

In its 130-year heritage as an innovator, Philips has gone through significant transformations. Most recently, Philips Domestic Appliances was disconnected from Royal Philips and it now seeks to expand its business by venturing into new value spaces to help consumers “turn houses into homes” (purpose).

The newly established New Business Creation & Scaling (NBX) team is responsible for driving meaningful innovations that venture beyond existing businesses. In order to venture towards truly new value for future consumers, the venturing architecture of NBX is reimagined and redesigned from the ground up.

Design-driven venturing

Designing a new venturing architecture for Philips Domestic Appliances

Literature review on design-driven venturing

In contrast to traditional venturing, design-driven venturing moves beyond organizational responsiveness or ‘ambidexterity’ to explore and exploit opportunity spaces, and actively steers in the direction of preferred consumer outcomes.

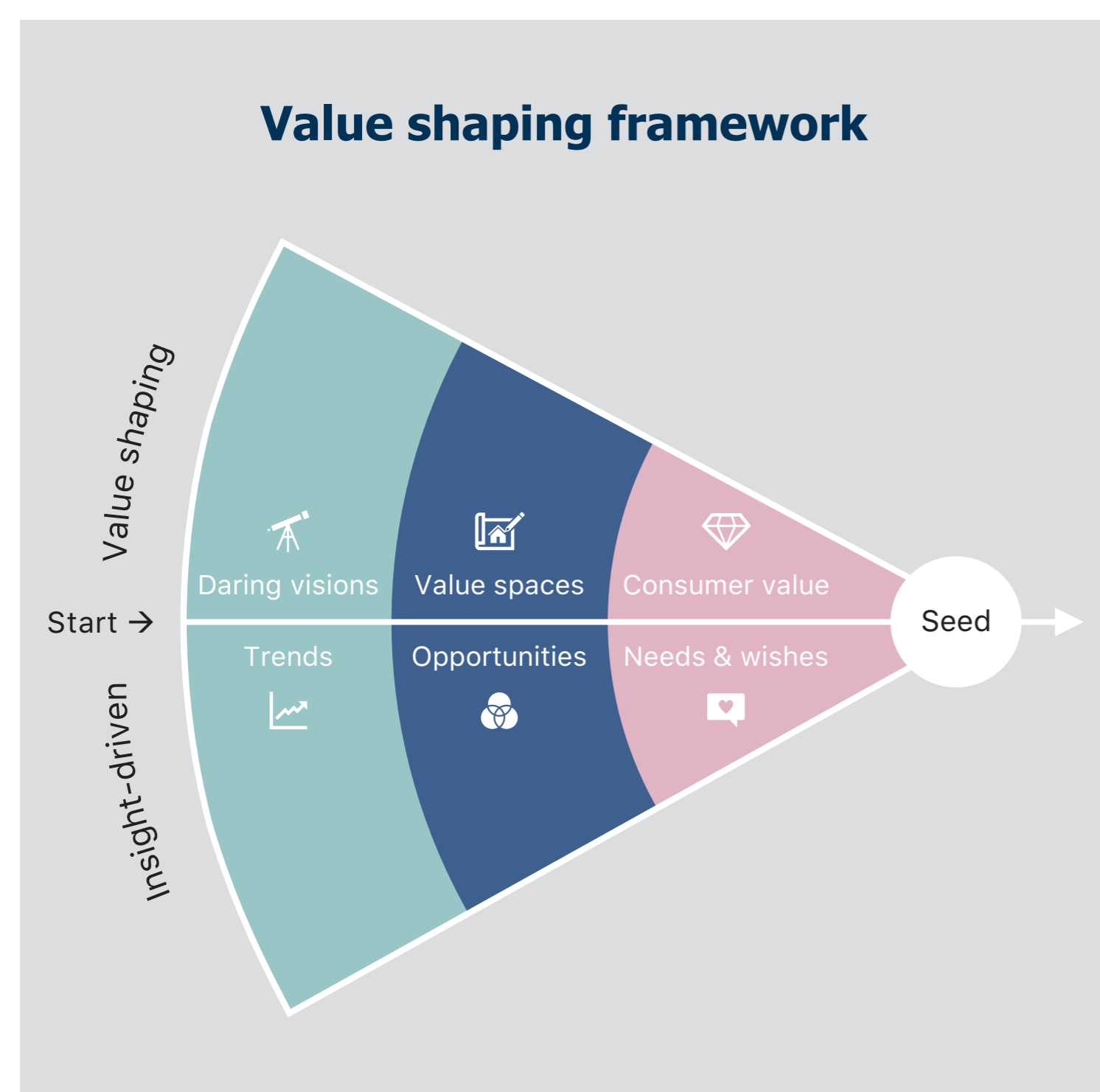
Qualitative research: exploring & embedding

Three qualitative modes of inquiry were applied: expert inquiry (eight in-depth interviews), observations (six-month embedding) and generative research (co-design).

