Chapters 5.1 and 5.2 to understand what is missing. The differences and improvements are noted in the list below.

1. Lacks an explanation of the meaning of the steps. For example: what should a concept exist of?
2. No relation to existing and proven innovation methods or processes.
3. A rather linear process with only 1 iteration possibility
4. No strategy embedded in the process
5. No tasks appointed per step
6. Confusing and unclear external streams
7. Not a strong connection with the business side of Heineken
8. No definition of what is a good concept for concept selection or final approval
9. Too straightforward in produce, launch, and learn steps.

To conclude, although there is a lot to improve on in this process, it gives a good starting point for creating a better version that could help the HLab achieve its goals.
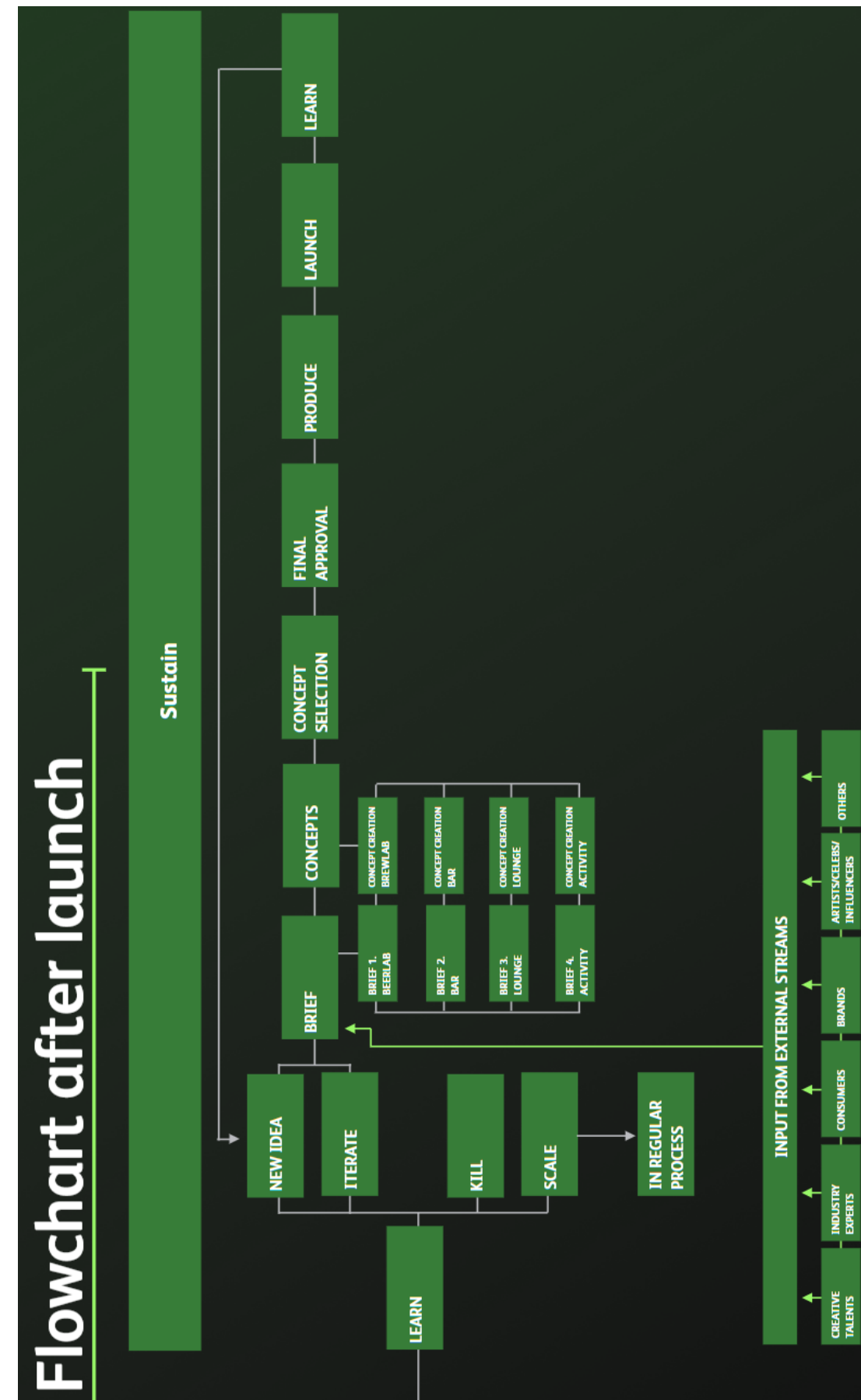
Figure 5.8: Flowchart for creating the innovation process

5.4 Conclusion On Processes for designing activities in the HLab

Contributions to Research Questions

SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should it create in order to effectively engage with GenYZ?

- The various tools of DT are a great base for exploring the areas the HLab needs to innovate in.
- Small bets and diverse practices worked for Nordstrom to gain more insights into defining priorities for innovation. To translate this to the HLab, the HLab should start with small and diverse explorations and concepts and gradually work their way to bigger ones.

SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

- Innovation Labs operate in especially dynamic environments and therefore need to be able to respond and act fast. Innovation Labs can make use of a combination of methods, but these methods need to fill in on each other in the right way so they add to each other instead of subtracting. The employees of an Innovation Lab play a very important part in its success. Methods can be used for leading daily activities, weekly planning, or project strategy goals.
- The HLab will need a process that builds upon its goals and way of working. The methods and process the Hlab should use depends on what kind of employees and organisational structure the Hlab will use. It is advisable to use a combination of methods and ideologies that act on the specific needs of the HLab.
- There is not one ready-made process for the HLab that works best. The HLab needs a carefully crafted process consisting of multiple methods and ideologies. This process should be created iteratively, and the HLab team should not be afraid to change and improve the process along the way.

SRQ 3 How can the HLab use co-creation to get closer to GenYZ without damaging the Heineken brand?

- Start with small covert explorations and gradually work your way up.
- Connect with the right external creative minds and be a platform for their opinions and creativity.
- Do not always use the Heineken brand to avoid bias.

Chapter 6: Co-creating in the HLab without damaging the Heineken brand

6.1 Co-creation processes for the HLab

6.2 The People for Co-creation

6.2 Constraints of the Heineken brand in the HLab

6.3 Creativity and design freedom in established brands

6.4 Conclusion

What can you expect to find in this chapter?

This chapter aims to discover how the HLab can use co-creation with GenYZ to come up with more unique ideas that connect Heineken & popular culture without harming the Heineken brand. This chapter looks into existing literature examples of Heineken projects to determine how the HLab should apply Co-creation to its process.

Chapter 6.1 starts by stating why the HLab team wants to pursue co-creation in the HLab by giving examples of past projects.

Chapter 6.2 shows how the HLab team needs to take care in selecting employees and participants of the HLab. This part also gives examples in categories of external parties to work with and how to fruitfully collaborate with them.

Chapter 6.3 dives into using external parties to create value for a large brand like Heineken. Here I explain the influence of the brief and scoping of the HLab on creativity and novelty in creative sessions. This chapter also looks into how to give the creatives enough room to be creative and themselves without damaging the Heineken brand.

Chapter 6 concludes with a summary of co-creation in the HLab and presents this chapter's main insights.

6.1 Co-creation process for the HLab

The goal of this chapter is to discover what employing co-creation in the HLab means for the activities, process, people, and Heineken brand. This chapter examines the co-creation literature and evaluates old Heineken co-creation projects.

Heineken's attitude towards the co-creation process

To understand what this chapter needs to investigate, this paragraph first establishes a few things about the HLab and the opinion of the HLab team on co-creation. This thesis defines co-creation as the collaborative process of creating new value with external experts and stakeholders (Veenhof and Pater 2019). Basically, this means that the HLab creates ideas with people from outside the HLab or Heineken.

The HLab team has expressed its positive attitude towards open innovation and co-creation. They are interested in co-creation because of earlier successes with it from the Open Design Explorations, as stated in Chapter 4.

However, the HLab team and the plans for developing the HLab have no thoughts about the best way of partaking in this co-creation. Moreover, we also do not know how collaborating with external parties fits into the complete process of developing novel ideas for the HLab. Therefore this chapter further elaborates on why the HLab should use co-creation and the types of co-creation the HLab can partake in.

Furthermore, the HLab team thinks that by using co-creation with GenYZ, they can gain more valuable ideas and a better connection with GenYZ. they have expressed their willingness to co-create specifically with influencers and thought leaders. This chapter aims to find out how this can be achieved.

The rest of this chapter further elaborates on why the Hlab should use co-creation, which types of co-creation are most suitable for the HLab and what these implications give to the whole process.

Why use co-creation in the HLab?

Co-creation is a popular subject for large companies that struggle with innovation. Although it can sometimes be a logistically challenging way of innovating, many still deem it very efficient (King and Lakhani 2013). Besides Heineken, direct and indirect competitors like Unilever, Coca-Cola, Abinbev, Ikea, BMW, Lego and Pepsico have also successfully undertaken co-creation activities (Customer Co-Creation Examples 2022; Gilliland 2018). These have proven successful for most of them. Both in generating novel ideas and in gaining traction with customers.

Research also states that co-creation is a good method for implementing open-innovation practices and improving business perspectives on open innovation (Brunswicker and Chesbrough 2018; Gryszkiewicz, Lykourentzou, and Toivonen 2016). The HLab can become an example of how to use co-creation and innovation for the rest of Heineken.

Co-creation works well, as stated by Bill Joy: 'No matter who you are, most of the smartest people always work somewhere else.' The HLab could thus use co-creation to get access to people they normally would not have access to with their internal network. This has all sorts of advantages, like a better connection with new or different target groups. More diversity and more novel ideas from different areas.

Another benefit of co-creation is that it allows for creating more unique ideas by involving people with different backgrounds or experiences in the creative process. The ideas also become more customer focussed because of more direct input from the customer instead of the translated research input a company uses.

Lastly, co-creation can strengthen the bond between the customer and the company or brand. By involving the customer in the creative process, they put the customer and company on the same level of mutual respect.

To conclude, for the HLab, co-creation is a great way to develop more novel ideas rooted in customers' needs. While simultaneously connecting GenYZ to the Heineken brand by giving them more input into the design and value creation process. However, to gain a good connection with GenYZ, it is important that both parties are on the same level of authority and that there is mutual respect within the co-creation. Otherwise, the bond between GenYZ and Heineken will not improve.

Types of co-creation suitable for the HLab

The paragraph below explains a few types of co-creation and which ones are suited to use for the HLab and what kind of process belongs to it.

Within co-creation, multiple variations exist (De Koning, Crul, and Wever 2016). For the sake of clarity, this thesis focuses on the use of co-creation as an innovative approach and design method.

Co-creation as an innovation approach identifies itself as the overall mindset the HLab has to assume, opening to and collaborating with external parties. Furthermore, co-creation as a design method stands for a combination of specific tools, workshops and techniques (De Koning, Crul, and Wever 2016).

Still, within this area of co-creation, one can identify multiple types. Literature usually agrees on at least four areas of co-creation (Co-creation 2022; OHern and Rindfleisch 2010; Pater 2022).

To identify these four areas I looked at the agency Fronteer. Fronteer is a design agency that specialises in co-creation and as an agency, they have already done some projects with Heineken. Fronteer identifies the four areas of co-creation as depicted in Figure 6.1. The following paragraph explains the figure and states that the HLab is more inclined to work with expert co-creation and coalitions. First, the figure shows two axes. Vertically the openness of the co-creation, will the HLab select the external collaborators, or is anyone allowed to join? Horizontally the ownership of the co-creation, is the HLab the only one to make important decisions or can the collaborators also share in the authority of the idea?

Crowdsourcing invites everyone to participate in co-creation, but the initiator will have the decision power on what they will produce in the end. This is not ideal for connecting with GenYZ as it creates a distance between the initiator and collaborator. Also if everybody can collaborate how do you get the target group involved?

Expert co-creation invites specific experts to solve the challenges as depicted by the HLab. This type uses specific expert knowledge whereby the HLab will own the outcomes and main decision maker. For the HLab it is a good thing to be able to choose collaborators because they can focus on GenYZ more. However, it still creates a distance in terms of making decisions.
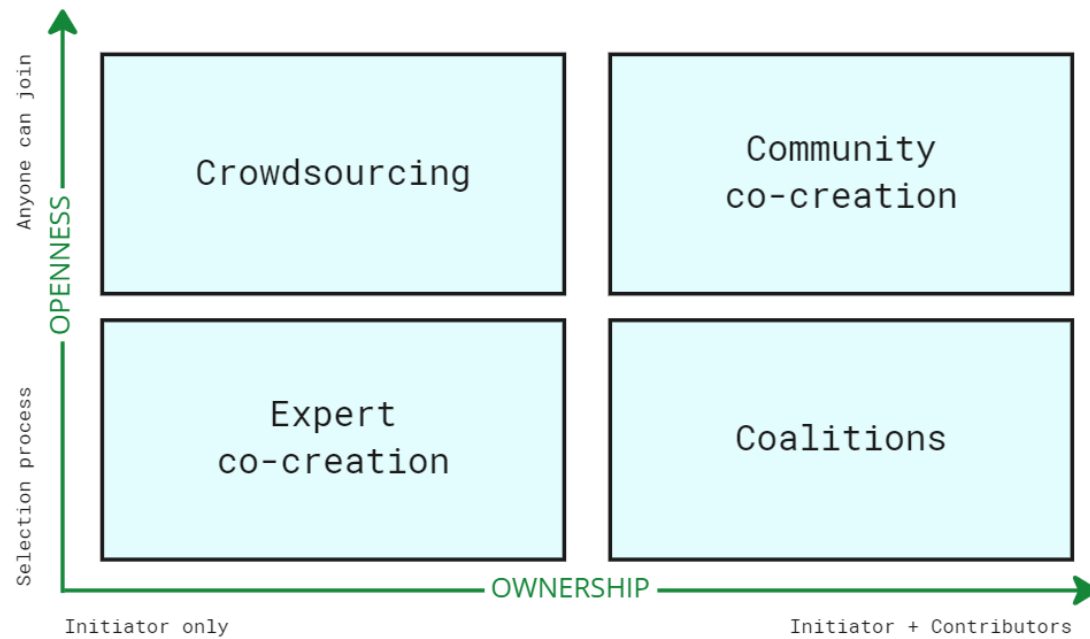
Figure 6.1: Areas of co-creation. Adopted from (Pater 2022)

Community co-creation allows groups of like-minded people to participate with the HLab. Outcome, authority and decision power can lie with the Hlab and the communities. They decide together what they will develop further, creating a stronger bond between the communities and the brand. However, this type does mean the involvement of more diverse groups and fewer selection possibilities for the HLab and thus less control on the Heineken brand image.

Lastly, coalitions combine a selected target audience with the HLab to create a shared outcome. This option is most fitting for the HLab because of the stronger bond it creates between the parties and the possibilities of being specific with the partners and choosing GenYZ.

To conclude, not one type of co-creation would be best suited for the HLab. However, a combination between coalitions and community co-creation would be an option. To carefully pick communities or larger groups of like-minded GenYZ collaborators and create and decide on new ideas with them. This would give Heineken some control of the target group and process, and creates a stronger bond for more fruitful collaboration.

Improving on old Heineken co-creation projects

In the past, Heineken has done several co-creation initiatives. The paragraphs below show these initiatives and take learnings and improvements from them to use for the HLab. The initiatives are the Future bottle design challenges, ODE, Ideas Brewery, Innovators BrewHouse and the Heinekicks.

These past projects are quite different to the more dynamic environment of the HLab. The ODEs, for example, were one-off projects with a clear scope: design the bar of the future, and design the lounge of the future. The HLab, on the other hand, has a much wider objective: innovate to connect GenYZ to the Heineken brand. Also, the HLab aims to innovate for three years continuously.

Although, the goals and means of both projects are different. These older projects, however, do prove that it is possible to co-create with the Heineken brand without damaging it. They even prove that these co-creation activities are positive for the Heineken brand.

The next part of this paragraph takes learnings from the three initiatives.

Future bottle design challenges 2012+ (multiple instances)

The beer inside the bottle is Heineken's unique selling point, they cannot change the taste and recipe. However, the bottle itself is something they can iterate on and experiment with to change the experience of drinking Heineken beer (Troch 2012). In the past, Heineken has done multiple co-creation activities for future bottle designs. The paragraphs below evaluate two of these.

The format for this challenge from 2012 is interesting because it invites two participants to connect through the online environment and compete together. Participants start by downloading the design template from Facebook. After making their design, they upload it and can choose someone to pair up with. The central thought behind this reflects on connecting people, something Heineken likes to express as one of its brand properties.

The mandatory collaboration in the online environment gives a level of authority to the participants to show what they like and see what the community makes. The freedom to choose themselves creates a more creative environment for the participants, reflected in the outcomes.

The public was allowed to vote, and the mixed company board evaluated the top 100. Eventually, the top three designs were given a final review. (Final Call for Heineken Design Challenge 2012; Heineken Design Challenge Finalists 2012; Joseph 2011)

Here the big decision lies with the board of mostly Heineken employees. Heineken has full authority and can decide which ideas they like most instead of giving the public full authority. This creates some distance between the community and Heineken.

Figure 6.2: Examples of bottles from 2012 design challenge

In 2013 the challenge evolved further and was dubbed: Remix the future. Again the challenge was open to everybody. No pairs were needed anymore, but participants were given access to a vast historical library of Heineken artwork. This library is the design pallet they can use to create new designs in the digital environment.

This library is inspiring for participants because the rich heritage, but it somewhat confines the creative space. When looking at the final designs in Figure 6.3, we can see that still enough creative freedom was left for the participants to interact with, although the final designs are more in line with the Hieneken branding style than the challenge of the year before.

The final designs were judged live by a board of Heineken and other design profesionals. The board was slightly more diverse, however, it would have been an idea to include last years winner also to give a strong voice to the community.

The winner's bottle was eventually sold worldwide, but no money price or anything else was given. (Heineken Design Challenge Winners 2012; Heineken Future Bottle Design Challenge 2013 2012; Heineken Reveals Winner of Your Future Bottle 'Remix' Challenge n.d.)

The scope of this challenge was more specific, building on the heritage of Heineken to create the future bottle. In their promotion video, Heineken implies that participants have creative freedom over the process to do with the branding as they like. However, they can only use already approved Heineken-styled icons and artwork. So it is not complete creative freedom.

Despite the restriction, I think that with this project, Heineken has found a good balance between creative freedom and the purpose and scope of this project. Nevertheless, suppose the scope was not to built on the heritage to create the future, but get the Heineken brand closer to new generations. In that case, this process should have been more open towards the own opinions and artwork of the participants.

Figure 6.3: Final designs of 2013 design challenge

Open Design Explorations

Chapter 4 already talks about the reason, outcome and successes of the ODEs. This paragraph will go into how Heineken co-created during these projects.

For the ODE in Milan Heineken selected 19 young designers from all over the world to design a club of the future. Heineken already chose specific designers that they imagined to have ideas that would fit the brand.

To get feedback and insights on clubbing, Heineken hired an agency to build an online portal with 100 active young clubbers worldwide. This agency helped gather insights and define challenges for the designers.

During the creative process, the designers were also assisted by people from Heineken but in a more collaborative way than in the other projects. No official judging board decided who won, as it was not a contest. (Marsden 2012; NIELSVANDERWOLF 2016; Troch 2012)

This project's scope was clear: design the future bar for Heineken. Because Heineken chose young participants from around the world, the creative space was diverse and adapted to the new generations.

Furthermore, by letting the participants interact with the portal and giving them more authority during the process, they did not have a confined creative space but were inspired by the insights and could use the Heineken brand as a platform for their creativity.

Collaborating so closely with young designers from all over the world can be used for more creativity in the HLab. Still, because the scopes of the HLab have not been defined as sharply as with the ODE project, the participants might need additional steering from Heineken for the HLab project.

Figure 6.4: Visualisation of output Open Design Exploorations

Ideas Brewery, 2012

The Ideas Brewery is an online open-innovation platform that hosts challenges anyone can join. To attract people, the best three ideas take home a monetary price of 10.000 euros. (Macleod 2013; NV 2013; Steeman 2013)

One of the challenges was based on crowdsourcing ideas based on the scope of 60+ target groups. The ideas had to fall into three main categories – 'quality experiences', 'learning and rediscovery and 'more time for social activities'.

From all the ideas people send into the contest, a multidisciplinary Heineken judge team (Heineken and external managers) selects six finalists. These finalists get to participate in a two-and-a-half-day workshop with Heineken innovation experts and external coaches to develop their ideas into full concepts. The concepts are rated during a final pitch on innovativeness, technical feasibility, commercial feasibility and the pitch presentation.

The project was successful at generating innovative ideas and opportunities, but it lacked the adoption of these ideas by the internal business side of Heineken. There was insufficient internal backing because of poor alignment of the challenges proposed in the Ideas Brewery. Also, the process did not efficiently connect external parties with internal business. (Open Innovation at Heineken | R&D Today 2017)

Figure 6.5: Concepts from the Ideas Brewery 2012

Innovators Brewhouse 2014-2019

This is the iterated version of the Ideas Brewery from 2012. The format aimed more at crowdsourcing and passive incoming connections instead of actively defining challenges like in the Ideas Brewery. It is open to startups, universities, suppliers and great beer minds alike.

However, applicants could define their challenges or solutions in either one of five buckets: Materials, resources, waste, cooling and distribution, and Societal change. The aim was to use open innovation to help Heineken become more sustainable: Drop the C(arbon).

The problem with this more open format was that the ideas were not targeted to real needs and became too costly to develop further. ((20+) Facebook n.d.; "Brewing a Better World" with Open Innovation n.d.; Ring n.d.)

The website is no longer online, but the general Heineken website mentions that Heineken has a Brewhouse that enables external parties to co-create with Heineken. People can send an email for contact.

Figure 6.6: Innovators Brewhouse 2014-2019 ((1) Plaatsen | LinkedIn n.d.)

The Innovators Brewhouse falls mostly in the design competition area as a form of crowdsourcing. Where crowdsourcing is good for gaining novel ideas from consumers, it lacks the connection it makes to communities because most of the decision power still lies at Heineken. If the community could decide on the ideas, other type of ideas would be developed because the community has a different point of view than Heineken.

If Heineken would also put the decision on idea selection within popular culture and maybe even the brief creation, this would send a signal to consumers and popular culture that they also have a voice in deciding where Heineken needs to go in the future. As a result, connecting Heineken to the new generations. ("Brewing a Better World" with Open Innovation n.d.)

Heinekicks

Although it is not nearly as big of a project as the others, Heinekicks deserve mention. The latest in co-creation from Heineken are these sneakers filled with beer. It is mostly a marketing-based project to build progressive brand properties and connect with sneaker enthusiasts.

This project, however, shows that Heineken as a brand can tap into co-creation with influencers that already have their own style and branding. This project had a covert and strongly collaborative process, with only the end result visible to the public.

The result is a successful combination of the two styles. The sneakers show that Heineken dares to experiment with external creatives going about their branding, al be it under the name of Heineken Silver.

This project shows that Heineken can give authority away to external creatives, which can be useful for the HLab to get closer to the new generation. (gaston 2022; Heineken and The Shoe Surgeon Fill the 'Heinekicks' With Real Beer n.d.; The Shoe Surgeon and Heineken unveil sneakers with beer-injected soles 2022)
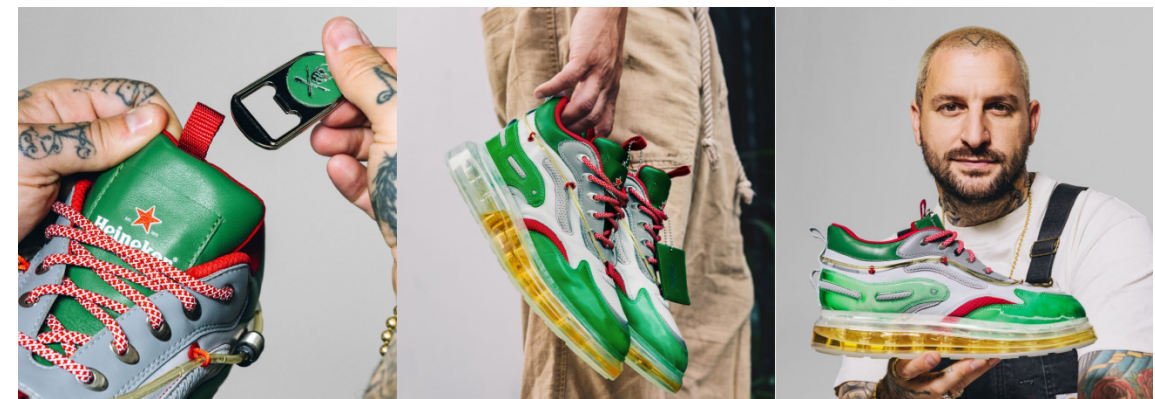
Figure 6.7: Heinekicks

Evaluation

A few important and communal variables in the projects are noted to evaluate Heineken's past projects in co-creation. The section below shows these.

Definition of the design challenge or scope: It seems that too wide scopes create many novel ideas, but they miss footing in the business side of Heineken.

External or internal authority: The projects with more external authority (Heinekicks, ODE) create more novel concepts that have more footing with target groups, whereas the projects with higher internal decision power and authority have a better connection to the Heineken brand and business and produce better scalable business feasible concepts like the limited edition bottles.

Level of intensity of collaboration: More intense collaborations return more distinct and complicated concepts. More iterations are possible, resulting in a higher fidelity concept, as shown by the ODE and Heinekicks. As opposed to the ideas brewery and future bottle concepts that are of lower fidelity and of which some did not find scale.

Degree of openness of the design process: A higher openness and more public involvement would result in a better connection to the community and popular culture. Research states that only showing this is already enough for consumers.

Price money or reason to collaborate: Most initiatives offered price money or a chance to build a business with their ideas.

The section below builds a matrix to organise the initiatives and creates an area in which the HLab could play an effective role for Heineken.

Ordering the initiatives

King and Lakhani define a matrix of co-creation, shown in Figure 6.7. The matrix has internal and external idea generation on the vertical axis and internal and external Idea selection on the horizontal axis (King and Lakhani 2013).

Research also shows a three-axis configuration of co-creation types. With the level of collaboration, Direct value is created, and phases in the design process as axes (De Koning, Crul, and Wever 2016). After evaluating the projects on connecting the Heineken brand to popular culture with co-creation, it is more interesting to adapt this matrix slightly. See below.

The horizontal axis displays Internal vs external authority. External authority would mean that the community has full decision power over what to create from the scoping until the end project. And internal authority means Heineken has full decision power on the whole project.

