



Technology & Suppliers

Spigit – getting the right idea

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San Francisco-based innovation management vendor Spigit provides a SaaS-based toolset that supports the idea generation, evaluation and selection aspects of the idea lifecycle, providing sophisticated tools that ensure that the best – not just the most popular – ideas can be identified for action. With support for multiple, concurrent innovation processes and challenges across an organisation, Spigit is currently the largest vendor in this emerging market.

MWD Advisors is a specialist advisory firm which provides practical, independent industry insights to business analytics, process improvement and digital collaboration professionals working to drive change with the help of technology. Our approach combines flexible, pragmatic mentoring and advisory services, built on a deep industry best practice and technology research foundation.

Top takeaways

1

A comprehensive solution for idea generation, evaluation and selection, designed for enterprises

Spigit's SaaS-based innovation management platform provides a rich set of features to support the major stages in the idea lifecycle, right up to the point where an idea is selected for development into a formal development programme. With an approach that supports a portfolio of innovation programmes across an organisation, Spigit has equipped its product with a range of capabilities that focus on taking the pressure off innovation managers and select committees for identifying the best ideas to implement, including tools that enlist the skills and perspectives of a broader community to help enrich and develop ideas, qualify their potential, and enable the most worthwhile to bubble to the top.

2

Spigit is the largest vendor in innovation management, and it's growing quickly

Buoyed by continuous growth in Spigit sales over the last six quarters, the company sees huge potential in innovation management, to the point that parent company Mindjet recently divested its previous flagship offering MindManager, announcing its intention to focus solely on the Spigit product and changing its company name to Spigit Corporation. Recent investment secured by the company is focused on building the firm's brand and global presence, and reinforcing R&D in the Spigit product.

3

A packaged approach will help Spigit build on its leadership position

The Spigit platform is flexible and configurable, and it's well-suited to initiatives led by the innovation practices of systems integrators – but may it be daunting for organisations embarking on an innovation initiative without such guidance. Spigit should consider a more sophisticated approach to how it packages its technology; one that targets specific use cases with relevant configurations and templates, to help organisations get started with the platform more quickly.

A big fish in a small (but expanding) pond

Targeting a sector that is drawing increasing market interest and has the advantage of a much clearer ROI than many other collaborative technologies, innovation management vendor Spigit is well-positioned and growing fast. In August the company [announced](#) new customer sales growth of 120% for the most recent quarter, and 60% total sales growth for the first half of 2016, notching up its sixth consecutive quarter of record results. Although the brand may be unfamiliar to those outside the innovation space, Spigit is in fact the largest player in the sector, with 125 employees and almost 200 customers, and it has built up a strong profile in the emerging innovation market.

The company – which is headquartered in San Francisco, with offices in Australia, France, Germany and the UK – was founded in 2008, and in 2013 it was [acquired by Mindjet](#). Since then, Mindjet has decided its future lies wholeheartedly in innovation; the company has now sold its existing MindManager business to Corel, and is changing its name to Spigit Corporation to cement this new direction.

So what does it do? The Spigit technology is designed to help organisations implement a more structured approach to facilitating and driving innovation both inside and outside its corporate boundaries, both in terms of the “ideation” process (the generation, capturing and development of ideas) and the process of identifying which of these ideas provide the best opportunities.

This latter aspect is a key area of differentiation for Spigit. It employs a mix of analytics, automation and carefully-targeted crowdsourcing techniques to help narrow down lists of ideas, making the selection process easier for innovation managers and other decision makers across the business, and ensuring that the ideas with the greatest potential receive the investment they need to deliver results.

The Spigit innovation management platform

Spigit’s SaaS-based platform supports two different approaches to innovation: time-limited “challenges” that concentrate on solving very specific business problems, and continuous improvement strategies, such as traditional “suggestion box” models, that are more ad hoc in nature. The latter can be organised into categories to provide some structure and to help both individuals and innovation managers to navigate the corpus of ideas. Spigit supports multiple, concurrent innovation projects within an organisation’s deployment, organised through separate idea communities that can be branded and themed differently, and can have their own custom set of steps or stages within the innovation process.

Ideation

Community participants can post ideas against a particular challenge or within a category, with others then able to view, comment or vote on these ideas. When an individual begins typing a new idea, Spigit uses natural language processing to automatically identify similar ideas that have been submitted previously and display them alongside, helping to reduce duplication and allow ideas to be expanded and developed collectively.