Thematic analysis: an emerging concept

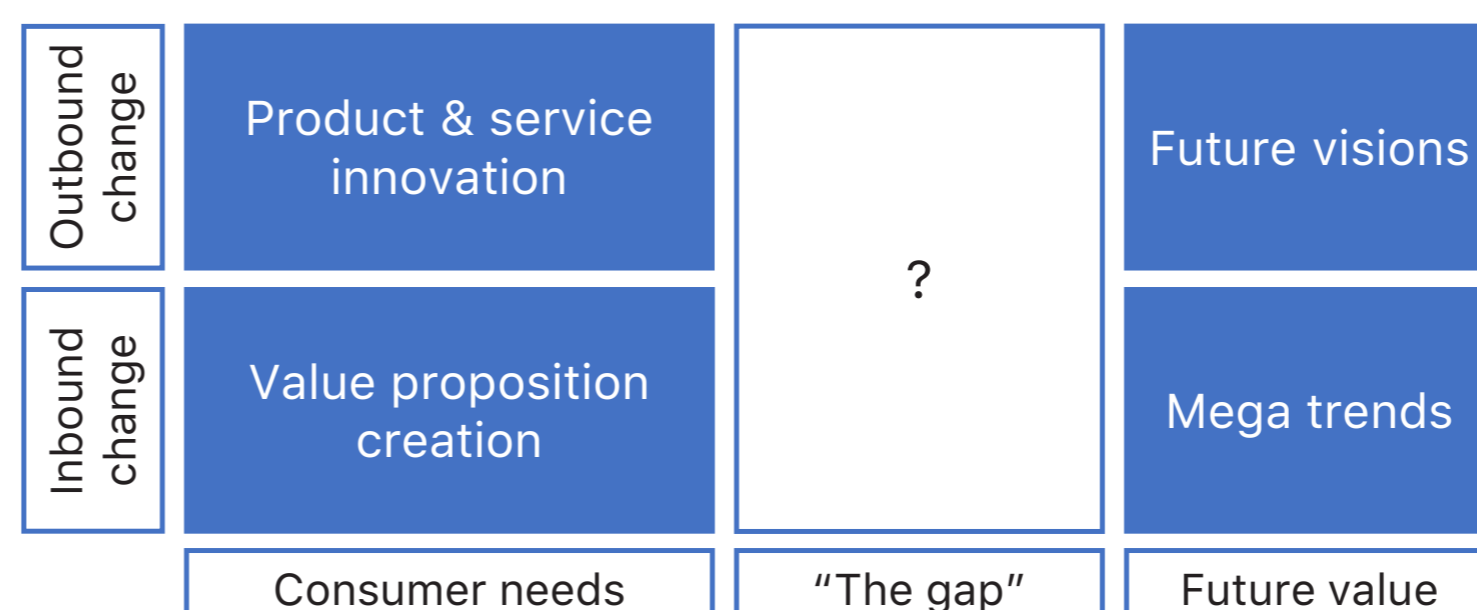
A principal research finding concerns the thematic inductive analysis that yielded three themes of the emerging concept of design-driven venturing:

- I. Using design to unlock new value spaces
- II. Insight-driven value shaping
- III. Visions that embrace risk



Designing the new venturing architecture

Building on theme II, the new architecture [▲] integrates a new ‘value shaping’ capability, to not only anticipate consumer value, but actively shape it. The architecture therefore narrows “the gap” between future value and consumer needs [▼]. The value shaping framework [◀] is integrated in the architecture.



Conclusions

The new architecture is pivotal in steering NBX to a venturing practice that accelerates its vision of unlocking future consumer value. It guides innovation teams and executives at Philips DA to build the capabilities & processes for venturing into new territories of consumer value.