The vertical axis shows the openness of the process towards the public. With the bottom side, an open process, everybody is allowed to collaborate and all steps in the process are accessible to the public. On the top, closed process, Heineken chooses who they want to collaborate with, and only the result is shown to the public.
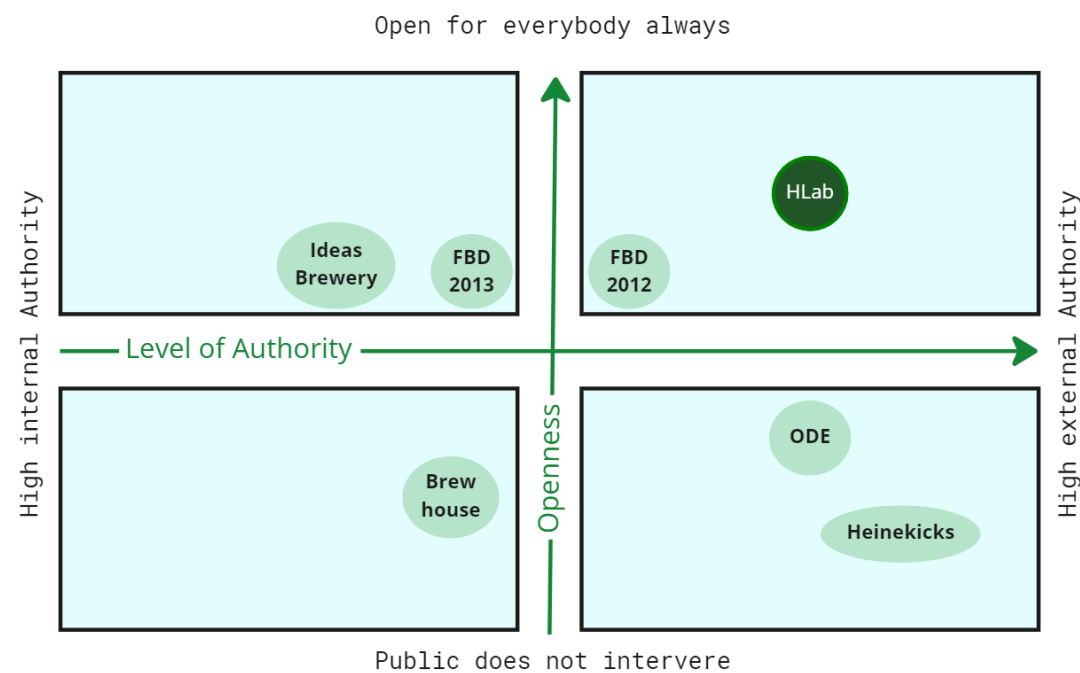
Figure 6.7: Matrix of co-creation (King and Lakhani 2013)

Summary of the Implications for the HLab

Activities

- HLab needs a clear scope rooted in both business and consumer value perspectives.
- A wider scope asks for more control of the HLab during the process.

Process

- The process should be collaborative and evolve over multiple iterations. Although showing the public the process results in a better perception of the brand, complete involvement of the whole public is not necessary.
- A higher external authority results in concepts better connected to popular culture but higher internal authority results in concepts that Heineken as a business can adapt. It would seem that a combination of both would be preferable. However, more authority for external parties is more important for the HLab because of its goals.
- For the HLab to differentiate from other Heineken projects and make a bigger impact on popular culture, it should have relatively high external authority, and the process should be open to the public at most times.
- Most co-creation projects in Heineken lacked a good connection with the business side. Heineken did not scale most of these concepts.

People

- To get more control over external parties but retain a strong external connection and input, the HLab should carefully pick communities or groups of like-minded GenYZ collaborators for co-creation.
- The HLab needs to give external creatives a reason to collaborate with them, besides being a big brand which can make much impact. The HLab team has already expressed the ability to provide monetary funds for participating external creatives.
- The HLab can use external agencies for co-creation sessions but should consider that these external agencies also have their own opinions and goals.
- If Heineken would also put the decision on idea selection within popular culture and maybe even the brief creation, this would send a signal to consumers and popular culture that they also have a voice in deciding where Heineken needs to go in the future. As a result, connecting Heineken to the new generations. ("Brewing a Better World" with Open Innovation n.d.)

Brand

- The Heinekicks show that Heineken dares to experiment with external creatives going about their branding, albeit under the name of Heineken Silver. This project shows that Heineken can give authority away to external creatives.

6.2 The People for Co-creation

This chapter aims to find out whom the HLab needs to co-create successfully. Earlier on, this thesis has shown that the people in an Innovation Lab are an important success factor. For the obvious reason that the people do the work and are the creative motor of an Innovation Lab. This chapter consists of two sections, Internal people and External people.

Internal people

Several studies point out that besides the three components, physical space, resources and facilitation, the participants, employees and managers of an Innovation Lab are at least as important (Fecher et al. 2020; van der Meer, Selig, and Stettina 2021; Memon and Meyer 2020).

A team and group of agencies are already in place to govern the HLab project. However, when the HLab project goes live, they need more people to do daily activities and ensure the innovation project is executed correctly. The next two sections describe who else the HLab might need.

HLab employees

The two example labs have 15-50 employees. For business reasons, Heineken is not planning to hire 15-50 employees in the HLab. They would like to use the least amount of full-time employees to make the HLab work. This is budget-wise but also because of the longevity of the HLab. Heineken plans to pilot the HLab for 2-3 years. Hiring many people for a short time does not make sense for them.

However, the HLab needs employees to work, as the team of the HLab should stand at the centre of innovation practices (Fecher et al. 2020; van der Meer, Selig, and Stettina 2021; Memon and Meyer 2020). Thus Heineken needs external collaborators or parties to fill up the gap.

Working with agencies for the HLab

Heineken is used to collaborating with other agencies for their projects. Therefore an option could be to hire agencies to work in the HLab. These agencies should have a good relationship with Heineken for good collaboration. Also, these agencies need to be experienced with the business of beer and socialising and co-creation.

There are no specific agencies that thick off all of these boxes. Nevertheless, many agencies have experience in co-creation and a good relationship with Heineken. So these could be an option. Nevertheless, the HLab still needs at least one employee who tells these agencies what to do.

The facilitator

Chapters 4 and 5 show that most Innovation Labs have at least 15 employees. The Hlab could start with one internal employee that is fully focused on the HLab with experience in designing, project management, the drinks and socialising industry and a good internal network within Heineken.

Studies show a change in the role of such a luxury brand manager. The study identifies a role for an Agile facilitator. This manager type has the role of enabler and facilitator of co-creation, which is most fitting in the HLab environment. The HLab team often talks about some kind of curator to control the activities in the HLab.

The facilitator has an open understanding of the brand and connects external with internal stakeholders to create a brand community of influencers, brand lovers and other creatives. The goal of the HLab curator or facilitator is to humanise the brand, provide vision and direction and find the right people to build interdisciplinary teams.

Also, this facilitator must have the authority to give others decision-making freedom and open discussions on the brand. These characteristics suit the HLab because of their openness towards the brand qualities but also warrant the original brand qualities. (Me versus we n.d.)

This employee could control and oversee all projects that the part-time Heineken employees and agencies do within the HLab. We call this person the curator.

Another option is to let existing Heineken employees work in the HLab part-time. This would create a stronger internal connection to Heineken and more business knowledge. These employees could, in turn, be assisted by the co-creation agencies for creative sessions and building prototypes.

The downside of using existing Heineken employees is that they also have their own agenda, and it is more difficult to steal them away. Another downside is that these employees might lack the creative experience to follow the process. The agencies and HLab curator should be able to assist in this.

A plus of using internal Heineken employees is that sensitive information is easier to keep inside the company. They would still receive creative external input from the co-creation sessions, but a Heineken employee would be the first to know when a project is going the wrong way.

To conclude, a fitting employee organisation for the HLab would be at least one curator that bridges Heineken internally with part-time HLab employees from Heineken and specialised co-creation agencies for creative sessions.

External creatives

A big part of the creativity of the HLab will come from external parties. These parties will make the connection between Heineken and the new generations. Thus, these parties must either have a good connection to GenYZ, be from the GenYZ, or be an example for them and someone they look up to.

We call these people Opinion Makers or Influencers. They are people that define a generation with their specific style and opinion. Furthermore, hopefully, it will connect Heineken to the new generation and attract media attention with their popularity.

The agency Vice Virtue is responsible for sourcing the creatives for the HLab. But the Hlab team still needs to collaborate with Vice Virtue to decide on what kind of creatives are the best to work with. The following section provides a brief insight into what might be a good option for the HLab.

Role of customer type involvement in co-creation novel idea generation

The following section uses literature to gain information on what type of consumer involvement would be best for the HLab.

When co-creating with customers with different backgrounds or interests, their contrary opinions can block creativity in the innovation process. People with different opinions discuss more intensely and develop more novel ideas (Schuurman et al. 2015).

To widen the scope of the creative process, lead co-creating customers can invite friends. This way, customers participating in multiple innovation steps become experts in the specific domain, and the friends without prior knowledge help the group yield more diverse results.

Furthermore, the study found that users with high general knowledge of the innovation domain (Drinks and socialising for the HLab) provide the most innovative ideas suited to a general audience. Users with deeper innovation-specific knowledge provide ideas focused on a technical niche public.

The research emphasises the need for various customer involvement during the process. Varying in specific to general knowledge and user involvement duration during the process of co-innovating. The research describes one pitfall: Users involved in multiple co-creation steps are found to become less critical of the innovation. (Schuurman et al. 2015)

Furthermore, Involving the ordinary customer in the co-creation process gives the following advantages (Schuurman et al. 2015). First, at the beginning of the process, ideation and creating out-of-the-box ideas. Secondly, during the rest of the process, the user involvement elaborates on the ideas and is good at evaluating different solutions.

To conclude, involving users and expert consumer types like influencers and opinion makers can benefit the novelty and creativity of a project. When selecting these people for the HLab, the HLab team should take care of the following insights:

– Start involving the lead users at the beginning of the project for more novel and creative ideas.
– Involve people with high general knowledge for more innovative ideas and people with specific knowledge for a more technically sound solution.
– Allow lead users, at given moments, to interact with their peers and like-minded people for more creativity.
– Watch out for collaborations that take too long, as the consumer will become less critical.

Co-creating with GenYZ

Although GenYZ are people just like you and me, they are a different generation, which implies that they react differently to actions and collaborate with them. Savanta also did some preliminary research on co-creating with this target group. The list below shows the points they found.

Make them feel comfortable:
- Invite a homogenous group of like-minded individuals.
- Trying is fun. Celebrate imperfection.
- Non-hierarchical playing field.
- No level of skill is required. Experience instead of craft/art class.
- Make clear that they are in control. Let them do the work.

Provide incentive:
- Show imperfect and varied examples they can work from.
- Allow for sharing their creations.
- Use digital tools.
- Give them access to brands and stuff they normally would not have access to.
- Let them learn something new. It is more likely they share it this way.

A platform for Generation Z to contribute to society

Research also shows that almost 70% of GenZ wants brands to organise more activities that enable GenZ to interact with brand value creation. (Mamula-Nikolić, Perčić, and Nećak 2022)

GenZ measures its success by how much they contribute to society. So by participating in co-creation activities with the HLab, the HLab can give GenZ a platform to add something to society.

On top of this, the research found that GenZ does not necessarily have to participate in the co-creation activities themselves. If they find a brand that co-creates with GenZ will already give GenZ the opinion that the brand steers away from a corporate-created identity and is open to creativity and change.

Why co-create with Influencers and opinion leaders?

It is new for Heineken to collaborate with GenYZ. Also new for Heineken is collaborating with artists, chefs, bartenders, mixologists etc. So why do it?

Collaborating with these 'other' creatives will benefit the project for several reasons. Their expertise in their fields will give novel insights into possibilities for the lab. Furthermore, their craftsmanship is promoted for brand quality that addresses Gen Y and Z. Lastly, collaborating with the creatives is good alternative media coverage. Certain influencers can promote a brand easily through channels like youtube and TikTok. These influencers also are great for a brand's interaction with popular culture.

It is important to note that designers need a high amount of design freedom if a novel and innovative design is asked by an initiator, in this case, the HLab. This is also thought to be the case for other creatives besides designers.

An example: FRANKEY

As mentioned by Caroline van Hoff, Frankey's work resonates with the Heineken brand and the wittiness that the Lab wants to radiate. Thus he would be a good first candidate for collaboration in the lab. A brief was presented to him, and a couple of meetings took place. In the last meeting, Frankey presented his concept.

After this meeting, the project was put on pause. For a few reasons. Firstly the outcome from Frankey was not specific enough to work with. Secondly, the concept he created did not fit the specifications of the Hlab. However, some of the ideas could be taken a step further and given inspiration for building the Lab's strategy.

This case shows a misfit with the briefing process of creatives and how to go to an actual exploration in the lab. The creative has too much creative freedom to produce results that Heineken likes.

Also, in this example, The Hlab team did not use any form of co-creation. It was a regular brief, outsourcing collaboration. Designing together with Frankey might have solved this.

One of Frankey's witty artworks (Deze kunstwerken van Street Art Frankey maken jouw dag n.d.)

Co-creating with different types of creatives

The HLab aims to collaborate with different kinds of creatives to stimulate innovation and creativity. For this project, the HLab roughly divides the creatives into designers and non-designers. The term designer refers to anyone who plans the look or workings of something before it is made by preparing drawings or plans (Cambridge Dictionary, 2022). This would mean that non-design creatives do not plan the look or workings of something before it is made.

Many non-designer creatives will argue against this, which opens up the discussion of what design is and what art is. To avoid this complicated and unsolvable discussion, this project states that designers are people that have studied design, practice design and call themselves designers.

Moreover, non-design creatives are anybody with creative experience that does creative work but does not call themself a designer. Table 6.1, depicted below, explains what both are expected to do in the HLab. The next paragraph further explains their influence on the HLab and this project.

Task	Non-designers	Designers
1. Use the HLab as their workspace	Yes	Yes
2. Get briefed by the HLab team	Yes	Yes
3. Understand the strategy and goals of the HLab	Yes	Yes
4. Act as a creative, to inspire and design innovative concepts	Maybe	Yes
5. Use design tools and methodologies	Maybe	Yes
6. Produce functional concepts	Maybe	Yes
7. Produce non-functional but inspirational concepts	Maybe	Maybe
8. Co-create in multidisciplinary teams	Yes	Yes

Table 6.1: Tasks of designers and non-designers in the HLab

Non-designers differ from designers in three areas. These differences are important for the HLab to consider during the design process.

Firstly, Non-designers sometimes might have technical knowledge on the subject and are better used to further develop an MVP than to ideate.

Secondly, Non-designers might not be used to using design tools and require more time to adjust to the mindset of creative sessions.

Thirdly, Non-designers might produce concepts that are non-functional but still could offer inspiration.

These differences are specific to the creative process. Therefore, experienced Co-creation agencies likely know how to act on these points. This is another advantage of collaborating with such agencies for parts of the process.

An example: Chamberlain Coffee

According to Van den Berg (2023), Emma Chamberlain, a 19-year-old YouTuber, is causing a stir in the coffee industry. Emma's YouTube channel grew quickly after she started vlogging in 2017, and she now has more than 12 million subscribers.

Emma can always be seen with a cup of coffee in her hand: it is more than just a drink: it is a lifestyle. However, she found that making good coffee at home or while travelling was challenging, so she decided to create a solution herself. Emma launched Chamberlain Coffee, focusing on producing high-quality, sustainably sourced coffee that can be brewed at home or on the go.

The company's first product was a coffee-steeped bag that could be added to water, similar to a tea bag, but for coffee. Emma's coffee is organic, free from fertilisers and chemicals, and enriched with antioxidants, vitamins, minerals, and nutrients. The packaging is environmentally friendly and does not use wasteful materials. This is a product that breathes GenZ. It aligns with their values and has one of their favourite icons behind the wheel. Emma's fans trust her and want to be just like her.

The HLab can learn from this example in a few ways. Firstly, when choosing creatives, make it believable that this creative could be affiliated with Heineken. Choose a creative that likes beer, is often associated with beer or can connect with Heineken in other ways. Secondly, give freedom to influencers to put personal aspects into the co-creation ideas. Like their love for sustainability or coffee. Thirdly, Not all influencers have the resources to build a coffee empire like Emma. The HLab can be a platform providing these influencers with resources.

Chamberlain Coffee (Yu 2022)

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Summary of the Implications for the HLab

Activities

– None

Process

– Involving the lead users at the beginning of the project for more novel and creative ideas.
– Involve people with high general knowledge for more innovative ideas and people with specific knowledge for a more technically sound solution.
– Allow lead users, at given moments, to interact with their peers and like-minded people for more creativity.
– Watch out for collaborations that take too long, as the consumer will become less critical.
– Collaborating with agencies for co-creation has more advantages for Heineken than if they would do it themselves.

People

– A fitting employee organisation for the HLab would be at least one curator that bridges Heineken internally with part-time HLab employees from Heineken and specialised co-creation agencies for creative sessions.
– It is important to note that designers need a high amount of design freedom if a novel and innovative design is asked by an initiator, in this case, the HLab.
– When choosing creatives, make it believable that this creative could be affiliated with Heineken. Choose a creative that likes beer, is often associated with beer or can connect with Heineken in other ways. This makes it easier for judgemental GenYZ to believe in the collaboration.

Brand

- GenZ does not necessarily have to participate in the co-creation activities themselves. If they find a brand that co-creates with GenZ will already give GenZ the opinion that the brand steers away from a corporate-created identity and is open for creativity and change.
– Not all influencers have the resources to build a coffee empire like Emma. The HLab can be a platform providing influencers with resources.

6.3 Constraints of the HLab

This chapter introduces the paradox of co-creating with the Heineken brand. If Heineken wants to innovate and get closer to GenYZ by co-creating, they have to loosen their strict brand policies and constraints to allow GenYZ to be more creative with the Heineken brand. Furthermore, this chapter proposes directions found in the literature to help mediate this paradox in the HLab.

The paradox between letting go of the brand attributes for co-creation and the strict policies for keeping the premium brand equity

Heineken is a big legacy brand. They have many constraints on how things should look and especially what their products should mean to people.

Heineken struglles to innovate. Creative and novel ideas are necessary for competitive advantage. However, endeavours toward novel and creative product ideas are bounded by constraints such as rules, regulations, deadlines, scarce resources and in large and impactful brands, brand image and overall strategy.

In the case of the HLab, it is the question of how to get the co-creation sessions as creative, novel and innovative as possible while adhering to the brand values and strategy of Heineken. Moreover, without causing damage to the Heineken brand.

To co-create means sharing unfinished ideas, innovations, and opinions with people outside the company. Heineken is a legacy brand and has a strict brand policy to ensure the brand's premium quality is maintained. Poorly executed creations or prototypes might water down the Heineken brand.

Research has shown that creativity in designers is higher when their design freedom is also higher (K. Tabeau, 2016). However, putting fewer constraints on innovations might mean a deterioration of the brand. Heineken has difficulties giving authority away and enlarging external design freedom to protect its brand. This is paradoxical because their brand is deteriorating without innovation (Wakeshima 2022).

How much authority on the Heineken brand can the HLab give to the external creators?

The middle ground between giving creatives design freedom and strict brand policies for the HLab

A paradox is hard to solve, especially during a graduation project. This thesis, therefore, aims to find a middle ground between loosening the Heineken brand constraints for more creative freedom without letting go of the most important constraints that create its premium brand equity.

For example, the trial session with the artist FRANKEY pointed out a misunderstanding during the first stage of the co-creation process: the briefing. The briefing gave the artist too much freedom, leading to a proposal that did not resonate with the Heineken Brand and the strategy of the HLab. The HLab needs to find a way of giving creatives the freedom to innovate within the boundaries of the HLab.

The HLab should not give creatives too much freedom because then the ideas do not fit the Heineken brand, but with too little freedom, the ideas are not novel and creative enough.

The Hlab should serve as inspiration for the creatives. Building a bridge between what GenYZ identifies with and what Heineken is willing to identify with. The HLab should play in the common ground of GenYZ and the Heineken brand.

A subbrand for protecting the Heineken brand image

Although co-creation is great, it works and is proven. Heineken is not a great brand to co-create with because of their inherently strict brand and product attributes.

Therefore, creating a sub-brand for co-creation would be better and easier. This sub-brand can be freer with its brand attributes and try things without hurting the Heineken brand image.

When an exploration has proven to be of sufficient value for the Heineken brand, this exploration can be connected with the Heineken brand. First on a smaller scale in a well-running market and later on a bigger scale in other markets.

The remaining question is whether the sub-brand should be a Heineken sub-brand or a totally different brand. Because the goal of the Hlab is to make Heineken more open and show the Customers that Heineken is willing to change and innovate, it is better to connect the sub-brand to Heineken already.

Therefore it should not be a completely new brand but a brand powered by Heineken or affiliated with it. It can be something in the area of Heineken's future prototypes or future editions by Heineken.

Co-creating with Luxury Brands

Regarding luxury brands and the premium perspective Heineken aims for, there are also implications on how to co-create. Research states that to create brand communities proactively, the brand should define a strong narrative with the main stakeholders. (Me versus we n.d.)

Concerning the openness of the co-creation sessions, for a brand to have control over its premium or luxurious properties, the brand should not engage in crowdsourcing activities but in selective co-creation sessions and campaigns. This also counts for social media coverage of the campaigns. (Park, Im, and Kim 2020)

Another study shows that to keep up with the changing marketing landscape, luxury brands must open their social media channels to two-way communications with their customers, enabling customers to share their connections with the brand. (Üçok Hughes, Bendoni, and Pehlivan 2016)

How should the HLab communicate the Heineken brand?

Chapter 4 shows that the HLab team has not decided on how to communicate the Heineken brand within the HLab.

Vice argues that to get closer to the popular culture of GenYZ, they need to loosen the reigns on the brand a little. To get closer to popular culture, a brand has to accept input from popular culture. Connecting a brand with popular culture is a loose and iterative creative process.

Strict brand guidelines work against this process. Therefore, the HLab should include a more open version of the Heineken brand. Furthermore, the HLab's process should allow for more open interaction with the Heineken brand.

If the goal of the HLab is to bring the Heineken brand closer to the popular culture of GenYZ, how can we strengthen their connection if we do not use the Heineken brand in communicating with GenYZ? If we use the Heineken brand, how can we create significantly novel and

creative things not impacted by legacy brand bias or other biases and constraints that the Heineken brand brings?

How can we make ideas that connect the Heineken brand to GenYZ without showing the Heineken brand? Will the ideas work for Heineken as a brand if the Heineken brand is not taken into account?

One option could be not to communicate the Heineken brand but only parts of the ideology, strategy, and DNA that represent the Heineken brand when communicating to creatives. This way, the HLab communicates the right ideology and parts of the Heineken brand without the constraints of the Heineken brand itself.

How to attract the right people

Heineken has already addressed that they are willing to pay to collaborate with the right people, but this is not the only way Heineken should attract GenYZ. Research has shown that GenYZ wants to add something to society and have specific areas of value in which they want to add their ideas.

It is a good opportunity for the HLab to become a platform where GenYZ can add something to society on behalf of Heineken. However, Heineken should not be the main decision-maker in the idea conceptualisation process, this should lie within the community of creators.

Changing Heineken or Changing Generations Y and Z?

Heineken should open themselves more if they want to make the HLab a successful project in collaborating with external creative parties. It was found that Heineken and GenYZ do not mix well. Otherwise, Heineken would have been popular with GenYZ already. So if Heineken wants to adapt to GenYZ and collaborate with them, the Heineken brand and products must change.

So does Heineken realise this change? Do they know what they are getting themselves into? If Heineken does. They should not worry, but they do have to accept that this strategy will change the brand. Or is Heineken so influential that they have the power to change a whole generation?

During my time at Heineken, I genuinely got to believe that Heineken is willing to change and adapt for the future. Nevertheless, as a big corporation and legacy brand, this is like changing the course of an oil tanker at full speed. It takes time and much effort. So this change will not be quick, but the HLab and a sub-brand can make it go quicker.

Creative constraints

Although the Heineken brand has strong constraints, the HLab is there to loosen the reins of the Heineken brand a little. However, there are some constraints cannot be ignored.

Constraints to keep

– Legal aspects with alcohol
– Legal aspect on false claims
– Lager beer
– Logo guidelines
– Premium and Luxury pricepoint
– Focus on Quality socialising
– Focus on GenYZ
– Heineken DNA aspects (inclusivity, open-mindedness and progressiveness)

Summary of the Implications for the HLab

Activities

– Constraints to keep
  – *Legal aspects with alcohol*
  – *Legal aspect on false claims*
  – *Lager beer*
  – *Logo guidelines*
  – *Premium and Luxury pricepoint*
  – *Focus on Quality socialising*
  – *Focus on GenYZ*
  – *Heineken DNA aspects (inclusivity, open-mindedness and progressiveness)*

Process

– For the HLab to have control over Heineken's premium or luxurious properties, they should not engage in crowdsourcing activities but in selective co-creation sessions and campaigns.
– Heineken should not be the main decision-maker in the idea conceptualisation process, this should lie within the community of creators.

People

– None

Brand

– The Hlab should inspire the creatives. Building a bridge between what GenYZ identifies with and what Heineken is willing to identify with. The HLab should play in the common ground of GenYZ and the Heineken brand.
– The HLab could use a sub-brand for outward communication to create more openness outside and protect the Heineken brand from failures.
– The sub-brand should not be a completely new brand but a brand powered by Heineken or affiliated with it. It can be something in the area of Heineken's future prototypes or future editions by Heineken.

6.4 Conclusion on Co-creating in the HLab without damaging the Heineken brand

Contributions to Research Questions

SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should it create in order to effectively engage with GenYZ?

- HLab needs a clear scope rooted in business and consumer value perspectives.
- Constraints to keep: Legal aspects with alcohol, Legal aspect on false claims, Lager beer, Logo guidelines, Premium and Luxury price point, Focus on Quality socialising, Focus on GenYZ, Heineken DNA aspects (inclusivity, open-mindedness and progressiveness)

SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

- Collaborative process that evolves over multiple iterations.
- Involvement of lead users and people with high knowledge at the beginning of the project.
- External and internal authority balance and external authority is important for HLab.
- Co-creation sessions with selective collaborators or communities rather than crowdsourcing.
- Decision-making should lie within the community of creators.
- The HLab should use agencies to help do the co-creation process but should consider that these external agencies also have their own opinions and goals.
- An ideal employee organisation for the HLab would be at least one curator that bridges Heineken internally with part-time HLab employees from Heineken and specialised co-creation agencies for creative sessions.

SRQ 3 How can the HLab use co-creation to get closer to GenYZ without damaging the Heineken brand?

- To get more control over external parties but retain a strong external connection and input, the HLab should carefully pick communities or groups of like-minded Gen Y&Z collaborators for co-creation.
- The HLab needs to give external creatives a reason to collaborate with them, besides being a big brand which can make much impact. For this, the HLab team has already expressed the ability to be able to provide monetary funds for participating external creatives.

- When choosing creatives, make it believable that this creative could be affiliated with Heineken. Choose a creative that likes beer, is often associated with beer or can connect with Heineken in other ways. This makes it easier for judgemental GenYZ to believe in the collaboration.
- The Heinekicks show that Heineken dares to experiment with external creatives going about their branding, albeit under the name of Heineken Silver. This project shows that it is possible for Heineken to give authority away to external creatives.
- The HLab can be a platform for assisting influencers with resources to develop ideas.
- The Hlab should serve as inspiration for the creatives. Building a bridge between what GenYZ identifies with and what Heineken is willing to identify with. The HLab should play in the common ground of GenYZ and the Heineken brand.
- The HLab could use a sub-brand for outward communication to create more openness outside and protect the Heineken brand a little from failures. The sub-brand should not be a completely new brand but a brand powered by Heineken or affiliated with it. It can be something in the area of Heineken's future prototypes or Future editions by Heineken.

DEFINE

Chapter 7: Insights Synthesis & Design Brief

7.1 Conclusion of Discover Phase

7.2 New Design Challenge and Scope

7.3 The Design Process and Planning

This is the third part of the thesis. The Define part contains one chapter. This chapter synthesises the insights from the chapters before to create a design brief. The next phases: Develop and Deliver are based on this design brief. Although not all activities and order of this project follow a chronological order. The order of these chapters is not chronological, but this order is made to complement the chapters and make them more understandable for the reader.

7.1 Conclusion of Discover Phase

This chapter gathers and distils all important insights from the Discover phase and organises the insights per SRQ. The chapter hereafter creates a new design challenge and scope based on these insights.

Contributions to Research Questions

SRQ 1 What are the desired outcomes of the innovation process for HLab, and what types of products, services, and designs should it create in order to effectively engage with GenYZ?

Finding common ground with GenYZ
- Good starting points for connecting GenYZ and Heineken: alcohol-free, sustainability, being adventurous, seeking collaboration and culture, shifting the traditional serving dynamic, and searching for authenticity.
- Other innovation areas: changing temperature, adding and mixing ingredients and flavours, changing texture, changing occasions for drinking, showing farming innovation, technology, cultural rituals, serving traditions, AI, and multisensory experiences.
- GenYZ should be more involved with the whole process and making decisions.