An interesting feature is the concept of “idea teams”. This allows an idea originator to invite others to become team members, helping to flesh out an idea and increase its chance of progressing to the next stage. People can request to join an idea team if they like an idea, and the addition of team members can also be specified as a criterion for the idea to graduate to the next stage (see below). Idea creators can also advertise for people with relevant interests or skills to help flesh out an idea by posting “idea jobs” on the platform.

Idea stages

By default, ideas contributed within Spigit can progress through five stages: incubation, validation, emergence, accepted, and closed/archived. However this structure can be customised as required for each community,

with stages added, removed and/or renamed. Progression of ideas between stages can be automated, semi-automated or manual, with early stages most often automated. Automated (and semi-automated) progression is determined based on the successful achievement of a set of criteria as configured by the innovation manager or administrator. The criteria can include simple statistics such as the number of views, votes or comments/reviews, the depth of conversation (i.e. responses to comments) or the idea team size, as well as more complex factors such as the “buzz percentile”, which ranks the activity around the idea in relation to the broader base of ideas in the platform, or its “approval rating”, which weighs votes according to the expertise or reputation of the voter.

Spigit provides a variety of tools and techniques to assist in the idea evaluation process, and focuses particularly on “crowdsourcing” tools that help refine the pool of ideas through the participation of the wider community, rather than relying on an innovation manager or a formal committee of experts to identify the best ideas. Two examples of this are the Pairwise and Predictions features within Spigit:

- The **Pairwise** technique presents community members with two ideas (either within a particular challenge or in a particular category) and asks them to vote for one over the other, forcing rank order voting within the system, and overcoming the challenges of standalone voting within social systems, whereby people are more inclined to vote in line with their peers. Spigit presents individuals with 15 consecutive pairs of ideas, and also allows “neither” as an acceptable vote. Pairwise is typically used at a relatively early stage in the idea lifecycle.
- Spigit’s **Predictions** feature, which is typically deployed later in the lifecycle than Pairwise, offers estimates about the potential value, cost and/or time to implement of an idea, and asks the participant to judge whether the estimate is accurate or too high/low. The result of each prediction is incorporated into the estimates presented to the next participant, helping to gradually refine the estimates. The results of these predictions are then available for innovation managers and expert reviewers to analyse via a bubble chart. (See screenshots in figure 1)

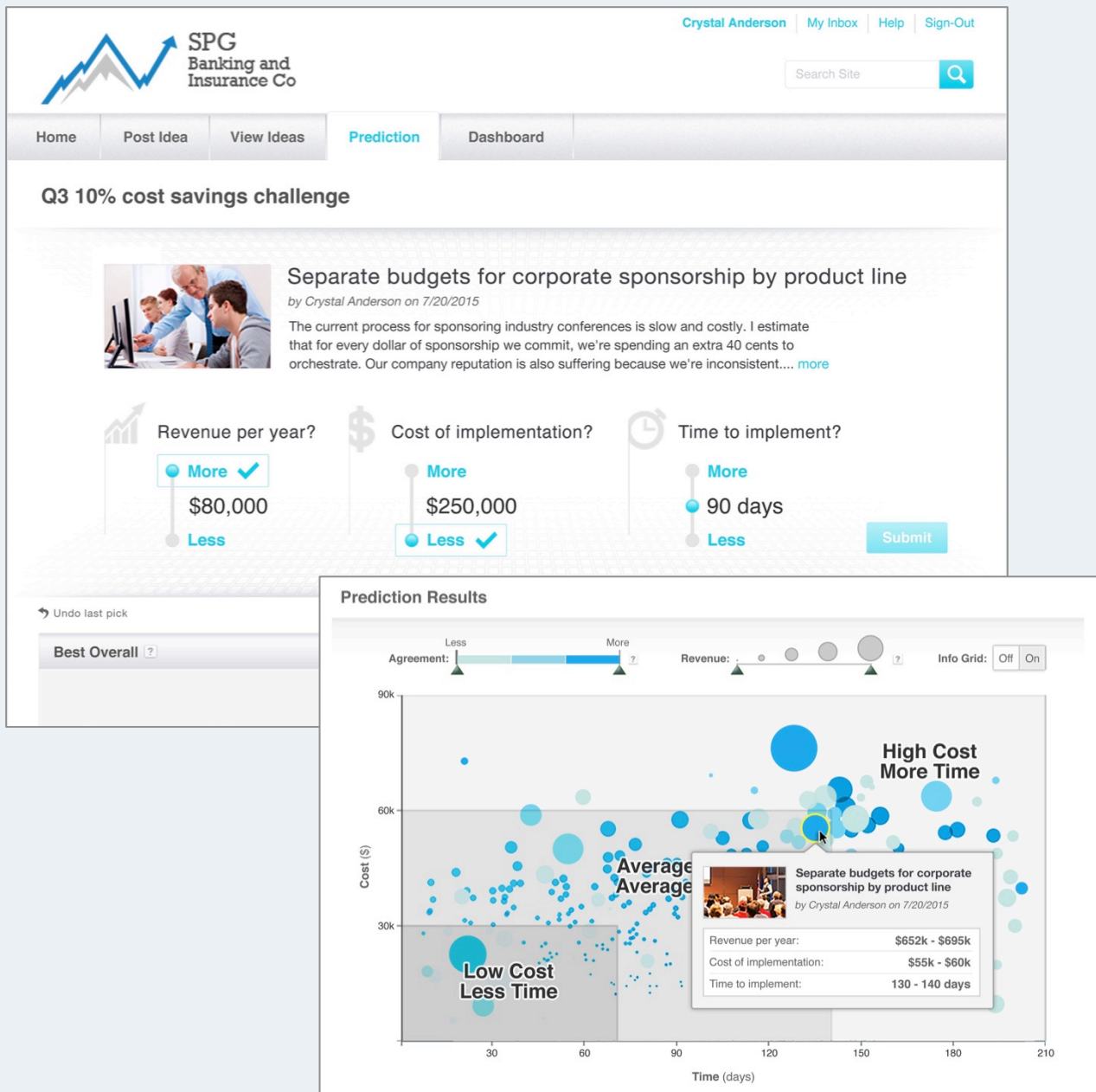
Administrators can also upload and attach forms for experts to complete for ideas that have progressed to the later stages in the lifecycle.