Input for creativity in the Process:
- The HLab should use the tools of design thinking to explore innovation areas.
- The HLab should start with small and diverse explorations and concepts and gradually work their way to bigger ones.
- HLab needs a clear scope rooted in business and consumer value perspectives.
- Constraints to keep: legal aspects with alcohol, legal aspect on false claims, lager beer, logo guidelines, premium and luxury price point, focus on quality socialising, focus on GenYZ, Heineken DNA aspects (inclusivity, open-mindedness and progressiveness).

SRQ 2 What innovation process and or method should the HLab use to make the HLab a good Innovation Lab and attain Heineken's goals?

The Process and Methods for the HLab:
- The HLab process has to be future-minded, and while having one sharp future perspective, this perspective should allow for multiple variations and innovations to be created.
- The process should make a bridge between GenYZ and Heineken
- The process should allow for failures without damaging the Heineken brand
- Innovation Labs can make use of a combination of methods that fill in on each other.
- There should be a balance between external and internal authority. However, a higher external authority results in a better connection to GenYZ.

The employees and people for the HLab:
- Involvement of lead users and people with high knowledge at the beginning of the project.

- Co-creation sessions with selective collaborators or communities rather than crowdsourcing.
- Decision-making should lie mostly within the community of creators.
- The HLab should use agencies to help do the co-creation process but should consider that these external agencies also have their own opinions and goals.
- An ideal employee organisation for the HLab would be at least one curator that bridges Heineken internally with part-time HLab employees from Heineken and specialised co-creation agencies for creative sessions.

SRQ 3 How can the HLab use co-creation to get closer to GenYZ without damaging the Heineken brand?

Connecting the Heineken brand to GenYZ:
- Giving authority to GenYZ is the first step in connecting the Heineken brand to them.
- Multiple areas of inspiration create a bond between Heineken and GenYZ: alcohol-free, sustainability, being adventurous, Seeking collaboration and culture, Shifting the traditional serving dynamic, and Searching Authenticity. These can be used as starting points and inspiration to align GenYZ's creativity to the Heineken brand's possibilities.
- The HLab needs to give external creatives a reason to collaborate with them, besides being a big brand which can make much impact. For this, the HLab team has already expressed the ability to be able to provide monetary funds for participating external creatives.
- When choosing creatives, make it believable that this creative could be affiliated with Heineken. Choose a creative that likes beer, is often associated with beer or can connect with Heineken in other ways. This makes it easier for judgemental GenYZ to believe in the collaboration.
- The HLab can be a platform for assisting influencers with resources to develop ideas. This is attractive to GenYZ.
- The Hlab should serve as inspiration for the creatives. Building a bridge between what GenYZ identifies with and what Heineken is willing to identify with. The HLab should play in the common ground of GenYZ and the Heineken brand.

Protecting the Heineken brand:
- The Heinekicks show that Heineken dares to experiment with external creatives going about their branding, albeit under the name of Heineken Silver. This project shows that it is possible for Heineken to give authority away to external creatives.
- Start with small covert explorations and gradually work your way up.
- Connect with the right external creative minds and be a platform for their opinions and creativity.
- Do not always use the Heineken brand to avoid bias.
- To get more control over external parties but retain a strong external connection and input, the HLab should carefully pick communities or groups of like-minded Gen Y&Z collaborators for co-creation.
- The HLab could use a sub-brand for outward communication to create more openness outside and protect the Heineken brand a little from failures. The sub-brand should not be a completely new brand but a brand powered by Heineken or affiliated with it. It can be something in the area of Heineken's future prototypes or Future editions by Heineken.

7.2 New Design Challenge and Scope

This chapter uses the insights that were gathered in the Discover phase as input to create a new and more clear Scope and Design Challenge. This chapter helps refine the broader scope and challenge from the introduction into a more narrow one. This way it is easier and more manageable to design solutions.

New Design Challenge

The following section gives the new design challenge based on the insights that were found in the Discover phase. This section states that for successful creation of MVPs for the HLab the HLab needs a specialised innovation process. This chapter also states that the Scope of the HLab needs more clarity to align all involved stakeholders. Because the HLab plans to change the scope in the future, the process of creating the scope should be embedded in the innovation process.

Challenge 1:

Refine the scope of the HLab by creating Themes to align stakeholders and find common ground with GenYZ.

Too many ideas, what are the right ideas, and what to focus on? Make it coherent.
Designing a workshop to combine the explorations, insights, trends and Heineken innovation compass into one strategic theme.
- Gathering information
- Outcome
- Recap

Defining the playing field for the creators, what is Heineken? What is the HLab? What is the common ground with GenYZ?
Using the HLab's theme as the basis for the co-creation process.
- Choosing the right explorations to use for the first theme
- Pitching the theme for a co-creation session with a mixologist as a first tryout

Challenge 2:

Design an innovation process, based on different innovation methods, that connects the HLab with internal and external stakeholders with the theme as central scope.

How should the HLab operate? Working with external parties while still having control and embedding Heineken's strategy to get footing within Heineken otherwise, the project gets cancelled. Stay relevant within Heineken but still create new things.

Developing a co-creation and innovation process that embeds Heineken's way of working with agencies and senior management strategies with the Hlab's flexibility and openness.
- Combination of design and innovation methods
  - Scrum, Lean, DT, co-creation, Open-Innovation,
- Connection to management and strategists of Heineken
- Employees, creators, organisational structure

New Scope

The section below states the new scope for these challenges.

Target group

External Creators
Heineken Senior management
Collaborating agencies

Context

Quality socialising
Trends on popular culture
Insights on GenYZ

Goals

Improve connection of the Hlab with Heineken
Co-creating with external creatives and letting go of the strict brand policies of Heineken without damaging the Heineken brand

7.3 The design process and planning

This chapter explains the design process and planning based on the challenges that chapter 7.2 defines. The design process is, of course, an iterative process. However, for better readability and more clarity, Figure 7.1 describes the process in chronological order.

Design Process

The design process uses converging and diverging steps. However, the steps do include a little bit of both. The arrows represent the mainly converging steps and the clouds the mainly diverging steps. Below each step, the blocks explain the activities in light blue. The light green blocks explain the intermediate outcomes of the design steps. The final hexagon describes the Deliver stage of the process.

Design Planning

This graduation thesis is intertwined with the HLab project. Therefore the planning of the design activities are also codependent on the planning of the HLab project. The main design activities use the workshops for developing the HLab as a platform to test findings and come to new ideas.

The impact of this is that the discover phase of this project did not completely finish before the Develop phase started.
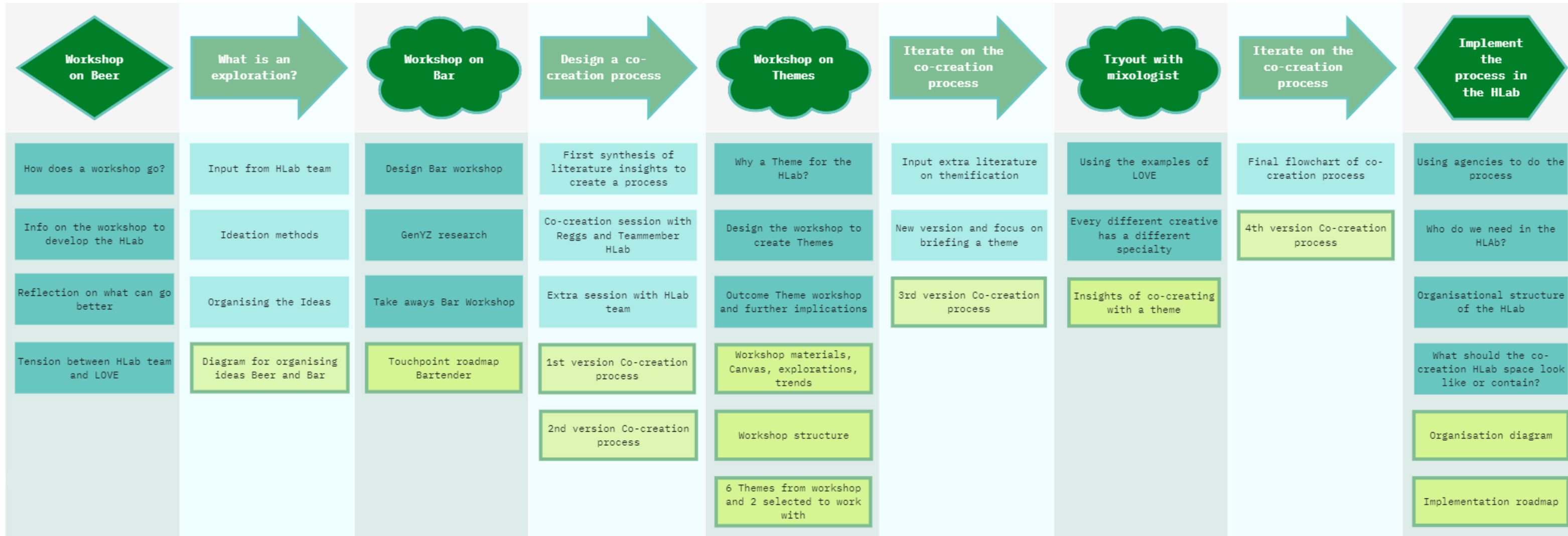
Figure 7.1: Design Process

DEVELOP

Chapter 8: Creative Sessions

Chapter 9: Workshop to create Themes

Chapter 10: Iterations and Implement

What to expect from the develop part of this thesis

The develop phase consists of three chapters. This phase exist out of all the designing and iterative activities of this project. This phase explains the co-creation sessions, workshops and other iterations that this project undertook.

The next phase, deliver, makes the final decisions and evaluation on the final deliverables.

Chapter 8: Creative Sessions

8.1 Towards the Creation of a Theme

8.2 Outcome of the creative sessions

8.3 Conclusion

What to expect from this chapter

This chapter shows the iterative design steps that this project took to get to the final design of the innovation/design process for the HLab. It combines the insights from the Discover and Define chapters into creative activities to design the innovation/design process and methodology for the HLab.

The process of creating the design methodology and process for the HLab consists out of 3 main steps. First, gathering all information to improve the flowchart together with the junior designer from the HLab. Secondly, a Co-creation session with Reggs, a design agency that has a lot of experience with co-creation projects for the Heineken design team.

Finally, further developing the process with the Junior designer from Heineken. The goal of this chapter is to explain the steps that were taken to come to the final design of the innovation/design process and methodology of the HLab.
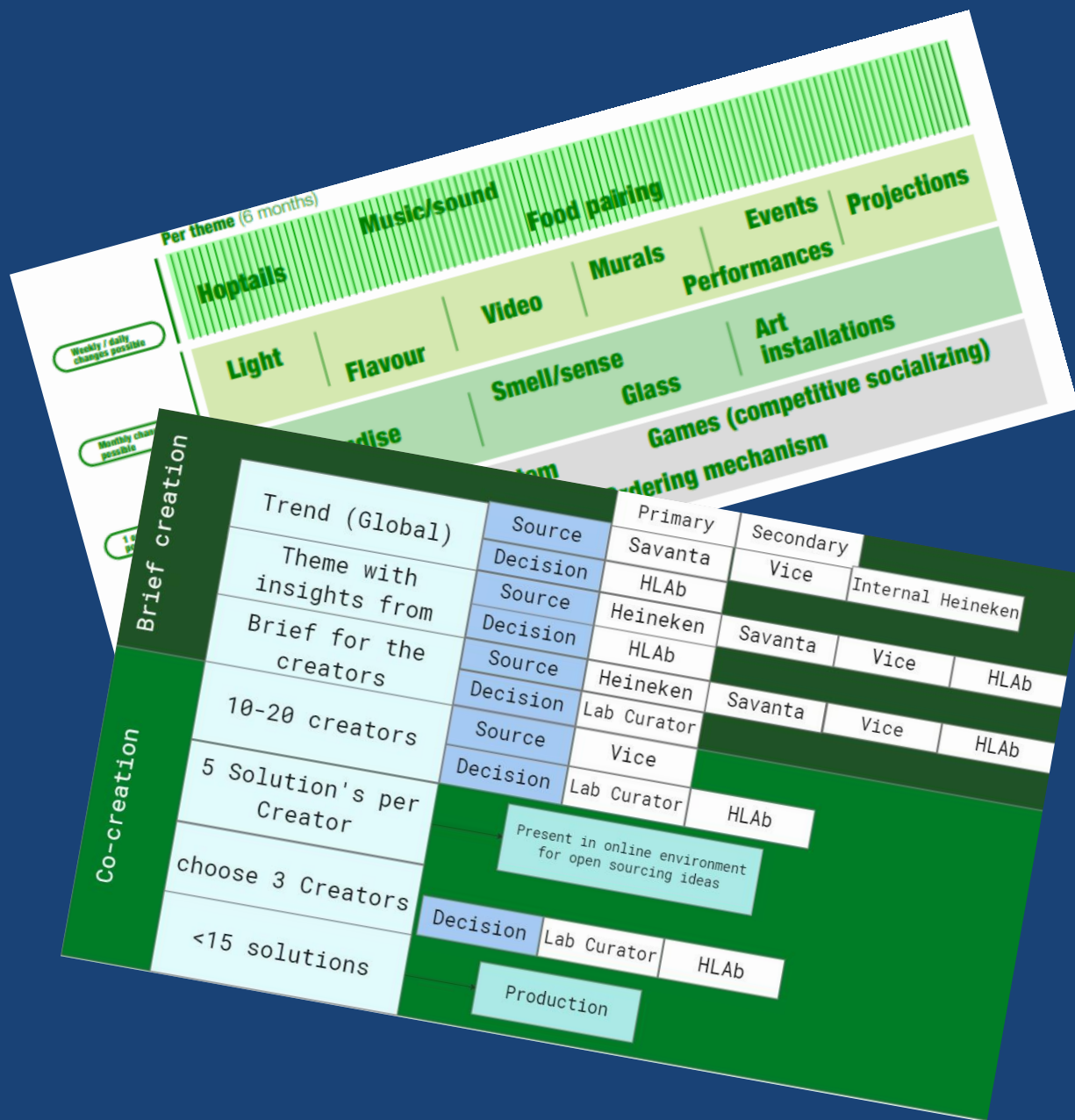
8.1 Towards the Creation of a Theme

This chapter aims to further develop the first flowchart of the Hlab into a better-defined and clearer flowchart to use for the co-creation of MVPs (Minimum Viable Products) for the HLab. To create a more valuable process, the creation of this process is done in collaboration with Mariana Suarez from Reggs, who is also an SPD alumnus and a former Heineken Design team employee.

Mariana is an expert on the topic of co-creation with Heineken because of her experience with Open Design Explorations. The co-creation process with Mariana from Reggs consists of one day-long co-creation session and multiple online meetings.

The starting point of the design process

The starting point of this process is the original flowchart as defined in Chapter 5.3, +-50 initial ideas on what to do in the HLab, the descriptions of the four initial areas of the Hlab as defined in Chapter 4.1, the Heineken Lab Compass for Innovation (Bakker 2022) and the needs and habits of GenYZ as defined by Savanta.

1. The first step in the process was evaluating the flowchart in chapter 5.3
2. The second step was redesigning the flowchart with the junior designer at Heineken with additional input from the Heineken Lab Compass for innovation.
3. Thirdly, this new flowchart was evaluated with the whole HLab team.

This last flowchart resulted in some insights that needed further thought. A co-creation session with Reggs was done to resolve these insights and further develop the process.

Co-create with Mariana from Reggs

Goals

Further develop the Design and Innovation process
Resolve insights from iterations on flowchart:
- Where to base the initial ideas on?
- How many people to co-create with, and how to find the right people?
- How to combine ideas/explorations from the four HLab areas (BEer, Bar, Lounge, Programm) into a coherent experience?
- How to decide which ideas/explorations will be further developed and tested in the HLab?
- When to do which exploration? What is the planning/roadmap?

Participants

Mariana Suarez from Reggs, Thijs Philippus junior designer HLab, and myself.

Materials to start with
- Third version of flowchart after launch
- Insights from flowchart making
- HLab areas description
- +- 50 ideas for explorations clustered and organised
- HLab compass for innovation

Method and procedure

Co-creation session
1. Dive into materials
    Explain HLab, the strategy, go through deck with the manifesto, explain flowchart. Show starting point of trends and insights that are available
2. Set goals
    Explain the goals for the session, we are happy if we end up with …
3. Start ideating
    Walk through the flowchart and improve steps based on the experience of Mariana
4. Define the properties of the process
    What is new in the flowchart?
5. Make final flowchart
    After the co-creation recap with an updated flowchart

Outcome

The session with Mariana and Thijs resulted in a few insights.
1. The HLab needs a theme to create a coherent experience
2. Definitions of Theme and Explorations
3. There are different decision-makers per step
4. Cut the process into two main phases, Brief creation and Co-creation

Chapter 8.2 explains the outcome of these creative sessions.

8.2 Outcome of the creative sessions

This chapter explains the outcome of the creative sessions. This outcome will be used in the next chapter, Chapter 9: creating themes for the HLab. This chapter describes what a theme for the HLab should exist of and defines the start of the development of the co-creation process.

A theme to create a coherent experience in the HLab

By looking at a basic product development lifecycle we could see how many different Explorations could be done in a year. We quickly noticed that these cycles could hugely differ from each other for example, a technical prototype might need more design and production time than a social experiment.

Nevertheless, with Figure 8.1 we estimated that a maximum of four development cycles per year could be done. This was mainly based upon our own intuition of how often a venue could change experience. Or how often a Restaurant could change its menu. The four different cycles could for example represent the four different seasons.
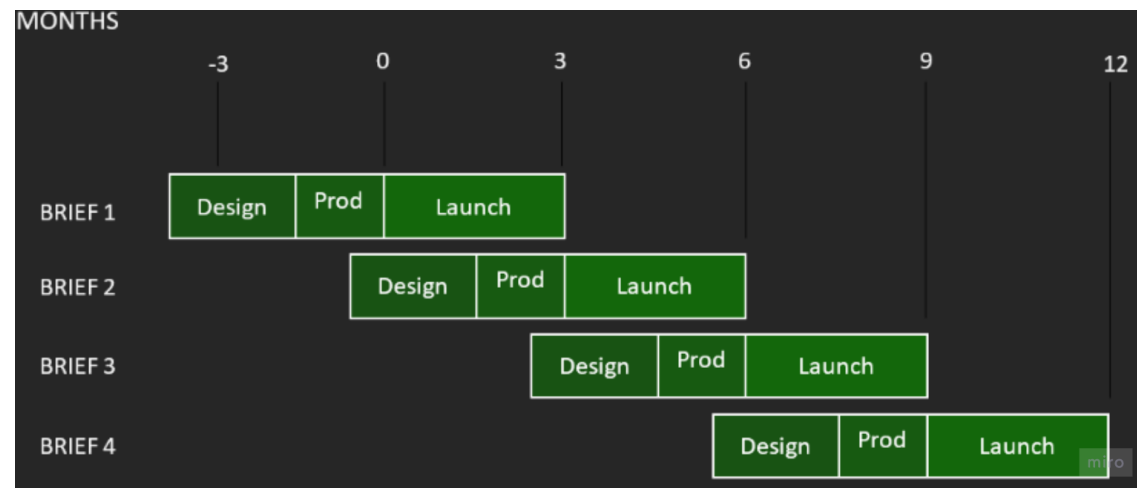
Figure 8.1: Organising the product development process for the timeline of a theme (own figure)

But only one exploration per cycle would not be enough. There are four areas of exploration in the HLab so at least four development cycles would go in one block/season. Making one cycle of an exploration look more like Figure 8.2.

Figure 8.2: Using one cycle for the timeline of a theme (own figure)

Filling the theme with explorations

Not only the production and design times can differ from each other but what was even more important is how long the Exploration is tested in the HLab. A new draught system might need more thorough testing and would thus be in place for at least half a year. Whereas a food pairing or different Lager beer mix/taste can be tested in a week.

By expanding the launch/testing phase to six months instead of three, there was more possibility of testing different kinds of explorations under one cycle. Figure 8.3 shows four time frames for the launch part of different kinds of explorations.

This figure and thought chain gave us the idea of combining different explorations into one theme. Each theme would contain different explorations of different lengths for the different HLab areas.
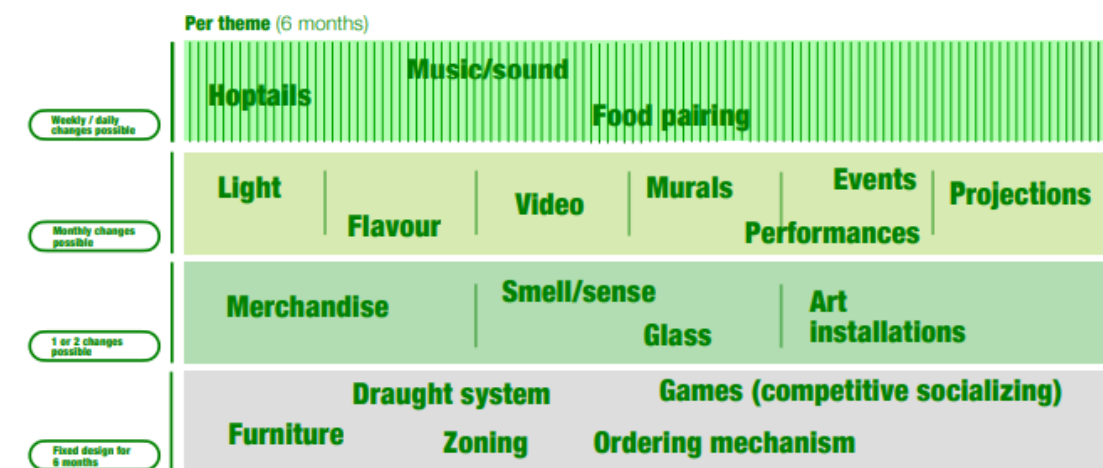
Figure 8.3: Four time frames for launching different explorations

In addition to this, the Theme would combine the origins of the explorations. It would connect everything together into a coherent experience. This in turn could also be the starting point for the briefing by connecting insights and trends as inspiration for the explorations.

Conclusion: we need to design **Themes for the HLab that combine trends, ideas and insights into a dynamic and future-minded narrative to serve as inspiration for co-creation sessions with expert Customers.**

Definitions of Theme, trends and Explorations

The co-creation session pushed us to be more clear about certain topics when talking to each other therefore we defined some jargon that arose during the session, the most important two are listed below.

Theme: Combining trends, ideas and insights into a dynamic and future minded narrative to serve as inspiration for co-creation sessions with expert Customers.

Exploration: A co-created MVP and socialising prototypes that are displayed and can be enjoyed in the HLab to test it. This can be anything ranging from beer tastes, drinking rituals, socialising activities or interior design.

Cut the process into two main phases, decision makers

Figure 8.4 below shows the intermediate process we made during the co-creation session. This figure initially creates two phases, the Brief creation phase and the actual co-creation phase. It also shows that there are different decision makers and sources per step.

The HLab or HLab team is the biggest primary decision maker but this figure also introduces a Lab curator. The first fictional employee of the HLab that is made responsible on leading the co-creation process.

			Primary	Secondary		
Brief creation	Trend (Global)	Source	Savanta	Vice	Internal Heineken	
		Decision	HLAb			
	Theme with insights from	Source	Heineken	Savanta	Vice	HLAb
		Decision	HLAb			
	Brief for the creators	Source	Heineken	Savanta	Vice	HLAb
		Decision	Lab Curator			
Co-creation	10-20 creators	Source	Vice			
		Decision	Lab Curator	HLAb		
	5 Solution's per Creator	Present in online environment for open sourcing ideas				
	choose 3 Creators	Decision	Lab Curator	HLAb		
	<15 solutions	Production				

Figure 8.4: Process during co-creation session

Summary of the implications

This chapter explained the outcome of the creative sessions. Firstly the HLab needs a theme to create a coherent experience in the HLab. Each theme can exist out of multiple explorations with different complexities. The theme acts on the innovation process by splitting the process in half, the first part is the brief and theme creation. And the second part is the actual ideation with co-creation session.

The next chapter presents a summary of chapter 8 and defines the next steps.

8.3 Summary of the creative sessions

This chapter aimed to further develop the first flowchart of the Hlab into a better-defined and clearer flowchart to use for the co-creation of MVPs (Minimum Viable Products) for the HLab. To create a more valuable process, the creation of this process is done in collaboration with Mariana Suarez from Reggs, who is also an SPD alumnus and a former Heineken Design team employee.

This chapter explained the outcome of the creative sessions. Firstly the HLab needs a theme to create a coherent experience in the HLab. Each theme can exist out of multiple explorations with different complexities. The theme acts on the innovation process by splitting the process in half, the first part is the brief and theme creation. And the second part is the actual ideation with co-creation session.

The next chapter, Chapter 9, uses the insights to design a workshop to create the themes for the HLab.

Conclusion of the creative sessions.

- The HLab needs one Theme per +- 6 months on which to base the explorations.
- A Theme can consist of long-short explorations in all four lab areas.
- The process exists out of two main phases.
  - The brief creation that defines the playing field and scope for a period of explorations
  - The co-creation phase in which the actual designing is done
- The HLab team is the primary decision maker for the Brief phase
- The HLab at least needs one employee/curator for leading the co-creation process.

Chapter 9: Creating Themes for the HLab

9.1 Workshop Design and Planning

9.2 Materials

9.3 Outcome & Evaluation

9.4 Conclusion on Themes

What to Expect from this Chapter

This chapter shows the development of the workshop to create themes for the HLab. The chapter begins with the design of the workshop. Chapter 9.2 explains how the workshop materials were created. The chapter concludes with two themes that work as an inspirational brief for the HLab's co-creation sessions.

9.1 Workshop design and planning

In Chapter 8, The Co-creation of the Design and Innovation process for the HLab gave rise to the need for a Theme in the HLab. This Theme would act as a strategic brief on which to base the explorations and activities of the HLab. Besides this, it could also help define the interior design's visual experience. Design agency LOVE is responsible for this design and it would provide them with more input on how the HLab should look and feel. Overall this Theme gives the HLab team more clarity and guidance in what the HLab will explore.

However, The planning of the HLab project didn't account for the creation of a theme. It asked for a workshop to further develop the lounge and the program areas. The Hlab team agreed to postpone these workshops and instead design a workshop on creating themes for the HLab, as this would be of higher priority for the HLab. Because creating a theme for the HLab is an important component in the design process, I took it upon myself to design and organise this workshop. This chapter further explains the goals, methods and outcome of this workshop.

The design of the workshop consists of 4 phases. Firstly the HLab team decided on what the goals of the workshop should be. The second and third stages are designing the materials and agenda of the workshop. These two stages are designed in parallel to each other for better implementation. The last stage was developing a preread to get all the participants up to date about the content of the workshop.

Learnings from workshops on Beerlab and Bar rituals

Although the workshops on the Beerlab and Bar rituals did give some interesting results and helped in further defining the HLab there were some improvements to be made for the Theme workshop. Translating the learnings from Chapter 4 gives us the following points

- Clearly state goals for the workshop and communicate these with the participants
  - *Goals of the workshop*
- Give all participants a clear brief on the project and what is expected from them during the workshop
  - *The preread*
- The agenda needs to be clear and understandable for the HLab team well before the start of the workshop
  - *Collaborating with Vice Virtue on the Agenda*
- Take enough time go through every step of the agenda to be creative and go more in-depth.
  - *Workshop materials*
- Create a good recap and reflect on the findings of the workshop and how to implement these into the HLab project.
  - *Outcome and recap*

Goal of the workshop

- Get a clearer view of what the activities for the HLab should be.
- Further define what a theme is and create +-6 concept themes for the HLab
- Define which explorations are most interesting

Goal of a Theme for the HLab:

Combine insights, trends and Heineken strategy into a coherent future vision that can act as a brief for the co-creation sessions and further development of the HLab. Each Theme will be the basis for the activities in the HLab for around 6 months.

Design of the workshop materials

The workshop uses the following materials:
- Trend & insights posters
- Theme canvas
- Exploration cards
- Lab areas & Exploration organising board

Trends & insights posters

During the HLab project the HLab team gathered a lot of insights and trends. These come from multiple sources and are not all on the same level, macro trends versus insights. To gain a clear overview for the workshop participants on what to combine into a theme, one single format was made for all trends and insights. These trends and insights were translated so they are all on the same level of fidelity and have the same kind of explanation. This makes it easier for the participants to combine the trends and insights later. Also, with Vice Virtue and the HLab team, a selection of trends and insights was made that were regarded as most influential for the HLab. This selection can be found below.

Authenticity
Human connection as self-care
Ment to be
Increasing trend towards authenticity
Fewer, more meaningful connections
Renewed intimacy
Increasingly purposeful socializing
Consuming to connect
IRL first

Sustainability
Increasing moral consumption
Growing interest in transparency
More green
Increasing environmental consciousness

Culture
Seeking collaborations and culture
Growing democratization of culture creation
Increasing importance of the neighborhood
Socialize safe
Increasing desire for exclusivity

Self expression
Desire for personalized experiences
Personalization and tailoring is key
Events mirroring consumer identity
Changing definition of masculinity
Increasing fluidity of self-identity
Increasing fluidity communities

Rethink on-premise
Edible escapism
Creativity boom
Increasing accessibility to food and drink
Paying more for equality
Increasingly experiential on- premise offerings
Schifting the traditional serving dynamics
Increasing need for novelty and variety
Shared spaces
Improved in home entertainment
Increased blurring boundaries
Competitive socializing (gaming)

Wellbeing
Audio healing
Growing impetus to provide safe spaces
Increasing use of 'responsible' highs
increasing of day-time socializing
Ground presence
Increasing focus on public health
Increasing levels of isolation
Changing attitudes to work life
The rise of alcohol free
Functional benefits from food & drink
Wellness
My space

Digital
Online world without boundaries
Balance offline vs. digital
Virtual for real
Growing adaption of AR
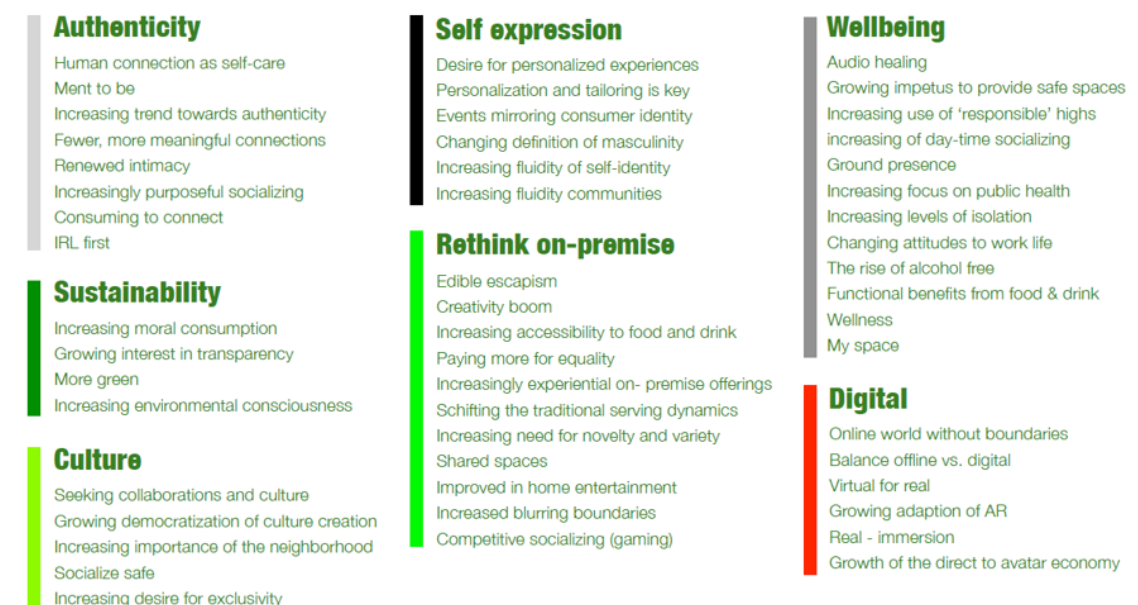Real - immersion
Growth of the direct to avatar economy

Figure 9.1: Trends and Insights poster

The selection of trends and insights were categorised in seven categories. During the workshop participants were encouraged to combine trends and insights from different categories.

Theme canvas

This canvas is an A3-sized paper that the participants fill in during the workshop. The aim of this canvas is to lead the participants through a few simple steps to define what their theme means. By going through and filling in the canvas, each participant is pushed to think about areas deemed important to the HLab. This way each theme gets more lively and better thought out. The theme canvas has five steps to fill in. The paragraphs below explain these steps.

Filling in the canvas

Firstly, the participant fills in the trends and insight (further named solely trends) that they deem most important or applicable. These trends and insights are carefully put together by the HLab team and come from Heineken's own research, Savanta's GenYZ research and Vice-Virtue's research for the HLab. Chapter XX explains why these trends were chosen. It is intended that the participant chooses about three trends so a more holistic vision can be created in the Theme.

In the second step the participant needs to fill in how these trends reflect the brand DNA and the greener strategy of Heineken. This will ensure the theme is rooted in Heineken's strategy so that all explorations will eventually be an addition to Heineken's core business.

The third step connects the HLabs main principles, GenYZ and Quality Socialising, to the theme.

The fourth step asks to create a future vision statement by combining steps 1-3. The idea of a future vision statement stems from the Vision in product design method that is often used in strategic design projects and Concept Car principle that the Heineken design team uses. This is the most important step because it pushes the participant to create a narrative that is easier to understand by others. Focusing on the future gives the participant space for novelty and creative freedom.

In step five, the participants can already show what they think could be activities for each area of the HLab. This step is not necessarily the last but can also be filled in along the way.

Finally, the participants are asked to think of a name for the Theme.

Design of the Theme canvas

During the process of further developing the Hlab the team found out that more clarity was needed on what to do in the HLab. But it was difficult to grasp what and how to achieve this during a workshop. An often used method of filling in a canvas pushes a designer to answer and think of certain areas that are important, for example in the business model canvas in design thinking or the lean startup canvas that the Rabobank innovation factory uses.

This resulted in the idea of creating a likewise canvas for the HLab that touches upon the most important and influential parts of the HLab's research and strategy.

The canvas has gone through multiple iterations. A few iterations were done in collaboration with Mariana Suarez. Secondly, the HLab team discussed the canvas during the weekly meetings twice. The final version of the canvas was also made as a slide deck so the canvas could also be filled in digitally.

Figure 9.2: Theme canvas

Exploration cards

The second item for the workshop are the exploration cards. Chapter 4 concludes that there are a lot of ideas floating around. But the problem with these ideas is that they are not necessarily rooted in the research and strategy of the HLab. Therefore these exploration cards were made.

Same as for the Theme canvas, the exploration cards are collaboratively developed together with Mariana and the HLab team.

These cards push the participant to fill in more information about their ideas in the areas that are important for the HLab. For example, somebody had the idea of making super limited edition bottles for Heineken in the HLab. This is something that has been done a few times already so why do this in the HLab. By filling in the exploration card this idea evolves into something more substantial so it can actually be an idea that can be used in the HLab. See the image below.

The right side of the Exploration cards is to validate the idea with the target group and HLab strategy. The agenda for the HLab asks for a diverse pallet of explorations, so not all validations need to be correct but it should at least check a few boxes. These validations come from the research of Savanta and the strategy of the HLab. To fully validate the explorations the decision making diagram was made as shown in chapter 4.2.

Figure 9.3: Exploration card

Gathering the Explorations

The last preparation activity for the workshop was gathering all the explorations. Chapter 4 concludes that everybody that new about the HLab project immediately also had their own ideas that they wanted to try out there.

To get a good overview of what people had in mind to work on in the HLab the exploration format cards were send to all participants of the workshop and they were asked to fill in as many ideas as they had. This way a general idea about what people had in mind for the explorations was created.

The HLab team and I had already created some exploration cards, so we were able to gather a total of 200 explorations. However, not all of the cards were fully filled out, so I provided additional information to make them more useful.

These 200 ideas could be roughly categorised by old Heineken ideas that had not been thoroughly tested, current ideas from R&D and innovation on Beer tastes, and new ideas that arose during the HLab project. In the end, we had a comprehensive overview of the potential activities available in the HLab.

Figure 9.4: Filled in exploration cards

Lab areas & Exploration organising board

This last canvas has the goal of organising the explorations per Theme. As part of the validation of the theme and to act as a base for new ideas after the theme creation, participants can pin their explorations to this board in the right area. This gave an overview if the Theme had enough connection with the available explorations.

BEER	BAR	LOUNGE	PROGRAM
| Changing brewing configurations | Changing beer recipe | Changing beer appearance or viscosity | Mixing with other flavours | Design beer for activities or purpose | Influence beer with the environment |	| Ordering Ritual | Serving Ritual | Drinking Ritual | Design Look & Feel | Technology | Multi-sensory Experience | Design for occasion | Food pairing |	| Seating configuration | Art installation | Furniture | Lighting | Serving Ritual | Group Dynamic | Connecting strangers | Drink from home | Technology | Multi-sensory Experience |	| Design collaboration | Sound | Gamification | Dance | Night Out | Fashion | Launch Party | Phigital/Meta | Drinking for activity |
Short (5-10)	Short (5-10)	Short (5-10)	Short (5-10)
Medium (3-5)	Medium (3-5)	Medium (3-5)	Medium (3-5)
Long (2-3)	Long (2-3)	Long (2-3)	Long (2-3)
Full-time (1-2)	Full-time (1-2)	Full-time (1-3)	Full-time (1-3)

Figure 9.5: Lab areas & Exploration organising board

Participants

Because this workshop would have a big impact on what would happen in the HLab, 18 participants from all stakeholders took part in the workshop. For each participant there was a different reason they were invited to the workshop, Table 9.1 explains why which participant was invited.

Company/Specialism	# of People	Reason
Savanta	1	Specialist on Gen Y Z
LOVE	3	Physical and strategy design of the HLab
VICE	5	Cultural specialist and creatives
HLab	4	Knowledge of the HLab
Heineken Design	2	Broader view on Design for the HLab
Heineken Sustainability	1	Expert view on implementing sustainability
Master Brewer	1	Input on Lager beer vision and constraints of Heineken
Heineken Communication	1	Broader view of Heineken Strategy

Table 9.1: Participants and reason to be included in the workshop

Also, the 18 participants are spread into six groups, five offline and one online. The online group was a last-minute adjustment because of transport issues. The Vice team took it upon themselves to facilitate the online group. The groups were made beforehand and exist of at least one person with extensive HLab knowledge and two others with different speciality backgrounds. For example, I was in a group with the master brewer and a creative from Vice.

9.2 Workshop session

This chapter explains the agenda of the workshop and how the workshop session went. This chapter goes through each step of the workshop and explains why this step was done and what the results were of each step. The next chapter gives the final results of the workshop, the evaluation and further implications on the HLab project.
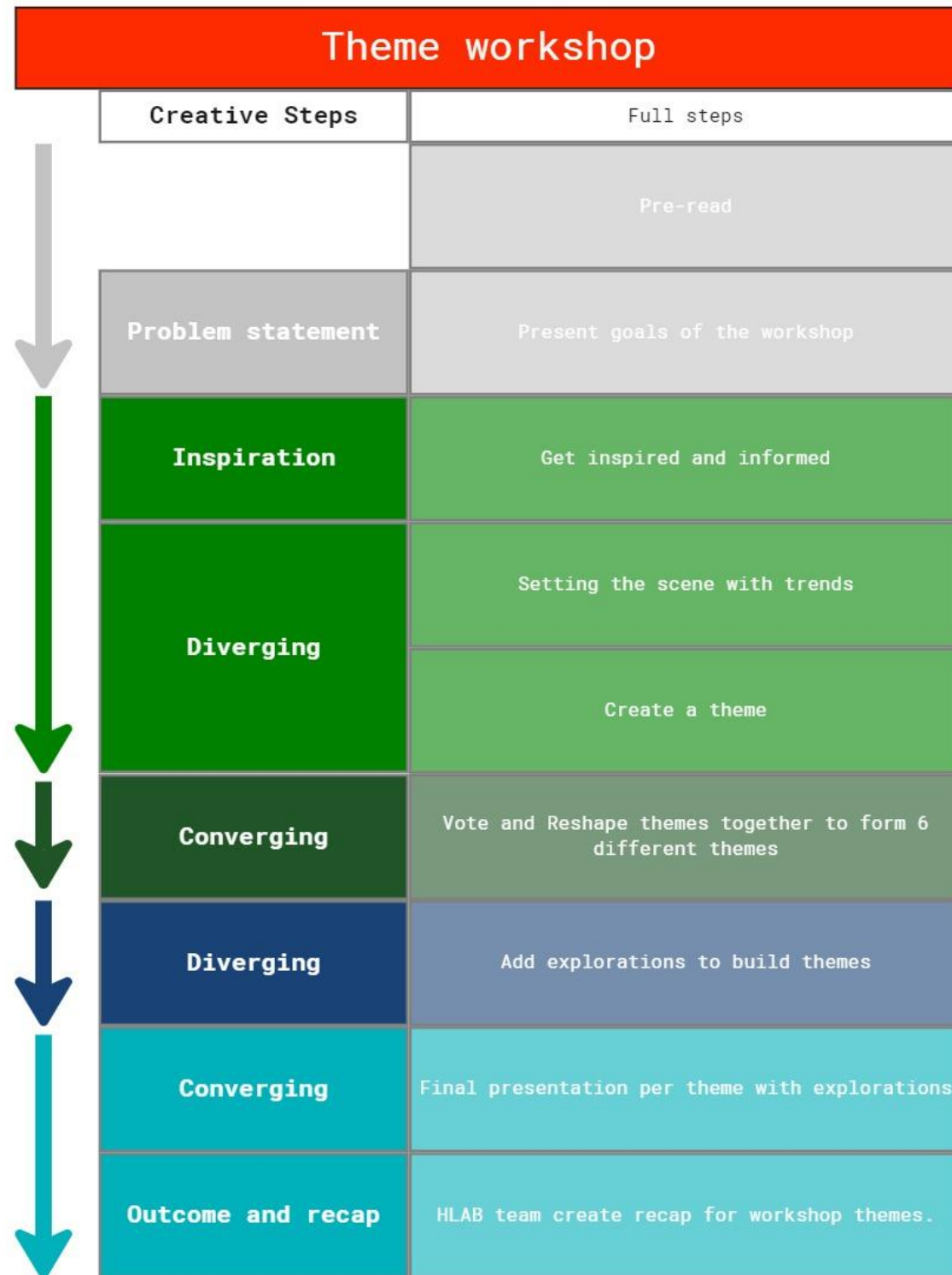
Figure 9.6: Overview Theme workshop process

Workshop Agenda

The workshop took place on the 28th of September 2023 at the office of Vice-Virtue. Because of this and their creative capabilities the Hlab team decided to collaborate with them to organise the workshop. During a one afternoon co-creation session Thijs, one person from Vice-Virtue, and I finetuned the agenda of the workshop.

I first made a draft on the agenda of the workshop, this was shaped a bit more with input from the HLab team the final agenda steps are explained below. This agenda is based on the basic Design thinking activities of the double diamond process Diverging and converging. The next chapter explains the steps of the workshop process shown in Figure 9.6, and what happened in the sessions.

0. Pre-Read

The workshop starts with the preread, two days before the workshop every participant received the pre-read. The objective of the pre-read is to inform the participants about the HLab project and give them enough background information to participate in the workshop.
The preread consists of the following information:
+-200 ideas and explorations on exploration cards
+- 40 trends and insights
Workshop Agenda content slide deck

1. Present goals of the workshops

The workshop is held at the office of Vice in Amsterdam and takes a whole day. Starting at 10 and finishing at 17 hours including a short lunch break.

The facilitation of the workshop is done by Vice, this seemed the most logical decision because the workshop is held at their office. The facilitator of the workshop also collaborated in making the agenda.

The workshop starts with an introduction to the workshop's goals and getting familiar with each other. The materials are introduced, 6 tables have each a set of materials. One wall was allocated to display all the trend pages in each category.
Materials
+-200 ideas and explorations on exploration cards
+- 40 trends and insights
Axes for organising explorations
Theme canvas

2. Get inspired and informed

The second step starts with an introductory presentation and recap on what the HLab is and where the HLab would like to be. Together we go through the workshop materials once more.

3. Setting the scene with trends

The goal of the third step is to get familiar with the trends. To do this, the participants are encouraged to pick a favourite trend from the wall and discuss a possible combination of the trends within the group.
The next step is to add or subtract trends within the group to make the combination more holistic and start with working towards a theme.

4. Create a theme

The goal of this step is to fill in the Theme Canvas and prepare a short pitch about their filled-in canvas. The canvas should help each group to relate the theme to the HLab. Some groups made several themes and some groups made just one. In the end, a total of 10 themes were created.

5. Vote and Reshape themes together to form 6 different themes

This is the first converging step where after the short pitches everybody can vote on the themes. By combining a few parts on some themes that scored low with others with the same elements, six themes were created, one per group. These six themes would be the basis for the next steps, improving these themes.

6. Add explorations to build themes

After a small lunch and creative break the next round starts. To keep everybody energised and creative juices flowing the participants could each choose their favourite theme to work first this also created six new groups.

The main focus of this round was to further elaborate on the six themes by adding existing and new explorations to the themes.
The first part of this round each group went through the 200 existing explorations to see which fits the Theme the group was working on. In the second part, each group would try to create new explorations for this theme.

Because there was more time left in the schedule, we decided that each group could also add explorations to the other themes by switching through the themes until every group saw all the themes.

7. Final presentation per theme with explorations

To conclude the day each group gave a final presentation on the last theme they worked on. These presentations had a strong tendency to argue in favour of the theme and sparked some interesting discussions about the next steps of the HLab. The next chapter tells about the final theme outcomes and these discussions.
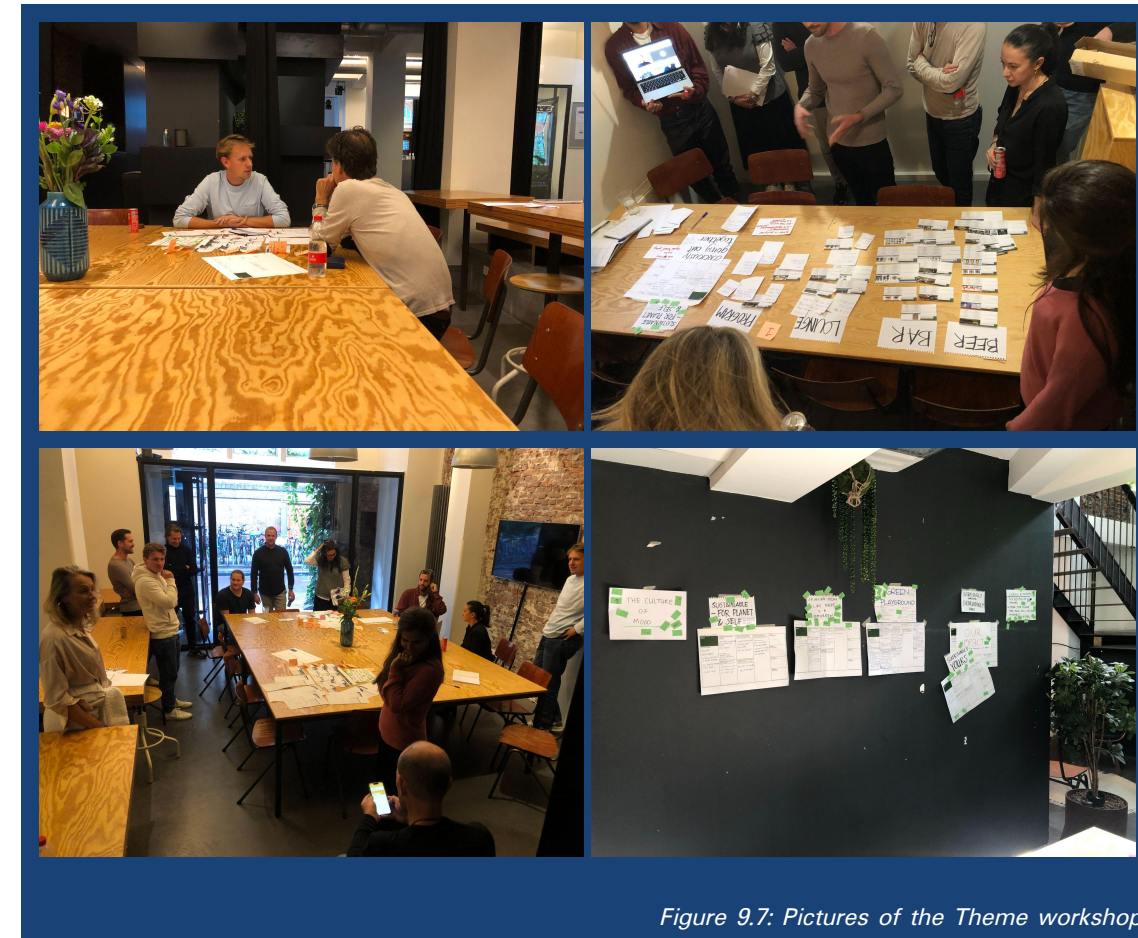
Figure 9.7: Pictures of the Theme workshop

9.3 Outcome & Evaluation

This chapter talks about the outcome of the Theme workshop. It starts by going over the six themes that the workshop created. The second part of this chapter writes about the fruitful discussions during the workshop and why these discussions are an important part of the HLab project. The next part of the chapter discusses which theme the HLab should implement and how the HLab team decided on this. This chapter closes off by evaluating the workshop and workshop materials. The participants received a survey to evaluate the workshop. The next chapter shows the two themes and new strategy that is the end result of the Theme workshop after validating it with the HLab team.

The outcome of the workshop

The end of the workshop resulted in 6 themes for the HLab. All ideas had a significant and sufficient amount of explorations connected to them to fill a six-month period. The paragraph below explains each theme. Appendix F, gives a more rounded explanation of the themes with the best matching explorations.

1. Green Playground

Description

Feel good activities with a strong link to the outdoors that plants a seed within Gen-Y/Z that being sustainable could be fun at all times.

Why is this theme a fit?

In line with the needs of this generation to become active when it comes to environmental consciousness. Show this target audience how sustainability can be fun and refreshing at all times is in line with the LAB strategy to be fun, inventive and sustainable.

2. The culture of mood

Description

Heineken enables you to feel good, no matter your mood. Setting the tone with various moods, reflected throughout the space by using light, colour, sound, vibrations, smell and more.

Why is this theme a fit?

This theme taps into the needs and interests of Gen-Y/Z for mental health and being mindful. For Heineken it is interesting to explore their role within these trends, and how mental health and mindfulness could become a social activity.

3. Losing authority

Description

"Six months of no theme". Free the floor for real new culture makers. Give popular culture all freedom to grow within the house of Heineken.

Why is this theme a fit?

This theme could be seen as a social experiment where we explore real authenticity (match with Gen-Y/Z). To become part of popular culture (the aim of the HLAB) we need to relinquish full

authority to the brand and give the power to a new wave of culture makers. Minimal briefing, full creative freedom.

4. Sustainable for the planet and self

Description

Caring about the planet starts by caring about yourself. Exploring different ways of small steps for feeling (sustainable) good.

Why is this theme a fit?

Taps into the target audience's interest for well-being and caring about the environment. It glues these two interests together. Interesting how Heineken can facilitate socialisation in this area.

5. Surprisingly yours, surprisingly impactful

Description

Small personal improvements that collectively make a difference. Personalisation that has a positive impact on the world (environmental, social, cultural, etc.)

Why is this theme a fit?

It encourages gen-Y/Z to think about personal impact by creating personalised experiences. It's a theme about creating impact by doing good, and inviting visitors to explore their personal touch on this topic.

6. Drink like there is a tomorrow

Description

Focus on daytime socialising, and all the benefits of it. This theme brings people together under the umbrella of conscious consumption and well-being.

Why is this theme a fit?

It offers Customers new and fresh ways to drink, consumes and socialise. It tackles big topics such as sustainability and well-being, and within these topics, it brings people together. The open-minded take on the day and nighttime switch provide refreshing solutions for socialising.

Discussions on the authority within the HLab

During the last round of pitching the themes, the subject of losing authority sparked an interesting discussion. This paragraph will explain the importance of this discussion within a big legacy brand like Heineken and the impact on the HLab project.

This discussion strongly reflects on the literature research of chapter six. Should the HLab completely let go of the reigns and give full authority to a select group of creatives that have strong ties back to popular culture?

Vice-Virtue creatives state that Vice has always been the brand rooted in popular culture because they had the ability to give authority to prominent popular figures. For example, they would let Rihanna design an edition of Vice Magazine. Something they also do with other celebrities.

By giving away the reigns, Vice claims that the HLab can also be inside popular culture. While it might be true that Vice receives positive feedback from these sorts of activities it might not be for the HLab. As Vice has always done it this way, it is nothing new for their brand image.

Although Heineken is a popular brand globally, they have shown in the research that Heineken does not resonate with the popular culture of Gen Y and Z. Also, Heineken has always

stayed very strict about their portrayed brand image towards Customers. There was barely any playing room.

If the HLab would thus give away its authority completely the effect on the brand image of Heineken could be estranging. This 'new' brand image did not evolve gradually from the Heineken brand but would be an abrupt change. Customers could not find this acceptable and this could in turn damage the Heineken brand.

Interestingly, during the discussion, Heineken employees strongly took a standpoint on not being able to give away such an amount of authority because they were afraid of backlash on the brand and said that they could not justify such a risky activity inside the company.

This strongly coincides with the evidence that large corporations with established brand legacies have difficulty changing their brand image. They simply are too afraid to damage the brand image so would never dare to change their course with too much speed.

The discussion led to two final proposals: creating a new brand affiliated to Heineken but with no direct connection to it. Or secondly, slowly altering the Heineken brand image until it is at a point where giving away authority seems a logical step for Heineken.

A third option was not discussed; not giving away authority at all did not seem like a solution for attracting and bonding Heineken to GenYZ. Everybody agreed that some sort of co-creation between The HLab and GenYZ was a necessary (evil) step in attaining the goals of the HLab.

Evaluation of Workshop

To assess the workshop's effectiveness, we took the following steps:

1. Held a meeting with the HLab team to review the workshop outcomes and plan future actions.
2. Conducted a workshop recap in a slide deck format, highlighting key insights and discussion points.
3. Sent out a survey to the participants to gather feedback on the workshop content, materials, and outcomes.

Based on the findings from these steps, we've summarised our next steps into two key areas: Outcomes, Agenda & Materials.

Outcome of the workshop

Goal of the workshop was attained, the creation of six well-balanced themes derived from the insights and trends and embedded in the HLab atmosphere.

But there is quite some overlap in the themes. Some trends and insights are more popular and important than others in the workshop. These are Sustainability, Inclusivity and Personalisation. The themes are still a bit high-level; explorations make them more tangible but mis a sense of action. What are the next steps? How do we make the themes actionable?

During the workshop the participants created some extra explorations, because the focus was not on creating the best ideas for the explorations and not that much time was given for this the explorations were not extremely good.

Not all participants were useful in their partake of the workshop, some participants did not have the knowledge about the HLab combined with that their specialty did not come through during

the workshop. This might be partly because the workshop was still a bit too high level or the participants did not dive into the preread well enough.