Gamification & rewards

To help drive adoption and encourage participation in the innovation process, Spigit provides four main features to promote the contributions of, and reward, valuable community members:

- **Leaderboards.** Spigit includes a number of different leaderboards that can be displayed as widgets within the community, such as Top Innovators, Top Ideas by Rating, and Highest Reputation Members, for example.
- **Reputation scores.** Each individual user of Spigit is assigned a reputation score which is calculated based on the number of ideas they contribute, and the performance of those ideas within the innovation process, with higher ratings for an idea leading to an increased reputation score, for example. The votes and comments of a user with a high reputation score carry more “weight” in ratings.
- **Spigit currency.** If enabled, this feature allows community members to receive Spigit currency for their participation, for example for posting ideas or comments, or for pairwise voting. Individuals can then use their currency to purchase rewards (for example retail gift cards) within the Spigit store.
- **Innovation Market.** This more complex gamification feature creates the concept of an idea stock market within the platform, allowing idea owners to issue stocks to people who participate in the development of their idea. When ideas reach a specific stage in the idea lifecycle, community members can begin trading shares in those ideas, investing in ideas that they believe will be successful, and receiving points or Spigit currency if they back a winning idea.

Figure 1 Spigit’s Predictions feature



Source: Spigit

Analytics and reporting

The Spigit platform includes a set of analytics features and capabilities to help innovation managers – and challenge managers – to assess and report on the progress of their activities. The main reporting dashboard is Spigit Insights, which provides analysis across all communities within a deployment. Configurable analytics reports include levels of activity across challenges and communities as a whole, as well as tracking degrees of participation among community members, and analysis of the innovation pipeline across the business. Another reporting dashboard shows “idea clusters” across the organisation, using semantic analysis to identify clusters of topics among the idea database, highlighting trends of interest in a particular area.

Analysts can drill down on individual charts for more detail, and create custom reports and dashboards as needed.

As well as Spigit Insights, analytics features are surfaced in several other areas of the Spigit platform, for example the bubble charting of Predictions results as discussed above, and the “idea planes” chart which provides a visualisation of the relative position of ideas in the lifecycle, with more advanced or active ideas distinguished by the size of the bubble and its movement, for example. Another use of analytics is in the recommendations feature within Spigit, which suggests potentially interesting ideas to individuals based on the ideas they have posted or participated in.

Community features and platform

Spigit employs a number of social collaboration features to support the community feel of the platform, with activity streams aggregating updates from across the community, and the ability to create standalone discussion threads and blogs. Community members can follow other people as well as ideas in the community, and Spigit also supports more formal social networking through the creation of explicit people connections, which enables two-way following between the connected members. “@Mentions” of people within posts ensure the recipient receives a notification in their inbox.