Workshop Agenda & Materials

Overall, the workshop agenda worked very well. Every step was clear for the participants and only a few clarification questions were needed per step. It also helped that each group contained one HLab specialist that could clarify certain elements of the HLab or why we wanted to take certain steps during the workshop.

Nevertheless, not all steps were completed correctly by every group. Some people just don't want to listen and will always follow their own plan. The themes from the groups that did not fill in the canvas completely were a lot less actionable and underbuilt than the other themes.

The survey points out that the Theme canvas was a great way to give more structure and challenge the participants about to what extent the theme delivers what it needs to. Some participants did mention that they could use some more explanation about the canvas and a little more time to fill it in.

The survey also points out that the order of the steps in workshop is logical and worked well to get to the desired results. On the downside some steps were a little underexposed in terms of time and explanation. This was mostly the case for the final exercise of ordering the explorations per theme and thinking of new explanations.

To conclude, overall the workshop worked well but some steps could benefit from more explanation and more time. Because we had a lot to do in just one day it is logical that time was going to be an issue. The materials of the workshop also worked out well and gave the workshop a much-needed extra clarity.

Conclusion for the next steps with regard to the HLab's Themes

The workshop was a success with lots of positive reactions. During the evaluation with the HLab team the impact of the workshop was more widespread than only on the theme.

Firstly, the workshop made the HLab team rethink the areas of the HLab and sharpen the overall vision. Secondly, after the workshop several meetings within Heineken about the HLab resulted in a higher priority of Quality Socialising which also impacted the themes. The next chapter explains how this impacted the creation of two concept themes.

9.4 Conclusions on Themes

This is the final chapter about the themes for the HLab. First, this chapter explains the effect of the workshop on the overall HLab strategy. The second part of this chapter explains how internal Heineken meetings and activities have an impact on the themes. Lastly this chapter introduces the two themes that best fit the ideas of the HLab team. And show how this decision was made. The next chapter dives into further developing the design and innovation process and how to implement the theme into it.

Sharper scope and vision on activities for the HLab

The workshop made the HLab team rethink the lab areas and also simplify them and make them more clear. The areas are renamed BeerLab, Bar Rituals and socialising activities. So the next workshop for the HLab is the activities workshop. What will we do in the HLAb when we focus on one of the themes? Chapter 12.4 elaborates further on this.

This outcome of the workshop is positive in that the themes have succeeded to create a more clear and concise vision and scope for the HLab. The sharpening of the scope helps in being able to explain and brief the HLab to creative parties for further collaboration.

Already this resulted in two more lively concepts for the interior design of the Hlab by the agency LOVE. The artwork of these concepts is used in the next chapter to illustrate the themes.

Quality socialising top priority

After the workshop, during a meeting with a top level manager, a different project was drastically altered because it did not use Quality socialising as a main strategy. Also during a meeting with Heineken NL they pointed out that they would have a negative attitude towards the HLab if it did not prioritise quality socialising, sustainability and premiumness in its strategy.

Therefore the success of the HLab depends on the application of the Quality socialising strategy. The Theme canvas made sure every theme had to connect with the Quality socialising domain. However, when reevaluating the themes the HLAb team put a bigger emphasis on quality socialising which slightly altered the themes.

Decision on two Themes

Finally, two themes are chosen based on their inherent connection to Quality socialising. This a a choice made by the whole HLab team and in my personal opinion it was a choice made partly on gut feeling. Also, the voting during the workshop played a part.

This is not a bad way too make choices and although I mostly agree with choosing for these themes I feel like most of the choices made by the HLab team are based on gut feeling instead of using well thought out choice method like for example a harris profile. Using data to make choices is becoming a more and more popular method of making choices and has proven to be a very effective way when added to gut feeling or a harris profile like method.

For the future processes I would therefore advice to base the choices more clearly on methods and data instead of only doing what 'feels' right. The most popular

Nevertheless, the HLab team decided to go further with the Green playground and a slightly adapted version of the Culture of Mood hereafter named Digital playground. Reason one is that these are the most popular themes as chosen by the workshop participants. Also, they have the highest

correspondence with Quality socialising. The remainder of this chapter will show how these themes are further developed for the HLab. The chapter thereafter shows how the Theme is implemented in the design process of the explorations.

Conclusion Chapter 9

- The workshop was a success overall in creating two themes: Green playground and Digital playground
- The workshop materials did what they had to do but they need a little better explanation for everybody to understand
- The workshop also had a positive impact on the HLab strategy
- The implementation of Quality socialising is the most important in the success of the HLab project
- Most explorations still lack definition and need more clarity in the description on how to apply them to the HLab
- The Hlab has influence in all of Heineken and should be communicated within Heineken accordingly

Green playground

Can we address in a playful manner sustainability? The space becomes a green jungle full of activities within. Bikes or dance floors that generate energy, or even climbing green walls. Can we bring nature inside and grow our botanical ingredients? Let's explore different led light solutions (light follows action sensors). What if we organise activities during the day (less energy consumption)? Showcase our recycled, green glass. Serve with emerald, our greenest packaging solution, make merchandise from spent grain or waste materials. Let Customers bring their own glass, bottle or cup to fill at the hatch or be served by the bartender. Create a beer that tastes less cold, to reduce CO2 from cooling. Explore less energy–consuming manners of cooling, like bottles rolling in salt water. Can we brew more sustainable beers, can we use ingredients grown in the lab for flavour or mixes, use less water, explore sachets, flavour incentives, wild lager, etc. Invite experts in sustainability to work with us. Fashion brands that work with natural fibres. Chefs to work with beer as an ingredient. Furniture designers that create furniture from waste, etc.
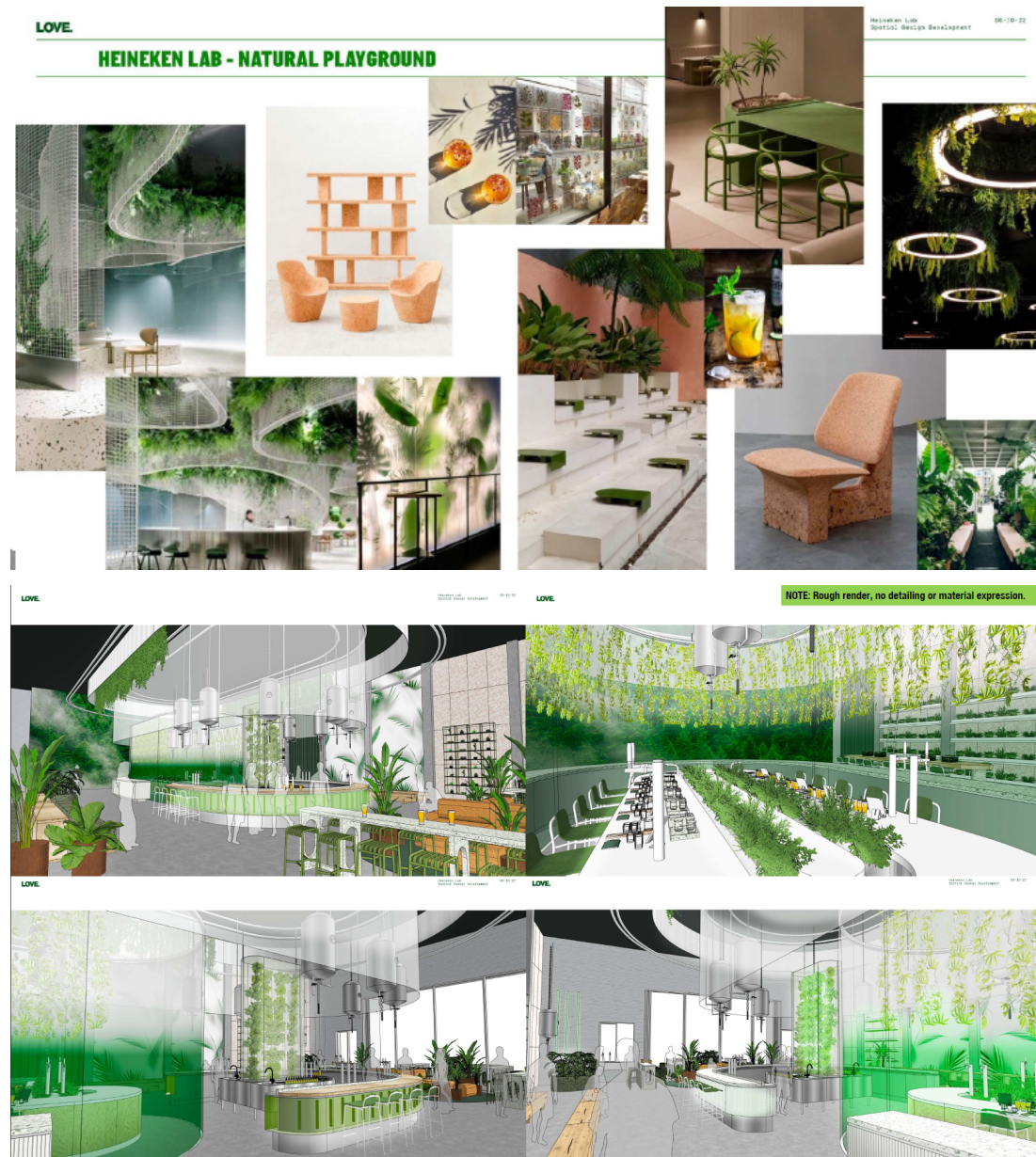
Figure 9.8: Green playground

Digital playground

How can digital art amaze and inspire us? Let's invite a digital artist, or a few, to create different moods, changing our day–night routines and rhythms and explore dancing in the morning, working at night, as private and work life is mixing now and in the future? What are the propositions, the beer explorations and flavours that go with different moods? Do we explore adding energy boosters, or relaxing additives to lengthen the night and relax during the day? Can we explore drink merchandise with light effects for Customers to find a good match with someone else? Can we extend this immersive experience with the metaverse and how does sound and music play a role in the activities? Exploring an interactive bar or modern dance acts, street art with neon inks or glasses that change colour depended on the temperature of the beer poured?
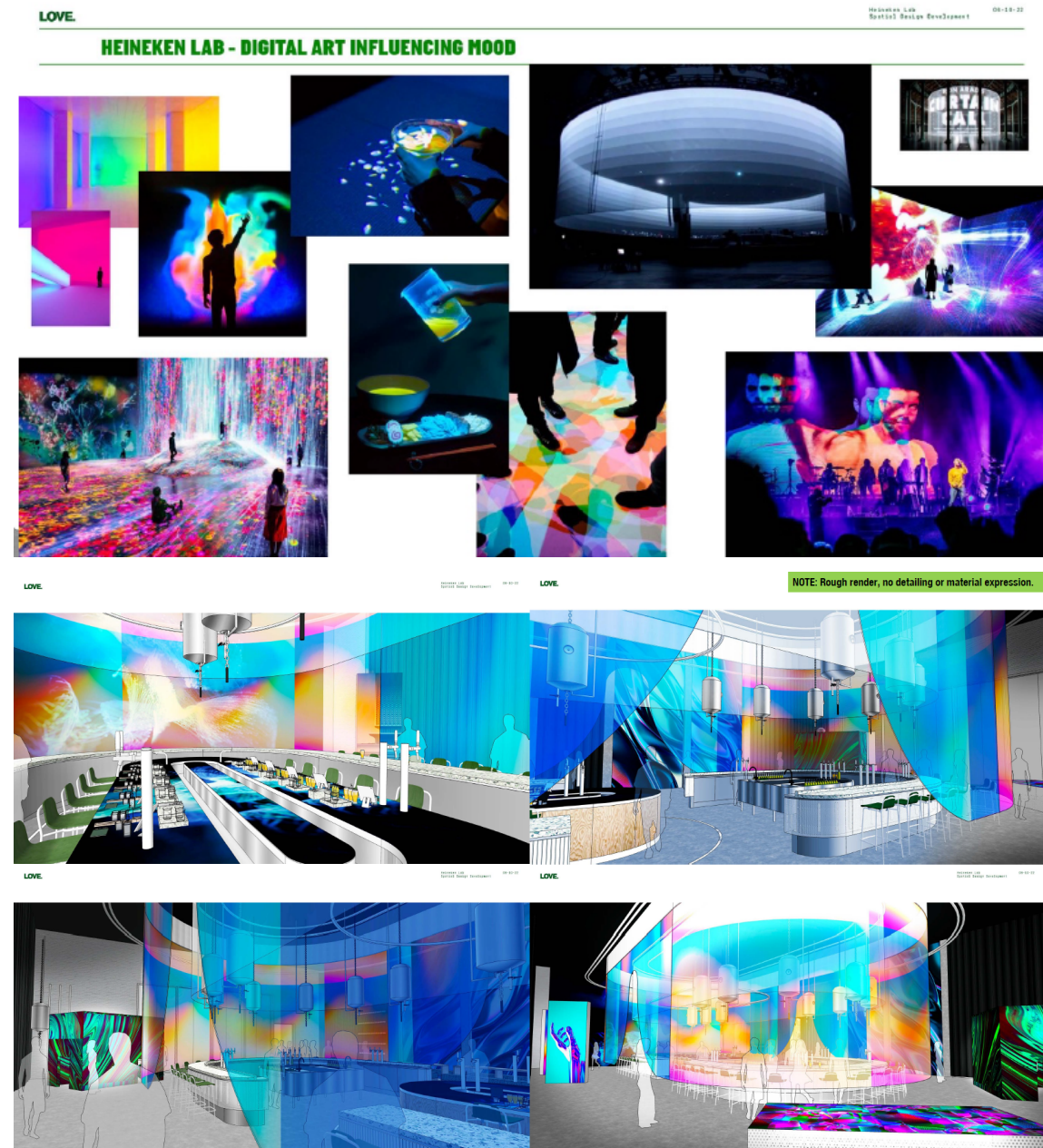
Figure 9.9: Digital playground

Chapter 10: Iterations and Implementation of the Concepts

10.1 Iterations on Process and Method

10.2 Outlines of the Innovation Process for the HLab

10.3 Conclusion of the Develop Phase

What you can expect from this chapter

This chapter aims to implement the Themes into the design and innovation process of the HLab. The basis of this process comes from Chapter 8 with input from the discovery phase's Chapter 4.

In Chapter 10.1, I test the first iteration of the process by doing a co-creation session with a mixologist. Chapter 10.2 explains the rough outlines of the innovation process and what else the innovation process should include. Chapter 10.3 gives the conclusion and final insights of the Develop phase.
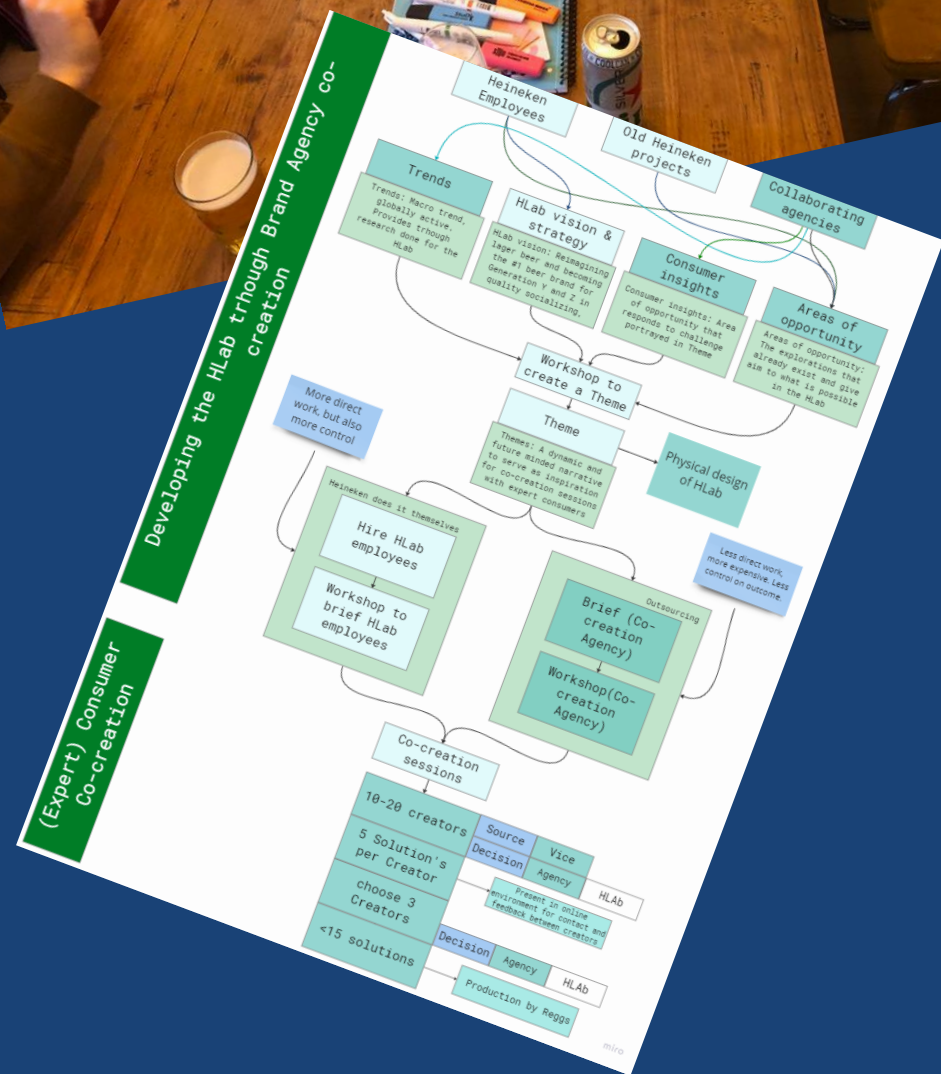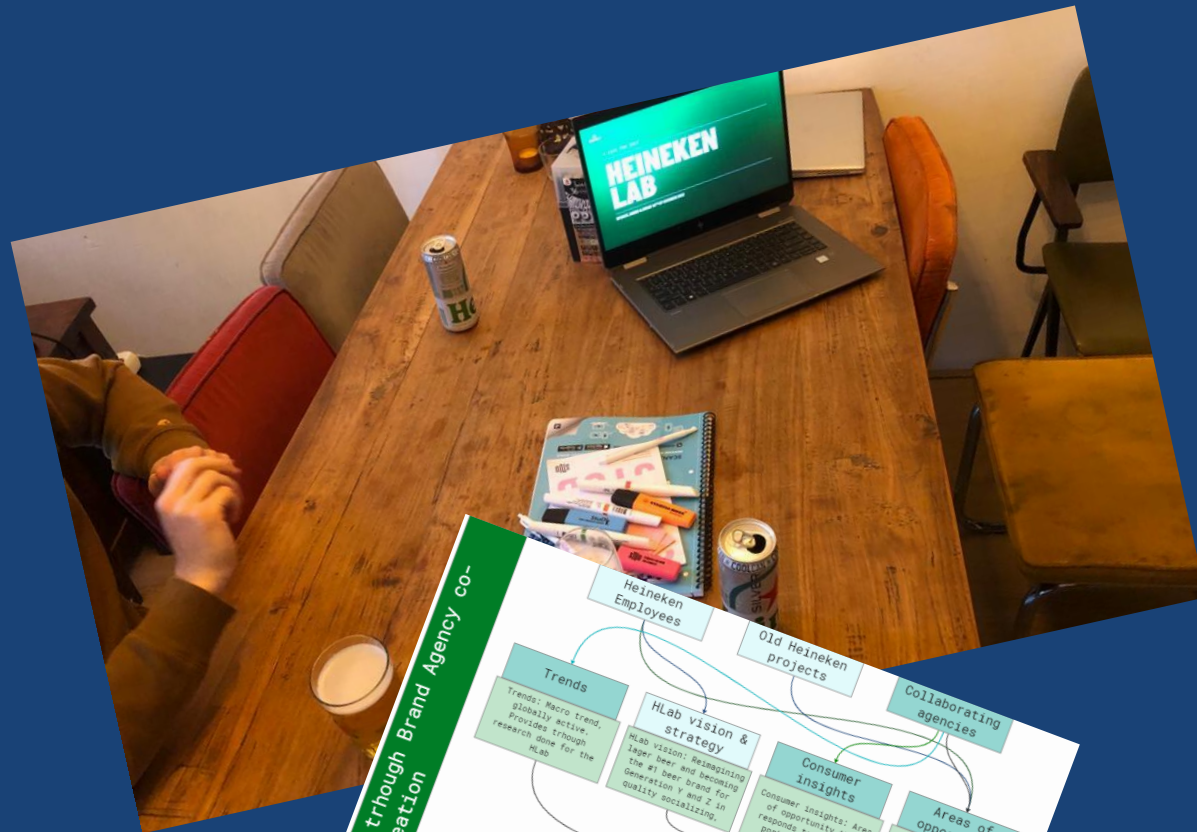
10.1 Iterations on process and method

Chapter 9 creates themes for the HLab. These themes are the basis for the briefing and co-creation session. This chapter uses a Theme as the brief for a co-creation session with a possible creator for the HLab. The next chapter gives the outlines for the innovation process for the HLab.

Goal of this session

1. Testing to see if the theme is inspiring enough and a good base to brief creators on. The theme should leave enough space for creativity but also give a small push in the right direction to the creator.
2. Create explorations based on the theme with an external party. To connect Heineken to GenYZ.

Planning of the session

The session is based on the co-creation sessions by Fronteer. Fronteer is one of the agencies that specializes in co-creation and the Heineken design team has collaborated with them in the past. (Veenhof and Pater 2019)

The co-creation session with the mixologist/designer

Setting the scene:

– Introduction to HLab
– Pitching the Theme

Deciding the goals

– Ideating on what to do with socialising and the theme
– Diving into Beer cocktails

Outcome

– The session presents the conclusion that it is difficult to combine creativity with a specific goal of a company.
– During the session, a lot of new interesting ideas were made. But these ideas did not necessarily connect with the theme.
– Beer cocktails were not a success.
– The session pointed out that the theme is good for inspiring and mindset of a creative session. But when combining it with the specific design challenge, it is easy to get too inspired by the theme and deviate from the specific design challenge of creating beer cocktails.

– This could be because the theme presents an overall challenge. In the case of the green playground, how can we connect Heineken with fun sustainable initiatives? The solution to this challenge is not immediately connected to making beer cocktails.
– During creative sessions, the mind is encouraged to deviate and explore other areas, in this case the mind deviates in two different scopes, which is not ideal.
– The creative session actually used two scopes, the green playground and beer cocktails. Involving the creative earlier on in the process and co-creating the scope as well would assist in transferring from the green playground into beer cocktails and would possibly allow the creative to make a better connection between them.
– The sessions could also have put more constraints and focus on creating the beer cocktails. This would have resulted in more output based on the beer cocktails but less overall creativity.
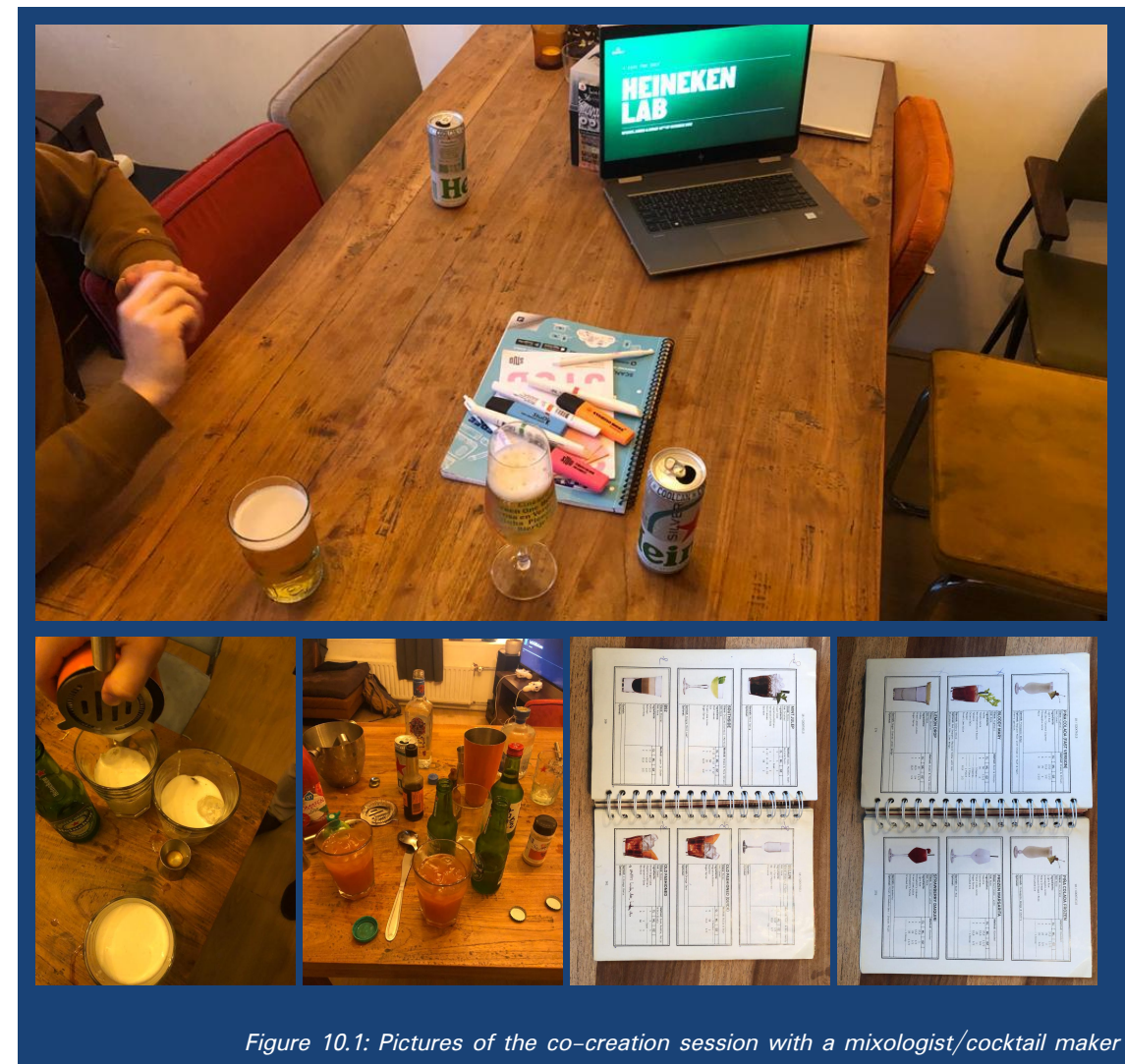
Figure 10.1: Pictures of the co-creation session with a mixologist/cocktail maker

10.2 Outlines of the Innovation Process for the HLab

This chapter gives the first improved version of the Innovation Process for the HLab. This chapter introduces and explains this flowchart and explains the points for improvement. The next chapter concludes the Develop Phase.

Feedback and Creative sessions from the HLab team

To create and iterate on the flowchart, I collaborated with members of the HLab team during multiple sessions. In these sessions, we would discuss what was important for them and add or subtract elements in the flowchart. Although some of these sessions were brief, they gave a good insight in what Heineken employees expect from the workflow in the HLab. Therefore these sessions were very valuable.

Secondly, I also collaborated with Mariana Suarez to gain more professional insight into how to do co-creation in the HLab. Together with her, we could decide on the number of creators that seemed manageable, who makes decisions in the Hlab and how many steps a co-creation project needs.

This eventually resulted in the flowchart to the right. The following section briefly explains the flowchart. However, there is still a lot to improve on this flowchart, as it was made before a some of the literature research about innovation processes was done. The last section in this chapter explains how to further improve this flowchart.

Explanation of the Flowchart for the Innovation Process of the HLab

Phase one: Using insights from 3 different parties in 4 different areas to create a Theme. Using the Theme as a brief for the physical design of the HLab and for co-creation sessions.
A choice: Should Heineken hire internal employees for the work in the HLab or collaborate with more agencies and maybe make the project too complicated?
Phase two: The actual co-creation sessions, evolve around some sort of contest like during old Heineken projects, ODE. The production of the solutions will be done by Reggs.

Points for Improvement

- The Theme area focuses too much on input from Heineken.
- Collaborating with agencies for co-creation sessions can alleviate pressure on HLab employees and increase knowledge and experience in co-creation.
- The co-creation for GenYZ should not be a crowdsourcing competition but a carefully chosen collaboration between a community and the HLab.
- The process does not encourage failure and trying
- The process does not protect the Heineken brand
- Decisions should not only be made by internal parties
- The flowchart does not use innovation methods or techniques for Innovation Labs
- There is no feedback loop
- There is no connection with internal Heineken during the process

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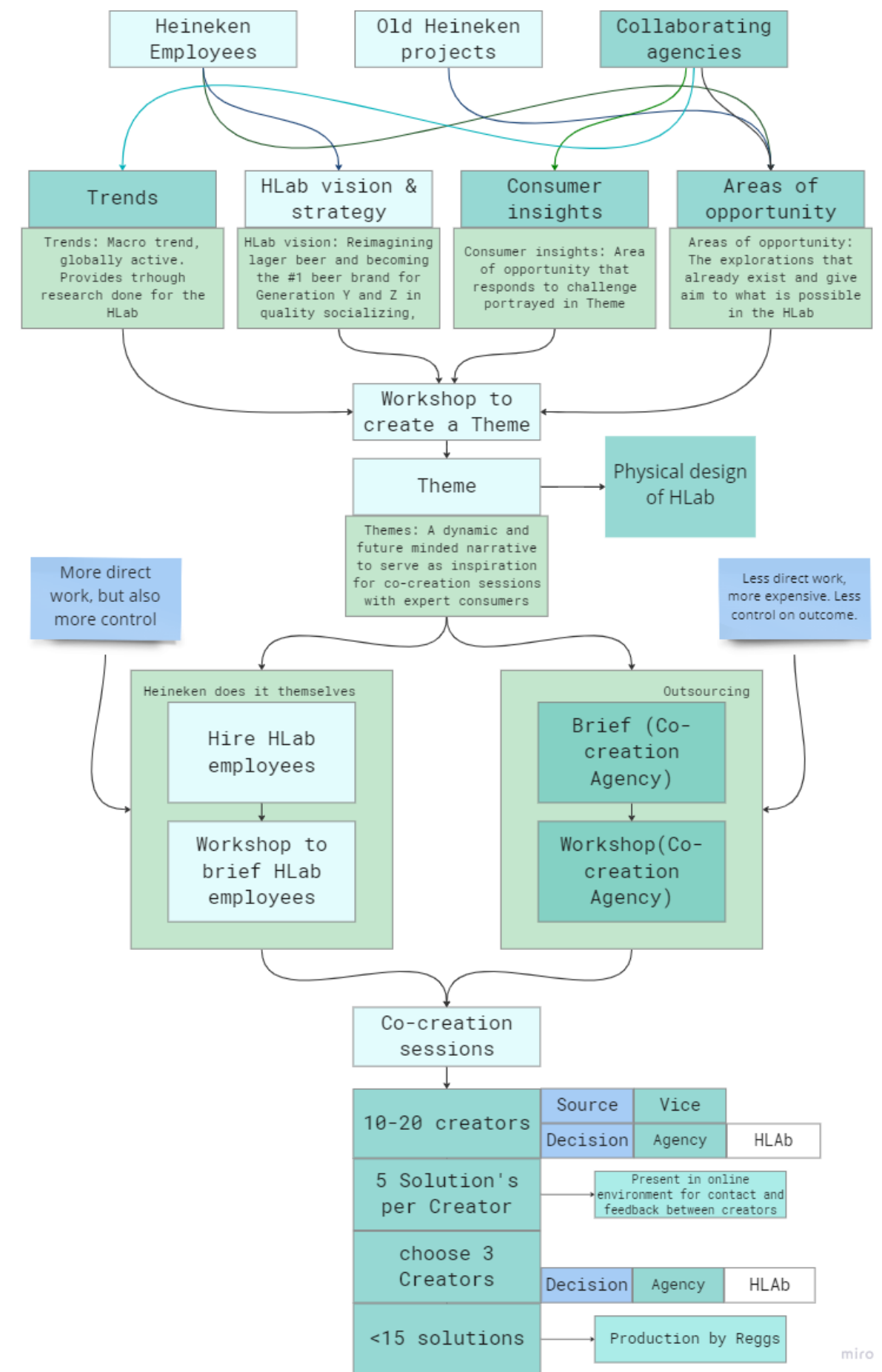
10.3 Conclusion Of the Develop Phase

This chapter answers the New Design Challenges with the input of the Develop phase. The next chapter uses this summary as input for creating a final flowchart and a roadmap based on the first theme for the HLab.

Challenge 1:

Refine the scope of the HLab by creating Themes to align stakeholders and find common ground with GenYZ.

Too many ideas, what are the right ideas, and what to focus on? Make it coherent. Defining the playing field for the creators, what is Heineken? What is the HLab? What is the common ground with GenYZ?

Theme Improvements and Insights:
- The HLab needs one theme per +- 6 months on which to base the explorations.
- A theme can consist of long-short explorations in all four lab areas. So the scope of the theme needs to be wide enough to include all sorts of explorations.
- The implementation of Quality socialising is the most important in the success of the HLab project. QS is a must to include as a constraint within the Theme.
- The workshop was a success overall in creating two themes: Green playground and Digital playground.

Improvements and insights on the creation process of the Theme
- The workshop materials did what they had to do, but they need a little better explanation for everybody to understand.
- The workshop also had a positive impact in further refining the HLab strategy and scope.
- Most explorations still lack definition and need more clarity in the description on how to apply them to the HLab.
- The Theme area focuses too much on input from Heineken.

Challenge 2:

Design an innovation process, based on different innovation methods, that connects the HLab with internal and external stakeholders with the Theme as communal scope.

How should the HLab operate? Working with external parties while still having control and embedding Heineken's strategy to get footing within Heineken otherwise, the project gets cancelled. Stay relevant within Heineken but still create new things.

Innovation process improvements
- The process exists out of two main phases: The brief creation that defines the playing field and scope for a period of explorations. This is an empathic process. And the co-creation phase in which the actual designing is done. This is a diverging and ideating process. The final design should also include prototyping and testing processes.
- The process does not encourage failure and trying.
- The process does not protect the Heineken brand.
- Decisions should not only be made by internal parties.
- The flowchart does not use innovation methods or techniques for Innovation Labs.
- There is no feedback loop.

Organisational process improvements
- There is no connection with internal Heineken during the process.
- The co-creation for GenYZ should not be a crowdsourcing competition but a carefully chosen collaboration between a community and the HLab.
- The HLab team is the primary decision-maker for the Brief phase. But the creation of the brief should be done with all parties involved. And also include representatives of GenYZ.
- The HLab needs at least one employee/curator to lead the co-creation process.
- Collaborating with agencies for co-creation sessions can alleviate pressure on HLab employees and increase knowledge and experience in co-creation.
- The Hlab has influence in all of Heineken, and its goals and intentions should be communicated within Heineken clearly.

Final conclusion Develop Phase

The Develop phase used design methods to create more insights and a base for creating the first iterations of the Theme and Flowchart for the Innovation Process of the HLab. The next phase, Deliver, presents the final designs for the Themes and Innovation process Flowchart for the HLab. This phase also explains why these designs are a good fit for the HLab and will assist the HLab in attaining its goals.

DELIVER

Chapter 11: Final Designs

11.1 Innovation process

11.2 Theme and explorations roadmap

Chapter 12: Advice for Heineken

12.1 What can Heineken do tomorrow?

12.2 Final Conclusion, Discussion and Future Research

12.4 If I did it again, what would I do differently?

Chapter 11: Final Designs

11.1 Innovation process

11.2 Theme and explorations roadmap

What you can expect in this Chapter

This chapter shows the two Final Designs that aim to solve some of the challenges of the HLab. This chapter explains designs and argues why these designs are a fit solution.

11.1 Innovation Process

This chapter presents the first of the two Final Designs: the Innovation Process Flowchart. The chapter begins by explaining the challenges that this design aims to solve. Secondly, this chapter discusses the outcomes of the tests of this thesis and how these were implemented into the design. Thirdly, this chapter discusses which Risky Assumptions the design builds on. Hereafter, the chapter explains the different steps and methodology of 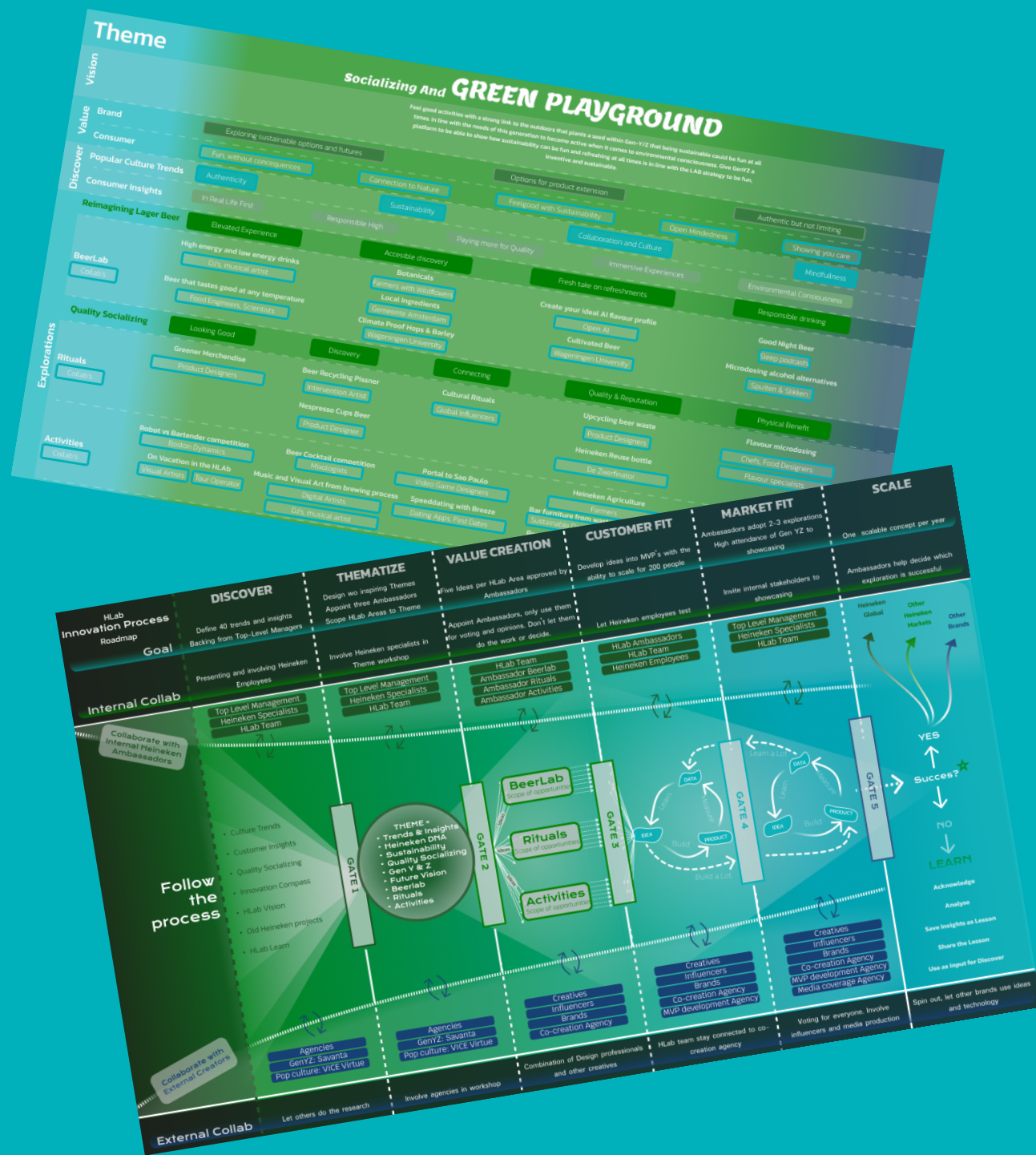the Flowchart. This chapter concludes by explaining why and how this design solves the challenges that this thesis found.

What is the challenge that this design aims to solve?

This thesis uncovered many challenges during the development of a corporate Innovation Lab of a Legacy Brand. However, for clarity, this thesis does not address all challenges.

The main challenge that the Flowchart solves is the following:

Design an innovation process, based on different innovation methods, that connects the HLab with internal and external stakeholders with the Theme as communal scope.

The following challenges underbuilt this main challenge:

- The HLab struggles with communicating its scope to external creators.
- The HLab team does not have the workforce to create, oversee and govern the whole innovation process of the HLab.
- The Hlab team does not have the specialistic knowledge on performing co-creation activities with different external creators.
- To get closer to the popular culture of GenYZ the HLab should give them more authority. The HLab team is scared that giving away authority might damage the Heineken Brand or creates innovations that are too out of scope.
- The HLab currently does not have a good internal connection with Heineken. A better internal connection would improve the authority of the HLab itself. It would also enable the HLab to combine internal and external parties for more fruitful innovation. Lastly, it will root the innovations in the Heineken business so that they can be scaled later on.
- Heineken employees want to get involved in the HLab, but they do not have a platform for it yet.
- Heineken and the HLab are too perfectionistic to the outside world because of the premium and luxury brand image that Heineken wants to portray.
- The parties involved in the HLab projects are not well aligned and have different visions.
- The HLab does not have a way to collaborate with GenYZ.
- There is no readymade Innovation method or process that fits the needs of the HLab.

What were the outcomes of the tests and how did I implement them into this design?

- The HLab team needs to build their Explorations around a communal Theme.
  - *The second stage of the Flowchart uses a workshop to create a communal Theme, together with important parties. The parties can use the materials and agenda from Chapter 9 to do the workshop.*
- There are multiple decision-makers in the process, who decides what?
  - *The Flowchart clearly describes who has the authority per stage and gate.*

- The HLab team needs a description of the role of a curator who can govern and empower the innovation process.
- The Hlab has a big influence within Heineken and needs to be able to communicate its intentions correctly.
  - *The flowchart appoints ambassadors and other Heineken employees to collaborate in the HLab's activities.*
- Finding a location and designing the physical properties of the HLab is difficult.
  - *The flowchart does not depend on a physical location for the Hlab but allows for hybrid working at different locations.*

What are the Risky Assumptions that this design builds on?

- Not sure if ambassadors construction is possible within Heineken. There seem to be people willing to interact with the HLab project, but if they have the time is the question.
  - The process does not ask much from the ambassadors.
- Not sure if this process creates truly innovative concepts because the whole process has not been fully done yet.
  - The first outcome of the test created some worthy ideas for Heineken.
- It is still a question if the HLab project will continue to exist within Heineken.
  - This process could, in theory, be done by one person.
- The implementation of this process depends on the willingness of the HLab team to adopt it.
  - The second flowchart shows actionable items to follow the process.

Explanation of the Flowcharts

On the next page, you can see the final design of the Innovation process for the HLab. The flowchart consists of two pages. The Innovation process has six stages and five gates, and this chapter aims to explain these. The next chapter describes and discusses the implementation of this process for the HLab and team.

Combination of innovation models

Research into innovation processes and techniques points out that combining different models can be useful when the parts are specifically designed for their use. Also, although the stage gate model is an old and rather outdated model, still some elements can prove effective in processes nowadays(Cooper 2014; The Whys and Hows of Stage gates 2022). All be it in a slimmed-down version.

In this process, the gates represent a decisive meeting with internal Heineken ambassadors to verify if the idea is something worth pursuing for them and if it thus could have the potential to pass back into Heineken after the Scale phase. This is an integral part of the process of adopting Innovations into the mother company and adds to the innovation culture within Heineken by showing what is possible.

Each Stage represents the actual design and innovation activities that are taking place. Suffice it to say that these stages can take up to a few weeks of time depending on the stage and the content.

Besides the stage-gate principles also, other innovation model principles find their way into their representative areas in this innovation model for the HLab. The paragraphs below further explain these for each stage and gate, respectively.

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HLab Innovation Process Roadmap	DISCOVER	THEMATIZE	VALUE CREATION	CUSTOMER FIT	MARKET FIT	SCALE
Goal	Define 40 trends and insights. Backing from Top-Level Managers	Design wo inspiring Themes. Appoint three Ambassadors. Scope HLab Areas to Theme	Five Ideas per HLab Area approved by Ambassadors	Develop ideas into MVP's with the ability to scale for 200 people	Ambasasdors adopt 2-3 explorations. High attendance of Gen YZ to showcasing	One scalable concept per year
Internal Collab	Presenting and involving Heineken Employees	Involve Heineken specialists in Theme workshop	Appoint Ambassadors, only use them for voting and opinions. Don't let them do the work or decide.	Let Heineken employees test	Invite internal stakeholders to showcasing	Ambassadors help decide which exploration is successful

Collaborate with Internal Heineken Ambassadors

DISCOVER	THEMATIZE	VALUE CREATION	CUSTOMER FIT	MARKET FIT	SCALE
Top Level Management / Heineken Specialists / HLab Team	Top Level Management / Heineken Specialists / HLab Team	HLab Team / Ambassador Beerlab / Ambassador Rituals / Ambassador Activities	HLab Ambassadors / HLab Team / Heineken Employees	Top Level Management / Heineken Specialists / HLab Team	Heineken Global / Other Heineken Markets / Other Brands

Follow the process

- Culture Trends
- Customer Insights
- Quality Socializing
- Innovation Compass
- HLab Vision
- Old Heineken projects
- HLab Learn

GATE 1

THEME =
- Trends & Insights
- Heineken DNA
- Sustainability
- Quality Socializing
- Gen Y & Z
- Future Vision
- Beerlab
- Rituals
- Activities

GATE 2

BeerLab Scope of opportunities

Rituals Scope of opportunities

Activities Scope of opportunities

GATE 3

IDEA — DATA — Learn — Measure — PRODUCT — Build — Build a Lot

GATE 4

Learn a Lot — DATA — IDEA — Learn — Measure — PRODUCT — Build

GATE 5

YES

Succes?

NO

LEARN
- Acknowledge
- Analyse
- Save Insights as Lesson
- Share the Lesson
- Use as input for Discover

Collaborate with External Creators

DISCOVER	THEMATIZE	VALUE CREATION	CUSTOMER FIT	MARKET FIT
Agencies / GenYZ: Savanta / Pop culture: VICE Virtue	Agencies / GenYZ: Savanta / Pop culture: VICE Virtue	Creatives / Influencers / Brands / Co-creation Agency	Creatives / Influencers / Brands / Co-creation Agency / MVP development Agency	Creatives / Influencers / Brands / Co-creation Agency / MVP development Agency / Media coverage Agency

External Collab	Let others do the research	Involve agencies in workshop	Combination of Design professionals and other creatives	HLab team stay connected to co-creation agency	Voting for everyone. Involve influencers and media production	Spin out, let other brands use ideas and technology

"Make Heineken beer the #1 drink for Generation Y and Z in Quality socializing and reinvigorate the Lager beer category by co-creating sustainable and progressive innovations."

HLab Innovation Process Roadmap

	DISCOVER	THEMATIZE	VALUE CREATION	CUSTOMER FIT	MARKET FIT	SCALE
	Gather information together with agencies and look for internal Heineken research that also connect with the HLab	Create an understandable and inspirational Theme together with close collaborators to communicate the vision of the HLab. Keep close ties to the business of Heineken	Ideate and create Value based on the 3 areas of the HLab in combination with the Theme. Do this together with external creatives.	Hire agencies to Build– Test and Learn the Explorations together with the external creatives. No contact with the outside world yet so things can get extra spicy.	Further involve the business side of Heineken and together choose the right explorations for the general public. Build test and Learn these.	Choose what to do with the most successful explorations. Because of the close relations with the business elements inside Heineken, Scaling and handing over should be fluent.
Goal	Define 40 trends and insights Backing from Top-Level Managers	Design wo inspiring Themes Appoint three Ambassadors Scope HLab Areas to Theme	Five Ideas per HLab Area approved by Ambassadors	Develop ideas into MVP's with the ability to scale for 200 people	2-3 explorations adopted by Ambasasdors High attendance of Gen YZ to showcasing	One scalable concept per year
Measure	Ideate on trends with HLab team	Fill in Theme Canvas and Exploration Map	Go through exploration decision chart Present to Ambassadors	Use Savanta Criteria for Gen YZ	Attendance to events Live voting feedback on explorations	Confirmation of intend from an Ambassador
How to Fail	Rescope HLab Vision Gain more insights	Reshape and add elements to Theme	Try different collaborations	Run the Loop again	Acknowledge fail and go back to Customer Fit. But Lab aspect of HLab on foreground	Use failures as input for Discover phase
What and How	Workshops and presentations	Theme workshop	External Co-creation sessions	External BML Sprints	Host events and Showcasing External BML Sprints	Presenting to stakeholders and finding the right adoption channels
Scope	Everything in between GenYZ and Heineken	Theme	Theme + HLab Area	Theme +Lab Area + Exploration + testing with GenYZ	Theme + Lab Area + Exploration + showcasing to public	Scale and adopt the exploration into real markets
Pitfalls	Too much Heineken focussed	Theme based on opinion instead of research	Letting Ambassadors decide Letting co-creation agencies decide	Overdesigning MVP's Scaring Heineken employees	Innovation washing the Heineken Brand Taking yourself too serious	Not learning from failures
Why	Finding out where the connection between Heineken and GenYZ is	Creating an inspiring and empathic Theme that connects Heineken to Gen YZ	To gain more innovative ideas rooted in popular culture	To prove concepts without damaging the Heineken brand and gaining trust of internal stakeholders	Show the world Heineken is ready to innovate and open for collaborating Improve brand connection with GenYZ	Making Heineken more innovative
Internal Collab	Presenting and involving Heineken Employees	Involve Heineken specialists in Theme workshop	Appoint Ambassadors, only use them for voting and opinions. Don't let them do the work or decide.	Let Heineken employees test	Invite internal stakeholders to showcasing	Ambassadors help decide which exploration is successful
External Collab	Let others do the research	Involve agencies in workshop	Combination of Design professionals and other creatives	HLab team stay connected to co-creation agency	Voting for everyone. Involve influencers and media production	Spin out, let other brands use ideas and technology

Stage 1: Discovery

The process starts with gathering all significant information. Chapters 4 and 10 point out that in the case of the HLab, this information comes from a lot of different areas. The HLab team gathers information through research and design agencies like Vice, Love and Savanta.

The HLab team also gathers their own research through their experiences and internet searches. Because Heineken is a large company, other departments also gather research that is compatible with the HLab, the HLab team also takes this into account.

Lastly, It is important for the HLab that they learn from past failures or successes. In the discovery phase, the HLab team should consider these carefully.

Collaborate with internal Heineken ambassadors

In this stage, the HLab team has to inform all possible ambassadors of the HLab to see who is willing to collaborate during the project. This also allows for gaining more knowledge and insights from other departments within Heineken.

Collaborate with external creators

The external collaboration mostly consists of research agencies. More specific agencies like Vice-Virtue are useful for gathering trends and other insights out of popular culture.

Gate 1:

For the first gate, the HLab team concludes the research phase for the innovation process. The HLab team organises all available information in categories that they can use in the theme workshop.

This is also the moment that the HLab team presents the project to Top-level managers to gain a green light for the project. A good relationship with these managers is crucial for the success of an innovation project like the HLab.

The HLab team has the task of deciding and communicating which of the top managers has the biggest influence on the HLab and which of them does not. A project Like the HLab attracts a lot of attention from the mother company, and thus, clearly communicating and making decisions on who is involved and who is not is crucial for success.

The HLab team can go to the next phase when these managers are on board.

Stage 2: Thematize

This step mainly revolves around creating a theme for the HLab. This theme acts like the glue in connecting the research to popular culture with a futuristic narrative. The theme is later used to inspire collaborators and communicate the vision of the HLab.

During this project, the HLab team created the theme during a one-day workshop. After the workshop, the HLab team further defined and shaped the themes.

Collaborate with internal Heineken Ambassadors

Collaboration in this Stage revolves around the workshop to create Themes. Participants for this workshop should have a clear idea of what the HLab to participate in the workshop successfully.

It is advisable to choose the participants based on the gathered information in Stage 1. For example, with a lot of sustainability trends in stage 1, the HLab team should invite sustainability employees of Heineken to collaborate in the workshop.

Lastly, the participants of the workshop should already understand that for the next stage, ambassadors are appointed to the projects. It is, therefore, also necessary to choose the right participants based on the seniority level that these ambassadors ask for.

Collaborate with external creators

Besides the external agencies that provide the research for Stage 1. This stage benefits from specialist participants out of the target group. Because the theme aims to inspire the target group to collaborate with the HLab, they are the perfect people to decide if this theme inspires them. And also help make the theme inspiring.

Gate 2:

After the HLab team decides on the Theme, they present it to everybody that has been involved in the project. This is also the moment to appoint ambassadors per HLab area for the theme. These ambassadors do not need any design knowledge but are the connection to the business of Heineken and give feedback on if the explorations could fit in the business.

Secondly, in this gate, the HLab team decides on and presents the definitions of the areas of opportunity that fit the theme and corresponding HLab areas, Beerlab, Rituals and Activities. The first ideas that come from the theme workshop act as the basis for these scopes. The result should be three scopes that give sufficient creative space not to limit creative sessions but also enough to guide creativity in the right direction.

This gate is passed when the HLab team has appointed the ambassadors and defined the three scopes.

Stage 3: Value Creation

This stage is all about ideating and collaborating with interesting external creatives, brands, influencers etc. Because the HLab team does not have enough (wo)manpower. This phase will use external design co-creation agencies to lead the creative process. This makes it even more important that the scope and theme set in the last stages are clear and inspirational.

The goal of this stage is to create concepts together with external creators. The HLab team first choose a reputable and preferably already-known co-creation agency to facilitate the process. These agencies have to connect the scope and theme to external creators so that they together can create value in concepts and ideas.

Collaborate with internal Heineken Ambassadors

HLab team members provide input during the co-creation sessions, and together with ambassadors, they decide which ideas and concepts are worth pursuing further.

Collaborate with external creators

A lot of external creators can collaborate during this phase. Because the contact with them is through a co-creation agency, it is even more important that the Hlab team clearly communicates what they can and cannot do with the outcome.

Gate 3:

In this gate, the Heineken Ambassadors and the HLab team decide which ideas are valuable enough to further develop into exploration concepts and test on a small scale. The next phase promotes a platform with a lot of little failures. This gate should thus not stop any explorations that might be too daring or complicated. The aim of this gate is to organise the ideas and only filter out ideas that might have juridical implications.

The HLab team has to ensure that from the chosen ideas, an agenda for the showcasing of the HLab can be filled. This means there needs to be an even amount of explorations per HLab area and an even distribution of explorations regarding their complexity. As shown in Chapter 10.1.

Stage 4: Customer Fit

For each worthy exploration from gate 3, this stage starts the Build, Measure, Learn loop. This stage is not open to the public to widen creative opportunities and stimulate a trying and failing climate. The co-creation agencies still are the main workhorse in this stage.

The focus of this stage is to prime the explorations to fit into popular culture. This stage uses the Build, Measure, Learn loop to connect the explorations with the target group iteratively.

If the co-creation agency cannot build a minimum viable product, the HLab team contacts one of their familiar production agencies.

Focus groups or Heineken employees can participate in measuring or testing the products in controlled environments like the Heineken office, the Heineken Experience, private bars, or the office of the co-creation agency.

The co-creation agency then gatherers data from this measuring or testing that provides learnings for further developing the exploration concepts.

Collaborate with internal Heineken Ambassadors

This stage only collaborates with the HLab team. Gate 4 also uses ambassadors for feedback.

Collaborate with external creators

This stage uses a lot of external creators to improve and iterate the explorations.

Gate 4:

When a concept has received enough positive feedback, the HLab team, co-creation agency and external creator, pitch the concept to the Heineken ambassador. This gate is important because it decides if the exploration is good enough for the HLab to present to the general public.

Because after this gate, all the explorations that go through are public and free for everyone to see, it is important to communicate these explorations to Top Level management and hereby get their consent and approval. A good way to communicate this to them is to let them interact and experience the explorations with a focus group. This way, they can see the effect with their own eyes.

Stage 5: Market Fit

The goal of this stage is to showcase the explorations to the general public and gain valuable insights to improve these explorations. Communicating the explorations as a work in progress is crucial to gain the right feedback, not negative comments.

The HLab can use the channels of the collaborating creators or other media outlets to communicate the showcasing and testing events. Everybody should be able to enjoy these events and have the opportunity to give their feedback.

This stage also has a feedback loop into the Customer Fit stage for when an exploration does not resonate with the market but is still deemed valuable enough to improve.

Collaborate with internal Heineken Ambassadors

Invite specialists and other H employees to events. H ambassadors help decide on which MVPs are best and where to improve. Show them the test results and discuss.

Collaborate with external creators

Biggest potential of external collaborations. Involve media coverage agencies (VICE) and social media. Let all users vote and test prototypes online. Launch parties.

Stay open to possibilities to involve extra creators or brands in the explorations.

Gate 5

The explorations that have had the most success during stage 5 pass through this gate and get the opportunity to scale back to the Heineken business. The Heineken ambassadors play an important role in scaling the explorations. It is their job and also privilege to communicate the explorations to the right people within Heineken.

Stage 6: Scale

Heineken has a great platform of opportunities to scale. The first option is for the explorations to scale in the global Heineken market. This would, however, mean a huge impact and launch comparable to Heineken Silver.

The next option is that the exploration gets adopted by one of the Heineken markets, Europe, Americas, Asia or Africa and the Middle East. This could mean further testing and exploring the potential whereafter the exploration scales up globally., Or maybe the exploration is just more suited for a specific environment.

The third option is to use the exploration for one of Heineken's other brands. For example, Desperados, Birra Moretti, Affligem etc.

When an exploration was not successful during the market fit phase, the HLab team can be happy that they learned something. It is important to acknowledge what the failure was and analyse why it did not work because this provides valuable insights and lessons that the HLab can share with the HLab stakeholders and use as input for the Discover phase. And maybe they can even use it as a marketing stunt.

Collaborate with internal Heineken Ambassadors

First option is adoption by Heineken Global through one of the ambassadors. There may be a better fit for a specific Heineken market like Asia. Or specific country. Or start small in a specific country. The third option is the adoption of other brands from Heineken eg. Desperados.

Collaborate with external creators

Spin out to other, non-competitor, brands. Let them use the innovations.

How does this final design solve the challenges of the HLab?

The main challenge that the Flowchart solves is the following:

Design an innovation process, based on different innovation methods, that connects the HLab with internal and external stakeholders with the Theme as communal scope.

The following challenges underbuilt this main challenge:

- The HLab struggles with communicating their scope to external creators
  - The flowchart uses the co-created theme to communicate a common vision. The agency LOVE was better able to create tangible designs after this vision was made.
- The HLab team does not have the manpower to create, oversee and govern the whole innovation process of the HLab.
  - The process focuses on the use of external agencies without losing control.
- The Hlab team does not have the specialistic knowledge on how to perform co-creation activities with different external creators.
  - The process uses external agencies for extra knowledge in co-creation.

- To get closer to the popular culture of GenYZ the HLab should give them more authority. The HLab team is scared that giving away this authority might damage the Heineken Brand or creates innovations that are too much out of scope.
    - The process uses covert and overt activities to create a safe experimental environment. Also, the different gates create barriers for communication to the outside world.
- The HLab currently does not have a good internal connection with Heineken. A better internal connection would improve the authority of the HLab itself. It would also enable the HLab to combine internal and external parties for more fruitful innovation. Lastly, it will root the innovations in the Heineken business so that they have the ability to be scaled later on.
    - By using ambassadors, the HLab gets connected to the business side of Heineken.
- Heineken employees want to get involved in the HLab but they do not have a platform for it yet.
    - By using Heineken employees for testing and evaluating the prototypes, the HLab gets a better rooting in the whole company.
- Heineken and the HLab are too perfectionistic to the outside world because of the premium and luxury brand image that Heineken wants to portray.
    - The covert operations ensure unworthy concepts do not reach the outside world.
- The HLab does not have a way to collaborate with GenYZ
    - The Theme creates a common ground between Heienken and GenYZ.
- There is no readymade Innovation method or process that fits the needs of the HLab
    - The process uses parts of different innovation methods that have been proven to work for innovating in innovation labs.

What unique advantage does this final design have?

The flowchart of the innovation process for the HLab has many advantages. However, one advantage is the most unique and really stands out:

The process uses external parties in a collaborative way, and Heineken only needs one person to start trying this process and improving it. Moreover, if the process works well, the HLab can easily expand its work by hiring more employees.

11.2 Themes and Exploration Roadmap

This chapter presents the second of the two Final designs: the Themes and Exploration Roadmap. The chapter begins by explaining the challenges that this design aims to solve. Secondly, this chapter discusses the outcomes of the tests of this thesis and how these were implemented into this design. Thirdly this chapter discusses which Risky Assumptions this design builds on. Hereafter, the chapter explains the different steps and methodology of the Roadmap. This chapter concludes by explaining why and how this design solves this thesis's challenges.

What is the challenge that this design aims to solve?

This thesis uncovered many challenges during the development of a corporate Innovation Lab of a Legacy Brand. However, for the sake of clarity, this thesis decides not to solve all challenges.
The main challenge that the Flowchart solves is the following:
Refine the scope of the HLab by creating Themes to align stakeholders and find common ground with GenYZ.

The following challenges underbuilt this main challenge:
- The HLab struggles with communicating its scope to external creators.
- The HLab has much input from Heineken but needs to distil it to the right parts that align with GenYZ.
- The Scope of the HLab needs to be wide enough to allow for novelty and creativity but also sharp enough to give clear direction and align with the goals of the HLab.
- The HLab has to be future-minded, and while having one sharp future perspective, this perspective should allow for multiple variations and innovations to be created.
- To get closer to the popular culture of GenYZ, the HLab should give them more authority. The HLab team is scared that giving away this authority might damage the Heineken Brand or creates innovations that are too out of scope.
- The parties involved in the HLab projects are not well aligned and have different visions.
- The HLab does not have a way to collaborate with GenYZ.

What were the outcomes of the tests, and how did I implement them into this design?

Theme Improvements and Insights:
- A theme can consist of long-short explorations in all four lab areas. So the scope of the theme needs to be wide enough to include all sorts of explorations.
  - The Theme workshop allowed for testing of explorations so that the scope of the theme is wide enough.
- The implementation of Quality socialising is the most important in the success of the HLab project. QS is a must to include as a constraint within the Theme.
  - QS is represented in both the theme and explorations as a key value
- Most explorations still lack definition and need more clarity in the description on how to apply them to the HLab.
  - The exploration cards require participants to fill in more information about an idea.
- The Theme area focuses too much on input from Heineken and too little on GenYZ.
  - The workshop uses insights that the HLab team gathers. Therefore they decide how much input GenYZ has.

What are the Risky Assumptions that this design builds on, and how does this design solve them?

- The theme was not co-created together with GenYZ it is not really known if this is 'Common Ground'
  - The creation of the Theme involved many specialists that know a lot about GenYZ and popular culture.
- The Roadmap assumes that people want to collaborate with Heineken, but this was not tested.
  - The HLab has monetary funds to hire the creatives.
- The technological feasibility of some of the explorations has not been thoroughly explored.
- Some explorations are on the edge of what is legally possible.
- The Roadmap only portrays the end result of Phase 1-3 of the Flowchart

Explanation of the Roadmap

The following section explains the items of the Roadmap.
Vision
The workshop from Chapter 9 created the Theme Green Playground. A few iteration steps later, this theme was dubbed Socialising and Green Playground. The vision combines multiple insights from GenYZ and Heineken into one inspiring futuristic scope. This scope is the brief for co-creation sessions and communication about the activities and concepts in the HLab for a period of 6 months.
Brand Value
The theme creates Value for the brand in three areas. Firstly, the theme clearly creates extra novel initiatives in the area of sustainability for Heineken. Secondly, because of the nature of the explorations, they allow Heineken to make extensions of their current product. This makes for easier scaling. Lastly, the theme shows that the authenticity of Heineken does not have to be limiting.
Consumer Value
Consumers enjoy the creation of new value in five subjects. These subjects come from thorough research by Savanta and Vice.
Popular Culture Trends
The five areas of Consumer value are assisted by the trends Authenticity, Sustainability, Collaboration and Culture and Mindfullness. These trends all connect with both Heineken's strategy and the ambitions of GenYZ.
Consumer Insights
The Explorations in the Theme make connections in the consumer insights areas of IRLF, Responsible High, Paying more for quality, Immersive Experiences and Environmental Consciousness.

Theme

Socializing And GREEN PLAYGROUND

Vision

Feel good activities with a strong link to the outdoors that plants a seed within Gen-Y/Z that being sustainable could be fun at all times. In line with the needs of this generation to become active when it comes to environmental consciousness. Give GenYZ a platform to be able to show how sustainability can be fun and refreshing at all times is in line with the LAB strategy to be fun, inventive and sustainable.

Value

Brand	Exploring sustainable options and futures	Options for product extension	Authentic but not limiting
Consumer	Fun, without concequences	Connection to Nature / Feelgood with Sustainability	Open Mindedness / Showing you care

Discover

Popular Culture Trends	Authenticity	Sustainability	Collaboration and Culture	Mindfullness
Consumer Insights	In Real Life First	Responsible High	Paying more for Quality	Immersive Experiences	Environmental Consiousness

Reimagining Lager Beer

Elevated Experience	Accesible discovery	Fresh take on refreshments	Responsible drinking

BeerLab — Collab's

High energy and low energy drinks
DJ's, musical artist

Beer that tastes good at any temperature
Food Engineers, Scientists

Botanicals
Farmers with Wildflowers

Local Ingredients
Gemeente Amsterdam

Climate Proof Hops & Barley
Wageningen University

Create your ideal AI flavour profile
Open AI

Cultivated Beer
Wageningen University

Good Night Beer
Sleep podcasts

Microdosing alcohol alternatives
Spuiten & Slikken

Quality Socializing

Looking Good	Discovery	Connecting	Quality & Reputation	Physical Benefit

Explorations

Rituals — Collab's

Greener Merchendise
Product Designers

Beer Recycling Pissner
Intervention Artist

Nespresso Cups Beer
Product Designer

Cultural Rituals
Global Influencers

Upcycling beer waste
Product Designers

Heineken Reuse bottle
De Zwerfinator

Flavour microdosing
Chefs, Food Designers
Flavour specialists

Activities — Collab's

Robot vs Bartender competition
Boston Dynamics

On Vacation in the HLAb
Visual Artists | Tour Operator

Beer Cocktail competition
Mixologists

Music and Visual Art from brewing process
Digital Artists

DJ's, musical artist

Portal to Sao Paulo
Video Game Designers

Speeddating with Breeze
Dating Apps, First Dates

Heineken Agriculture
Farmers

Bar furniture from waste/sustainable materials
Sustainable Designers | Bulk Waste

Reusing and upcycling Heineken merchendise
Product Designers

Multisensory, natural environment experience
Digital Artists
Botanists

Reimagining Lager Beer

The Innovation Compass that was made for the HLab also has a common ground with this theme. Portrayed by the four elements of Reimagining Lager Beer that find their way into the Explorations.

BeerLab Explorations

This area in the Roadmap shows the explorations that connect with the Theme. These explorations are categorised correspondingly below the areas of Reimagining Lager Beer. Each exploration shows a possible creative to collaborate with in the blue box below.

Quality Socialising

Although the Areas of Reimagining Lager Beer come from the Quality Socialising strategy. The original Quality socialising strategy better connects to explorations of Rituals and Activities for the HLab. Also, being clear of what connects with Quality socialising is beneficial for connecting with Heineken employees.

Rituals Explorations & Activities

This area in the Roadmap shows the explorations that connect with the Theme and socialising and Drinking Rituals & Activities. Each exploration shows a possible creative to collaborate with in the blue box below. All explorations are categorised to correspond with the area of Quality socialising.

How does this final design solve the challenges of the HLab?

The main challenge that the Flowchart solves is the following:

Refine the scope of the HLab by creating Themes to align stakeholders and find common ground with GenYZ.

The following challenges underbuilt this main challenge:
- The parties involved in the HLab projects are not well aligned and have different visions. Moreover, the HLab struggles with communicating its scope to external creators.
  - The Theme is a co-created scope that involves external parties to create a communal vision together. This way, the external parties are more involved in the process and can easier understand it more.
- The HLab has much input from Heineken but needs to distil it to the right parts that align with GenYZ.
  - The Theme uses different Explorations that all act on different parts of the Heineken Dna and strategy. This way, the Explorations do not have to comply with the complete DNA of Heineken, and creators have more freedom.
- The Scope of the HLab needs to be wide enough to allow for novelty and creativity but also sharp enough to give clear direction and align with the goals of the HLab.
  - Because the process has only evolved around steps 1–3 there is no certainty of saying that this theme has the right fidelity for the needed creativity. However, the first explorations display that the Theme is inspiring.
- The HLab has to be future-minded, and while having one sharp future perspective, this perspective should allow for multiple variations and innovations to be created.
  - The Theme displays multiple explorations in different areas.
- To get closer to the popular culture of GenYZ, the HLab should give them more authority. The HLab team is scared that giving away this authority might damage the Heineken Brand or creates innovations that are too out of scope.
  - The Theme creates a common ground between Heineken and GenYZ. The whole theme can be connected to the Heineken brand, and therefore, explorations will unlikely be completely out of scope.

- The HLab does not have a way to collaborate with GenYZ.
  - The Theme proposes areas of exploration and inspiration that are common ground between Heineken and GenYZ. They give starting points for collaborating with GenYZ.

Chapter 12: Advice for Heineken

12.1 What can Heineken do tomorrow?

12.2 Final Conclusion

12.3 If I did it again, what would I do differently?

What you can expect in this Chapter

This is the final chapter of this graduation thesis. The chapter starts by giving my personal advice on the HLab. Secondly, the chapter states the Final conclusion of the Research Questions. Chapter 12.3 gives a personal reflection on the whole project.

12.1 What can Heineken do tomorrow?

This chapter gives my personal insights into what Heineken can do tomorrow if they were to use the final designs of this thesis.

Should Heineken aim to create an Innovation Lab?

I spend roughly six months closely collaborating with the HLab team on the HLab project. During this time, I had the chance to really get to know the brand Heineken inside out. There is really something brewing in Heineken, and they are truly trying to change and open up their innovation capabilities.

However, the main problem is that innovating in such a big company is difficult. Therefore, a project like the Hlab that embodies the search for innovation grabs much attention and is more difficult to develop because of the interference of senior managers.

Senior Managers were afraid of a project like the HLab because it could harm the brand. Nevertheless, also they wanted In on the project and use it as their innovation miracle. Through their senior status, different managers tried to pull the project in their direction.

This caused some problems for the HLab. However, this is only on a project development basis. This proves that making any innovative project work within Heineken is difficult.

Nevertheless, Heineken is craving for Innovation, they want to know how and all employees want to help. So an innovation lab is a good solution. The beer industry is not the most innovative one, but Heineken is one of the more progressive beer brands in everything they do besides beer. It suits the Heineken brand to have an innovation lab.

So why is there still no Heineken Innovation Lab? Perfectionism, the HLab team could not find the perfect location. Lack of common scope and vision within Heineken, the project was not communicated within Heineken the right way.

Maybe it was too early for the project to be communicated to internal stakeholders since the strategy was not definite yet. It may be too late, and the internal stakeholders should have been able to express their insights on the HLab. So they could together create the strategy and vision.

Either way, the interference of different Senior Managers and lack of alignment with their ambitions caused the HLab project to change so much that it has lost its main purpose. Innovation labs have many different shapes and sizes, So maybe this is not the Innovation Lab that Heineken needs right now.

I also noticed that Heineken is a very hierarchical company. The Senior Managers have a lot to say. Moreover, they can say a lot about projects they do not know much about. Although this is not the main focus of my graduation thesis. I think it is interesting to see how projects make it inside such companies.

My final deliverable accounts for a part of the problem of setting up such a big project as the HLab inside Heineken. Using the Flowchart, the Hlab project could continue with very few resources. Furthermore, I hope that it does. I hope that Heineken builds the innovation lab, with multisensorial experience. Because it would be an amazing place to go to.

What is the First step the HLab should take?

Chances are that the HLab project does not continue its operations within Heineken but has to continue in a different shape. The HD&S team still want to keep innovating in the same areas as the HLab so they will still look for options on how to.

This next section describes my advice for them on how they can use the Flowchart to co-create with GenYZ and still be able to innovate without the physical Location of the HLab. My advice to Heineken:

Start small. Begin with a meeting room or area in the Heineken office. Moreover, name it The HLab. Put some creative tools there, like 3D printers, post-its and Heineken concept bottles.

Find a self-made influencer from GenYZ already affiliated with beer or anything you can connect with Heineken. It is important that the Influencer and Heineken are a good match because this will increase the credibility of the partnership within GenYZ. Invite the influencer and friends to Heineken.

Look for a co-creation agency like Fronteer and, together with them, go through the process once. Let Reggs build the prototype. And test the prototype with Heineken employees. Improve the prototype and test it with focus groups in the Heineken experience, but also make sure to invite Senior managers.

And the most important part. Document all small mistakes and learnings. Moreover, see how to improve the prototypes. Do not be afraid to go back to an earlier prototype that worked better. By keeping the loop and business of the Hlab small it is possible to make small iterations and learnings.

And above all, let the Influencer and friends tell you what they think Heineken should be.

My Final Advice On co-creating in the HLab

Dear Heineken, Do you really want to become The Beer Brand for Generation Y and Z? Or do you need to because you want to make money and they are going to become the next big consumer group to make money off?

Because, if you want to become The Beer Brand for Generation Y and Z then there is no fear in co-creating with them. Give this generation's opinion leaders and influencers full authority and let them be creative with the Heineken brand, let them change the Heineken brand. This is the opportunity to become part of a generation. Furthermore, it is an easy generation to collaborate with because they all want to make things and write history. They will do the work for you.

If you do not, and only want to use them to make more money. Then that is fine. However, this generation is smart enough to understand and discover companies' true ambitions. This generation already has a bad relationship with large corporates, so it will be difficult to connect with them.

I believe that the HLab was a step in the right direction.

12.2 Final Conclusion

This chapter gives the final answers on the Research question. **RQ. How to set up a design and innovation process that balances creative freedom with a legacy brand and aims to create novel prototypes in the Innovation Lab of a multinational organisation?**

This thesis collaborates with the HLab team and external agencies during two workshops and several meetings. This thesis uses the workshops to realign the parties involved in the HLab and create a common ground for GenYZ to connect with Heineken.

Furthermore, this research uses Literature and Interviews to gain insights into how to co-create without damaging a brand and what elements of Innovation methods the HLab should use.

The research found no readymade method that the HLab can use to innovate with GenYZ. Instead, this thesis shows that combining elements of popular methods already proven to work within other Innovation Labs is a better option. This thesis finally proposes a specially crafted Innovation Flowchart for the HLab.

This Flowchart satisfies most requirements found in this thesis's discover and develop phases. The process collaboratively uses external parties. Heineken only needs one person to start trying this process and improving it. Moreover, if the process works well, the HLab can quickly expand its work by hiring more employees.

This thesis also found that Heineken and GenYZ do have enough common ground on which they can connect. The design of the Theme and Exploration Roadmap shows just one of the many possibilities to engage GenYZ with the Heineken brand effectively. This Roadmap gives actionable insights to the HLab, which they can use to Innovate.

The thesis concludes by advising Heineken on how to start the process. The HLab should start by giving more authority to GenYZ and choose external creatives who are believable and can be affiliated with Heineken. The HLab should also serve as a platform for assisting influencers with resources to develop ideas.

The Heineken brand's and strategy's constraints should be translated into a source of inspiration for creatives. The HLab should start with small covert explorations with a community of GenYZ and gradually open up more to the public.

To protect the Heineken brand, the HLab should carefully pick communities or groups of like-minded Gen Y&Z collaborators for co-creation and could use a sub-brand for external communication.

12.3 If I did it again what would I do differently?

What I learned About myself as a Designer

During my green light meeting, Caroline mentioned that I tended to zoom out too much and act as if the whole HLab project was something I had to develop. Which was, of course, not true. But Caroline pointed out something important, and I recognised it immediately.

Secondly, I am not the best writer. I am better at doing. Doing the workshops and discussing with people suited me better than being behind my computer writing about it. I get energy from creating new ideas with other people.

Writing the report

A lot went wrong when writing the report. First of all, it is too long. Secondly, I could not gather the strength to start writing until the last moments, which resulted in not being able to get feedback towards the end of my project because I did not write.

Another problem with writing the report was that the idea of the HLab was never put on paper. So when I was writing about the HLab it felt like I had to determine what the HLab is by gathering information from the three HLab team members, other Heineken employees and the agencies.

The problem here is that all parties had slightly different opinions about it, and not one party made the decisions. And because I had to write about it, it felt like I had to make the decisions when writing. But on the other hand, I did not feel like I was supposed to be the one to make the decisions.

Scoping

Often when I asked the HLab team what they wanted for the HLab their answer would be something like: Yes, everything. Because the HLab team wanted to create as much creativity as possible, they did not want to exclude anything from the scope. Thus, always when I pitched ideas on what to do in the HLab, the answer would be yes, let's try it.

I did not notice back then that it was not them that had to assist me in finding my scope, but I would have to get it from somewhere else. This led to my scope being too wide at the beginning of my project. I did not dare to exclude any ideas because I wanted to stay open to all possibilities. It is not in my personality either to say no to ideas.

Organising co-creation activities

I wanted to organise co-creation events during my project but also to add something to the HLab with my project. I thought the only way of adding something to the HLab was to follow how Heineken does it. This meant I did not dare to organise events because I thought it would not have a big enough impact if I did not include all the other members of the HLab project in it.

In retrospect, I should have organised these co-creation sessions with peers myself. By documenting these events and conveying the outcome to the HLab team, I could have proved how fruitful these events with GenYZ could be. Furthermore, this could have persuaded the HLab team to include more members of GenYZ in the co-creation sessions for the HLab areas.

Too much pressure on speed

I had many goals for my graduation project. Many friends of mine had already graduated, so I got a good idea that it was a tough project and usually took longer than planned at the start. So knowing this, I thought, well, I can do better.

I planned to graduate without delays and get a high grade. However, this did mean that I would have to go through the summer with only one week of vacation. Moreover, work hard when everybody is out and relaxing.

The thought behind this was that I would be done and could have a vacation afterwards. Sadly this was not a good plan after all. I think this was my first mistake. I put a little too much pressure on myself.

Putting too much pressure on speed made me too focused on finishing quickly instead of doing the graduation project as if it was a cool and fun project. Because of this attitude, I did not do the project for me but focused too much on finishing it for Heineken and the TU Delft.

Focus on Heineken

One of my ambitions was to deliver a design that Heineken would use after I had left. My chair and mentor did warn me that I should not focus too much on what Heineken wants but look for what Heineken needs and what my advice for them is as an external design consultant.

However, working at the Heineken office 2–3 days a week, going to meetings, drinks, and workshops, sucked me into their world. They are quite good at that. I began to look at everything through the eyes of Heineken and missed out on the analytical outsider attitude I learned at the TU Delft.

One-sided research from the eyes of Heineken

Heineken is a world on its own, it is that big. They have their own research, agencies and all other resources a design project would ever dream of needing. For me, this was a treasure trove of information, easily accessible and effortless to gather. So, in the beginning, my project was mostly built from these resources.

Although the research was of high quality, it was tailored towards the HLab project and Heineken's vision. I also had to include my own vision in my project and look for alternative (literature) research with a different viewpoint than Heineken's.

Near the end of my project, I deliberately tried to close off from Heineken a bit to try and include more of my vision into the project. This worked for creating my end deliverable, but in return, I could have asked for more feedback from Heineken to integrate the final design into the workings of Heineken.

I noticed there is a fine balance between the input and vision from the client company and my own strategic vision and external sources. I would create my vision for future projects with input from Heineken and external resources.

Also, I need to communicate my vision towards the client company so it is clearer for them that I have my own project that works as an advisor for them. Furthermore, to clarify for Heineken, I am not doing a project for them but for my graduation.

Worrying about the HLab project as a whole too much

Because I so badly wanted to please Heineken and do a project they would use after I had left, I lost sight of what I had to do for it. To build a project that Heineken would use after I had left, I should not only please Heineken because this would result in a one-sided project. It would be better to implement my viewpoint based on my sources. Heineken interacts with outsiders to gain new viewpoints and information they usually would not get. However, I found this out too late.

My project got entangled in the HLab project. Therefore if the HLab project changed, I let it affect my project too. At the beginning of my project, I had difficulties separating my project from the whole HLab project. I collaborated a lot with Thijs, meaning we mostly worked on the same things together, so I did not do my own work. More on this in another section.

Expectation vs Reality

When I started my graduation project, the HLab project was in its concept phase. The HLab team assured me that a lot would happen during my project and that I could soon use the HLab's physical location and platform to start testing concepts and co-creating with influencers and the like.

The original plan for the HLab is that they would have a location in August, right after my planned mid-term, so I would be able to start prototyping, testing, iterating etc. Afterwards, I could use the insights from this to build a process for the Hlab on how to do co-creation in the HLab.

Nevertheless, much like other projects within large corporations (so I should have expected it), it did not go according to plan. Moreover, I found out that the HLab was missing some crucial elements that needed working out before we or I could start trying out and prototyping.

The physical location was not the big problem, I could have done small tests anywhere. However, I noticed it also was unclear what the HLab team wanted to do in the HLab. There was a general direction: improving the connection with GenYZ and Heineken by co-creating value with them that was new to Heineken. However, specifics on how to get there conflicted between members of the HLab team and the agencies working on it.

For example, some team members wanted to open the HLab at least four days a week to try things out, but others wanted to only open the HLab to the public for one big occasion a month. There were also conflicting opinions about how the HLab should look and what kind of rooms and facilities should be available.

Besides this, I learned from multiple conversations that there is this ongoing challenge within Heineken that they are too perfectionistic. Only if something is amazing and thoroughly tested do they dare to try it on a small scale. This muted my ideas of what was possible to try out and pushed me to demand more from myself. As a result, I did not dare to try out explorations but forced myself to prove which explorations Heineken should try.

Furthermore, Savanta nor Vice had finished their research on the target group GenYZ. I did not think I could add as much to the HLab wit if I did not include their research. So I decided to 'wait' for them to finish before I would start with the final design on my project.

Compare it to building a house. The research plans for the foundation and the end result of my project is a piece of the roof. You would not start building the roof of the house before the plan of the foundation is finished.

Therefore, shortly after my midterm, I decided first to find out the common scope between all the parties involved in the HLab process. Alternatively, design a common scope together with all parties involved. Otherwise, all the ideas and concepts I would try out for the HLab would not be implementable in the longer term.

Postponing the prototyping phase

I felt so connected to the HLab project that I thought everything I did had to be approved by Heineken management. In reality, this is not true. I am doing this project to prove to Heineken that trying ideas works. Moreover, I am doing this project to show Heineken that trying out, measuring and learning from failures are great ways to conceptualise ideas. I learned from literature theory about design innovation and startups and from my experience.

Nevertheless, I could not get myself started on prototyping one of the many ideas that I created and collected. I was stuck in a loop of further perfecting the ideas, process, and scope of the whole HLab. I did not focus on my project anymore but was too invested in first fixing all the other challenges that surfaced in the HLab project.

I imagined I could solve multiple small challenges for my graduation project instead of my original plan to create new ideas and an innovation process for the HLab. Nevertheless, it seemed that these challenges were definitely out of my hand and not mine to solve. The section below aims to describe these challenges.

Challenges in the HLab project that I thought affected my project

Opinion of senior management

During the project, there were multiple moments when my manager within Heineken would pitch the HLab project to senior managers (CCO & Brand Manager). It was difficult to plan a meeting with them, and the meetings were mostly short, with little usable feedback. Nevertheless, these meetings had huge impacts on the HLab project.

For example, one time, the senior managers were convinced that we should start the HLab with a location in Brazil because of Heineken's positive brand image in Brazil. This was a great plan because there would be less strain on the brand image this way. Heineken is in an uplift in Brazil and very popular, so it is less hurtful for the brand to make small mistakes.

For the HLab project, it meant that we had a new target group, culture, trends, building location, and planning. I felt like I had to start all over with my project because of these radical changes, that senior management could make to a seemingly small project like the HLab. Did we not communicate the project well enough to the managers? Or is this just the way it goes? If a senior manager wants something, the rest of Heineken follows.

The funny thing, after a few months, it became clear that the Brazil project would be more difficult because the location they had in mind did not get approved by the municipality, and the location was too small for the original ideas of the HLab. So the focus shifted back to the Netherlands again.

Not until much later, when the manager of Heineken Europe heard about the HLab project and, of course, he also had an opinion. He wanted the HLab to be a concept store in Berlin. He did not interest himself in the HLab enough to understand that that would completely deplete the purpose of the HLab. Because this was near the end of my project, I decided not to get involved and ignore this development.

However, this manager did present a good thing, in my opinion. At the beginning of my project and on multiple occasions, I proposed developing a sub-brand to connect the HLab and Heineken. I found that this so-called diffusion brand could protect the original Heineken brand from wrong associations and failures or not well-interpreted brand representations. However, it could still connect positive associations of the HLab to the Heineken brand. Sadly, my managers disagreed and wanted to show the Heineken branding upfront and clearly connect Heineken with everything in the HLab. Then, the manager of Heineken Europe proposed a sub-brand (e.g. Heineken Limited Editions) for the HLab. Now, the HLab team agreed and wanted to look at options on how to do this.

On a different level, the CCO was also involved in the relationship with the agency LOVE. He had done some projects with them at other companies. The CCO also recommended the HLab team to collaborate with LOVE in the first place. Maybe this was with the ambition of keeping some control over the project. During the contact and meetings with LOVE, we understood from them that the CCO had contacted them on multiple occasions. So they could together push through their shared opinion on matters of the HLab. Because the opinion of the CCO overrules almost all others.

Also, we felt that the CCO did not have time to listen to our ideas about the HLab during meetings with him, but he did have time to collaborate with LOVE. This felt like he went behind our backs.

'We are going to try everything at the HLab'
My advice: Do not say this about a project in a large corporation that struggles with failing, perfectionism, trying and innovation, ever.

Success of the project within Heineken

Overall, there was much interaction with senior management. However, this interaction was one-sided, resulting in the HLab having less rootedness within Heineken. The project lost backing from different parties, and the trust in the success of the project dissipated.

As a project within a large company, you need backing from senior management to develop the project further. However, you cannot create this backing when you do not involve them in the project from the start. As in co-creation, when you build something together or have the idea that you do, you get invested in it. This makes you oblivious to impurities or mistakes in the project because it becomes a part of you.

So involving these managers from the beginning gives them a chance to give input for the project before the project's base is set in stone, ensures that this backing stays throughout the project, and you do not have to change important areas of such a project later on.

'Tell me, and I will forget,
Show me, and I may remember,
Involve me, and I will understand'
~Benjamin Franklin

Difference between commercial and research timelines

Another insight that I learned from these interactions is the long-term vs short-term visions and goals of such managers. During a conversation with a Heineken employee from R&D, he explained the presence of a big difference in the timeframe for the company's commercial and R&D side.

Research takes time, and you need to look far into the future to make really different and novel technology and products. So a general research project looks up to 30 years into the future. All aspects of the R&D department are adapted to this timeframe.

On the other hand, commercial activities change faster, and managers in commercial roles usually have a timeline of five years to get the job done. Within this timeline, they have to show that they are the right person for the job by doing big successful launches that drive brand power and sales.

If they do not succeed, they will not get their much-wanted promotion to a higher level, with even more authority. As Heineken is a less research and more commercial-oriented company, it suffices to say that the commercial managers carry more authority.

The HLab finds itself torn between these two timelines and managers. For truly novel innovation, the HLab must focus on the distant future. However, to get backing within the company, the HLab team needs to convince commercial managers of the value of projects with longer timelines.

Therefore, the HLab timeline shrunk from five years at the beginning to 1.5 years at the end of my graduation project. Also, the influence of these managers in the HLab project grew significantly during the HLab project. Commercial managers need a project or case to show the rest of Heineken that they can successfully drive commercial activities under their reign.

I believe these managers saw the HLab as a project they could claim and use as a vanity project to prove their value within Heineken.

For example, one manager wanted to put the HLab in Brazil. Brazil was his growth market, and in an earlier role, he had lived in Brazil for a significant amount of time. People within Heineken associate the success of Heineken in Brazil partly with him. So putting the HLab in Brazil would mean that the HLab would also be one of his projects.

Design look and feel of the location

The agency LOVE was responsible for designing the physical location and part of the branding for the HLab. The first thing I do not understand is that the main principle of the HLab is to co-create with Gen Y and Z and be a platform for connecting them with the Heineken brand, but during the design phase of the HLab itself, the HLab team nor LOVE wanted to co-create with Gen Y and Z.

The HLab team was fearful to invite GenYZ during the process to assist in ideation for these decisions, so that did not happen. The HLab team was certain they already knew enough about GenYZ to be able to create a space GenYZwould like.

This led me to believe that the HLab would never actually co-create with GenYZ in the future. So why would I try to design something that would assist this process?

I believe it could have been different. Moreover, I would like to excuse myself if I am too blunt or simply wrong with the following statement. I think both LOVE and the HLab team wanted to express their opinion on how the HLab should look, for the simple reason that they wanted to create something themselves.

Moreover, LOVE did not want to start designing until they had a location because they wanted their design to be a holistic element of the location. The HLab team wanted LOVE to start designing elements of the HLab already because they thought LOVE could later implement their design onto the location. This caused friction between both parties. LOVE had trouble designing anything because they did not have a clear scope and objective. In return, the HLab team was disappointed in the work of LOVE. On top of this came the behind-the-back LOVE communication with Heineken's CCO. This did not benefit the relationship between the two parties. The friction caused less productivity and ended up in a negative spiral. When LOVE proposed their circular and modular bar concept for the HLab, the HLab team could not be amused with it.

This friction was partly solved when LOVE created a design based on a location. However, when that location also got cancelled, they were back to the start. Only after the theme workshop LOVE had a clear enough scope to design the location in a way that the HLab team was satisfied with them.

Therefore, I advise the HLab team to choose a design agency that can use co-creation with GenYZ and to present them with a clearer scope and creative playing field. Alternatively, even better to co-scope with all involved parties, like in the theme workshop. Also, they should not compromise the goal of the HLab with personal ambitions.

Heineken Netherlands

The involvement of stakeholders within Heineken frequently caused changes in the HLab project. The HLab project originated organically from an already existing project within the Heineken Design team. The Open Design Explorations. Therefore, I think that not all the correct stakeholders were addressed at the right moments and during the setting up of the project.

For example, The HLab team contacted Heineken Netherlands after the HLab team had chosen a preliminary building in Amsterdam as a location for the HLab (October 2022). Heineken Netherlands was not necessarily amused because, often with projects from Heineken Global, Heineken Netherlands had to clean up the mess they left. They did not want this to happen again. They would have wanted to be involved in the project from the beginning. After all, Heineken Netherlands also has something to say about what happens in the Netherlands.

Heineken Netherlands has a slightly different strategy than Heineken Global. Thus the HLab's strategic pillars had to shift to align with the strategy of Heineken Netherlands, necessitating another adjustment to the HLab concept. Putting even more constraints on the creative freedom for the co-creation sessions in the HLab.

If the HLab team had involved Heineken Netherlands earlier in the process, they could have built the strategy for the HLab together without compromising later on. It would also have improved the relationship between the parties.

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DESIGN FOR our future

TUDelft

IDE Master Graduation
Project team, Procedural checks and personal Project brief

This document contains the agreements made between student and supervisory team about the student's IDE Master Graduation Project. This document can also include the involvement of an external organisation, however, it does not cover any legal employment relationship that the student and the client (might) agree upon. Next to that, this document facilitates the required procedural checks. In this document:

- The student defines the team, what he/she is going to do/deliver and how that will come about.
- SSC E&SA (Shared Service Center, Education & Student Affairs) reports on the student's registration and study progress.
- IDE's Board of Examiners confirms if the student is allowed to start the Graduation Project.

USE ADOBE ACROBAT READER TO OPEN, EDIT AND SAVE THIS DOCUMENT
Download again and reopen in case you tried other software, such as Preview (Mac) or a webbrowser.

STUDENT DATA & MASTER PROGRAMME
Save this form according the format "IDE Master Graduation Project Brief_familyname_firstname_studentnumber_dd-mm-yyyy".
Complete all blue parts of the form and include the approved Project Brief in your Graduation Report as Appendix 1 !

		Your master programme (only select the options that apply to you):
family name	Dinten Fernandez	IDE master(s): ( ) IPD ( ) Dfl (★) SPD
initials	JVS given name Javier	2nd non-IDE master:
student number		individual programme: (give date of approval)
street & no.		honours programme: Honours Programme Master
zipcode & city		specialisation / annotation: Medisign
country	the Netherlands	Tech. in Sustainable Design
phone		Entrepreneurship
email		

SUPERVISORY TEAM **
Fill in the required data for the supervisory team members. Please check the instructions on the right !

** chair	Hultink, H.J.	dept. / section:	DOS / MCR
** mentor	Coelen, J.	dept. / section:	DOS / MOD
2nd mentor	Caroline van Hoff		
	organisation:	Heineken Bv.	
	city: Amsterdam	country:	the Netherlands

comments
(optional)

Chair should request the IDE Board of Examiners for approval of a non-IDE mentor, including a motivation letter and c.v..

Second mentor only applies in case the assignment is hosted by an external organisation.

Ensure a heterogeneous team. In case you wish to include two team members from the same section, please explain why.

IDE TU Delft - E&SA Department /// Graduation project brief & study overview /// 2018-01 v30   Page 1 of 7

Procedural Checks - IDE Master Graduation

TUDelft

APPROVAL PROJECT BRIEF
To be filled in by the chair of the supervisory team.

chair   Hultink, H.J.   date   -   -   signature

CHECK STUDY PROGRESS
To be filled in by the SSC E&SA (Shared Service Center, Education & Student Affairs), after approval of the project brief by the Chair.
The study progress will be checked for a 2nd time just before the green light meeting.

Master electives no. of EC accumulated in total: EC   (★) YES   all 1st year master courses passed
  Of which, taking the conditional requirements
  into account, can be part of the exam programme   EC   ( ) NO   missing 1st year master courses are:

List of electives obtained before the third
semester without approval of the BoE

name   date   -   -   signature

FORMAL APPROVAL GRADUATION PROJECT
To be filled in by the Board of Examiners of IDE TU Delft. Please check the supervisory team and study the parts of the brief marked **.
Next, please assess, (dis)approve and sign this Project Brief, by using the criteria below.

- Does the project fit within the (MSc)-programme of the student (taking into account, if described, the activities done next to the obligatory MSc specific courses)?
- Is the level of the project challenging enough for a MSc IDE graduating student?
- Is the project expected to be doable within 100 working days/20 weeks ?
- Does the composition of the supervisory team comply with the regulations and fit the assignment ?

Content: ( ) APPROVED   ( ) NOT APPROVED
Procedure: ( ) APPROVED   ( ) NOT APPROVED

comments

name   date   -   -   signature

IDE TU Delft - E&SA Department /// Graduation project brief & study overview /// 2018-01 v30		Page 2 of 7
Initials & Name JVS Dinten Fernandez		Student number
Title of Project Strategic activity roadmap for Heineken innovation Lab		

Strategic activity roadmap for Heineken innovation Lab _____ project title

Please state the title of your graduation project (above) and the start date and end date (below). Keep the title compact and simple. Do not use abbreviations. The remainder of this document allows you to define and clarify your graduation project.

start date ___21___-__06__-_2022___   __21__-_11__-_2022___ end date

INTRODUCTION *
Please describe, the context of your project, and address the main stakeholders (interests) within this context in a concise yet complete manner. Who are involved, what do they value and how do they currently operate within the given context? What are the main opportunities and limitations you are currently aware of (cultural- and social norms, resources (time, money,...), technology, ...).

Drinking beer is an ancient tradition among humans dating back as far as 7000 years ago. The location, rituals and occasions for drinking beer are continuously changing. Among others, Covid-19 and the digitalization have led to a new change in the habits of the upcoming beer drinking generation (GenYZ age 18+). This has also impacted the position of (lager) beer.
If Heineken wants to become the top of mind brand for GenYZ, it has to adapt to the habits of these new generations. Heineken is known for not having changed their beer recipe the last 100 years but, new strategies have opened up the floor to change Heineken from a 'mono' product brand into a brand with extensions. Currently, Heineken is busy setting up an Innovation Lab where Heineken can prototype and co-create these innovations with GenYZ. They want the place to be a social hub for the new generation. Where Heineken can host events and get direct feedback from the consumer while also showcasing the brand. This graduation project will focus on how Heineken can innovate for new taste experiences and beer drinking rituals from inside the innovation lab. Specifically, I will look into how taste experiences can improve the perception of the Heineken brand for GenYZ and how the innovation Lab can coexist next to Heineken global by building a strategic roadmap for five years after the launch.

This graduation project is done in cooperation with the design and sustainability department of Heineken Global. Heineken Global determines the vision for all of Heineken's operating companies with over 300 brands and situated in 190 countries the influence of Heineken is truly global. Heineken connects people with their products and stands for Passion, Courage, Care, and Enjoyment. They strive to connect people with their products and embrace diversity. A big challenge in this project will be keeping a vision that includes all these different cultures and can give direction to the employees. I will be mentored by a senior design manager from Heineken and will work closely together with a junior design manager. This way I can receive feedback from multiple levels.

Heineken strives for perfection in their campaigns and with the help of multiple design agencies (Reggs, Love creative, Vice Virtue), they achieve this. I will also be assisted by and work together with these agencies. Together with the Junior Design Manager I will be organizing workshops to make clear what they are expected from Heineken. Other important stakeholders are the outlets, every place where you can order a Heineken drink. This is an important place for Heineken to influence how beer is served and the environment around it.

The birthdate of the target group ranges from 1996 to 2004, Heineken will only adress those of legal drinking age. Because they will be the new generation to drink Heineken's beverages it is very important for Heineken to gain traction with them. One of the things Heineken is currently doing is cooperating with artists, musicians and young professionals as they can be a source of inspiration for their vision. Working together with these people could also help me further. It will be a challenge to find out what the interests, latent needs and underlying motivations of GenYZ are. The research agency Savanta is doing a thorough research on the (latent) needs of GenYZ which I will be able to help steer and use in my project.
GenYZ are also called digital natives, they are the first of many generations to come, that have been raised with the digital world. This has set of new ways of socializing for generations to come. This is why Heineken has to adapt to suit to their habits and needs.

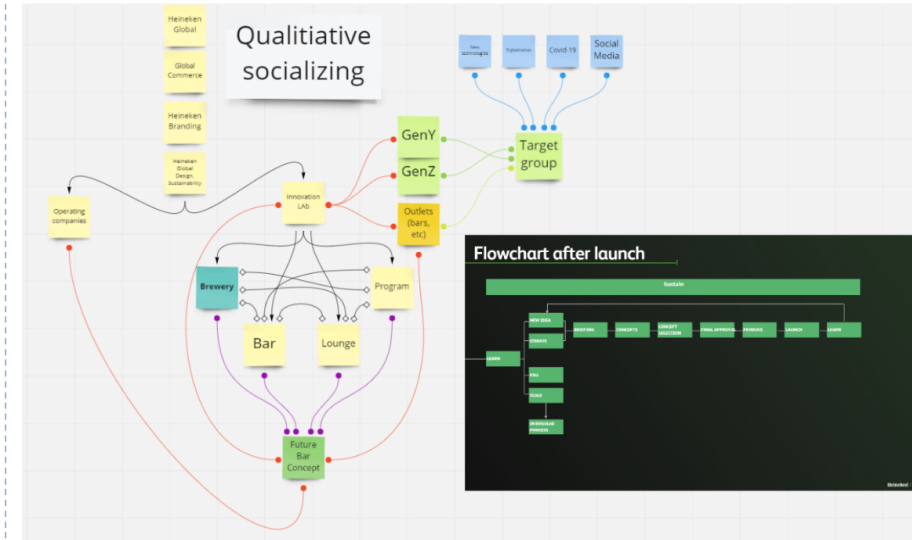space available for images / figures on next page

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Initials & Name ___JVS_____Dinten Fernandez_____   Student number _____
Title of Project ____Strategic activity roadmap for Heineken innovation Lab_____

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introduction (continued): space for images

image / figure 1: ___Domain, and program___

image / figure 2: ___Innitial Brainstorm___

IDE TU Delft - E&SA Department /// Graduation project brief & study overview /// 2018-01 v30   Page 4 of 7
Initials & Name ___JVS_____Dinten Fernandez_____   Student number _____
Title of Project ____Strategic activity roadmap for Heineken innovation Lab_____

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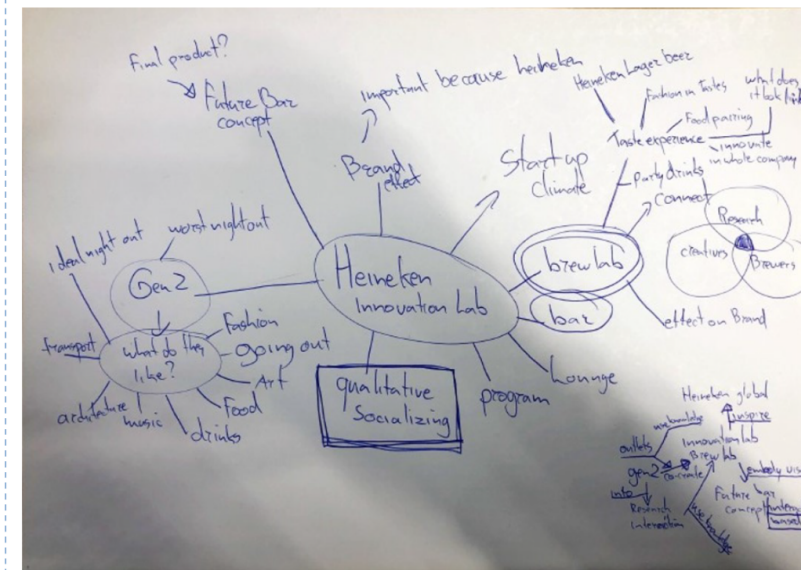
PROBLEM DEFINITION **
Limit and define the scope and solution space of your project to one that is manageable within one Master Graduation Project of 30 EC (= 20 full time weeks or 100 working days) and clearly indicate what issue(s) should be addressed in this project.

Target group: GenY-Z, 18+
Place: One of the locations of the Heineken Innovation Lab. Later on implementable in most of Heineken's outlets, globally
Product: A strategic roadmap for testing and showcasing future taste experience and beer rituals with Heineken beer in the innovation Lab.

The Heineken brand is built on a contradiction, a brand that breathes progressiveness with a beer recipe that has been the same for 100 years and will stay the same for the coming 100 years. In order to stay relevant for the new generation they are opening up the brand for brand extensions. To create these innovations Heineken is in the process of designing and building an innovation lab. Heineken wants to collaborate with artists, musicians and young professionals. As a strategic designer we have developed a skill set that is able to facilitate collaborations and creative sessions.
How can a strategic designer co-create with GenYZ in the Heineken innovation lab to influence the taste experience to make it more suited for GenYZ?
Studies have shown that new generations are drinking less lager beer and like a more diversified pallet of tastes on a night out. How can Heineken stay relevant within this new environment with seltzers and craft beers? Designing a new taste experience innovation strategy tailored to GenYZ for the Heineken innovation lab. This has to be a visionary project that can later be implemented in Heineken's outlets.
With this project, Heineken global needs to show all of Heineken's employees and competitors that they are innovative. How to display this to give it the right effect on the Heineken brand?

ASSIGNMENT **
State in 2 or 3 sentences what you are going to research, design, create and / or generate, that will solve (part of) the issue(s) pointed out in "problem definition". Then illustrate this assignment by indicating what kind of solution you expect and / or aim to deliver, for instance: a product, a product-service combination, a strategy illustrated through product or product-service combination ideas, ... In case of a Specialisation and/or Annotation, make sure the assignment reflects this/these.

Firstly, I am going to research the Heineken brand and its influence, the wants and needs of GenY-Z, innovation labs, and taste experiences. Secondly, I am going to combine this knowledge and design new taste experiences that can be evaluated in the innovation lab. Finally, I am going to create a vision/strategy for the Heineken brand and the outlets globally.

For the innovation lab to be a success it has to be a lively popular establishment that creates through and with popular culture. A hub for new movements with connecting young active people at it's core. Several agencies are already helping Heineken create this place. Love creative will be creating the visual concept and design language. Heineken has noticed that a strong design language has led them to success in earlier likewise projects. Savanta is doing market and consumer research to point out how to connect with the target group and fit in the right domain. Vice virtue will assist in finding the right people to co-create with and developing a unique culture around the place by using media coverage. Finally, Reggs will be able to help develop quick prototypes and designing technical objects. Heineken is already used to creating big launch parties but the innovation lab needs to run on after this. My assignment will be focused on creating a roadmap for this. Using the knowledge and expertise from the agencies and Heineken to design a visionary strategy that is easily applicable to the innovation lab anywhere in the world.

I aim to deliver a strategy accompanied by an artefact this could be a model, a storyboard, an animation or a concept for a product. The artefact has to embody the strategy and make it more understandable and easier to implement the strategy. It has to follow Heineken's own strategy and sustainability plans. But also show a different route into the future. I want to do this by actively participating in the opening of the innovation lab and using the, to be built, innovation lab to prototype, try out, and co-create/co-reflect with the parties involved.

PLANNING AND APPROACH **
Include a Gantt Chart (replace the example below - more examples can be found in Manual 2) that shows the different phases of your project, deliverables you have in mind, meetings, and how you plan to spend your time. Please note that all activities should fit within the given net time of 30 EC = 20 full time weeks or 100 working days, and your planning should include a kick-off meeting, mid-term meeting, green light meeting and graduation ceremony. Illustrate your Gantt Chart by, for instance, explaining your approach, and please indicate periods of part-time activities and/or periods of not spending time on your graduation project, if any, for instance because of holidays or parallel activities.

start date ___21___-___6___-___2022___   ___21___-___11___-___2022___ end date
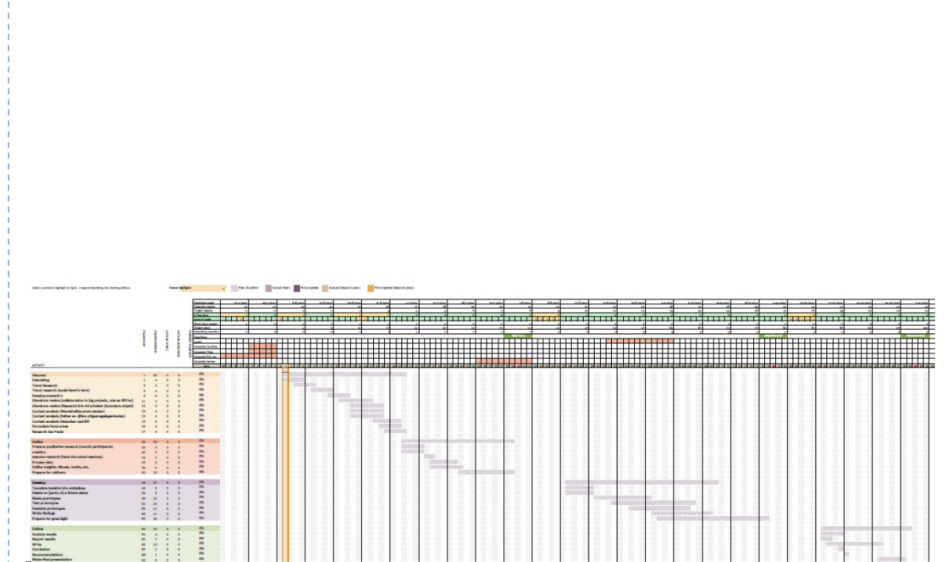
Here the initial version of my planning is shown in the form of a Gantt chart. I will be using the double diamond method for the setup of my planning. I chose this method because it is a very convenient method to use in design.

As I will be working throughout the summer I strive to keep a strict planning but also want to give myself time to relax after a deadline. Therefore the planning I made is dynamic, I can change deadlines and vacation dates and all the other dates automatically change with them. For now I have chosen two vacation moments, one after the mid term and one after the green light.

I feel that good mental health is becoming a very important issue with other students during their graduation project. A lot of them become stressed near deadlines and don't have a good work/free-time balance. I will keep this in mind during my project and evaluate on this during the project. Keeping a good working schedule of 8-9 hours a day for five days a week and making space for hobbies, friends, and family when I need this is thus important for me.

MOTIVATION AND PERSONAL AMBITIONS
Explain why you set up this project, what competences you want to prove and learn. For example: acquired competences from your MSc programme, the elective semester, extra-curricular activities (etc.) and point out the competences you have yet developed. Optionally, describe which personal learning ambitions you explicitly want to address in this project, on top of the learning objectives of the Graduation Project, such as: in depth knowledge a on specific subject, broadening your competences or experimenting with a specific tool and/or methodology, ... Stick to no more than five ambitions.

When I started looking for a graduation project, my first objective was that I wanted to do it at a company. This meant that I wanted to do a real-life project that could mean something. When talking to fellow students, I noticed that working together with a company during your graduation would give you more valuable feedback and a more valuable graduation project. My second objective is that I want to create something for Heineken that lasts. I want it to be meaningful and up to date for the next ten to fifteen years. Something Heineken can use for further reference and future innovations.

One of the reasons I chose SPD is that I am fascinated by branding and its potential for companies. With this project, for one of the most prominent brands globally, I want to learn how a brand like this is managed and how to improve it. I want to learn first-hand from Heineken and its employers, but I also want to look into the connection of branding with strategic design and how we, as strategic designers, have an influence.
Another part of my interests is my Entrepreneurial spirit and how to innovate within a large company. In my elective space, I did the course Build your Startup. And I also did a board year at Stud. I believe that a strategic designer is most capable of improving innovative processes within large companies and am very interested in how this could work within an innovation lab.

I also want to give the project a personal touch. I have noticed during the years that designers can be and, in my opinion, should be subjective in a way. I see myself as a designer as one of the stakeholders in this project. My values are that I eventually want the world to improve with the work that I do. This can be in a myriad of ways.

One of my passions is the natural world. I love understanding how natural systems work in symbiosis with each other without the production of waste. Everything is connected in a way that works for another part of the system. But sadly we as humans have misused the virtues of the natural world and are abusing it. As designers, we should strive to make people reconnect with nature so the world can once more thrive, together with humans.

Another one of my passions is food. I am a good home cook and love to explore the realm of taste experiences. This is a passion that I would like to expand on during this project. I would like to learn what certain tastes, smells, structures do with the perception of people and how they connect and what kind of effect they give. And how can strategic designers use this in a way to improve their work?