The Spigit environment provides a widget-based UI, with flexibility to support configuration and customisation of the experience. Themes, branding and layouts are managed via an admin panel, and customers can rename any aspect of the platform, from idea stages to badges, and configure permissions for participation for each community, challenge and/or stage across the deployment, to ensure that compliance and privacy requirements are met. Role definitions are fully customisable and extensible, with out-of-the-box roles including member, expert, moderator, admin, report analyst, idea co-ordinator, and team member.

Spigit has developed pre-built integration with Facebook (to embed the innovation process in a Facebook page) and Yammer (to publish Spigit notifications into the Yammer feed), and allows individuals to log into the platform using their Facebook, LinkedIn, Yahoo! And Twitter accounts. Other integrations can be achieved via Spigit’s API.

In addition to its standard desktop web experience, Spigit provides mobile access via a responsive mobile browser UI which enables community members to post, vote and comment on ideas, and participate in pairwise voting.

The Spigit platform is available in 11 languages out-of-the-box; additional languages can be added using Spigit’s language development kit.

An established and growing customer base

Over the last eight years, Spigit has built a substantial customer base, with almost 200 organisations and more than 5 million individuals using its technology across 150 countries. New customers grew by 32% in 2015, showing strong momentum in this space.

Spigit’s customers are typically large enterprises with more than 5,000 employees. It’s particularly focused on working with clients in global finance and insurance, as well as construction, energy, healthcare, manufacturing, technology and telecoms.

Around 65% of Spigit’s customers have an enterprise-wide deployment, with the more established of these taking advantage of the ability to conduct multiple concurrent innovation projects across the business – in some cases handling hundreds of challenges per year. Most deployments focus on internal innovation, although some – such as Unilever – have deployed Spigit to support external innovation in conjunction with their customers and/or partners.

Spigit's largest customer is AT&T, which has deployed the technology to all of its 300,000 employees; other customers include Citibank, Duke Energy, Pfizer, Siemens and UnitedHealth Group.

Spigit's licensing model is per user/per year. Prices are tiered, so they become less expensive per user as the number of users increases.

A partner-led implementation and services strategy

Like any software that depends on people engagement to deliver value, implementation services and strategy play a crucial role in Spigit's approach, and the company relies strongly on partners to support its customers' innovation goals and needs. It's developed strategic partnerships with systems integrators like Accenture, Booz Allen, Capgemini, IBM and PwC. In addition, Spigit has its own internal, internationally-distributed team of around 30 "customer success" staff who provide pre- and post-deployment services to customers – training them how to use and configure the technology, and also providing advice and guidance around how to plan, market and operate innovation challenges, for example. Two days' worth of onsite training is provided as part of the Spigit subscription, with more strategic and ongoing consulting services charged separately. Spigit earns around 15% of its total revenues from services.

Business strategy and roadmap

When Mindjet acquired Spigit, the purchase was designed to provide the company – which had a background of providing packaged products that support a relatively small number of people in an organisation – with a way to expand its offering to address a more enterprise-wide imperative, thereby offering growth potential. The intention was to knit the Spigit and MindManager offerings together to create a logical, integrated solution that provided opportunities for cross-selling. However, it's clear that this didn't pan out quite as planned, no doubt due (at least in part) to the stark differences in the buyers of the two products.

Looking ahead, the company is placing all its bets on the innovation management space; before divesting its former flagship product/brand and [renaming itself](#), Spigit's parent company raised \$13 million in financing in October 2015, solely with the purpose of driving growth of Spigit through investment in both sales and marketing and R&D. Early evidence of this shows in the hiring earlier this year of a new "Chief Customer Officer", who is now responsible for a number of key areas that impact customer retention and customer value, including Customer Success, Professional Services, Customer Education, and Account Management & Renewals. Spigit also plans to continue its expansion across North America, Europe and Asia Pacific, building out its customer success teams in those regions.

From a product development perspective, Spigit continues to ship updates to the platform every couple of months, with enhancements in the forthcoming October release to include a new administration panel, an update to the Pairwise component, and push notifications to support integration with external applications such as task management or social sharing.

A leader, but with room for improvement

Although many social collaboration products include some kind of support for ideation – and there are also many standalone ideation tools that focus solely on this aspect of the idea lifecycle – Spigit's offering takes a much more comprehensive approach to supporting innovation processes, supporting and enabling the capture, development, evaluation and selection of ideas very thoroughly, providing a broad variety of tools and extensive configurability. The product has clearly evolved and matured through the company's experience with its many enterprise customers, and Spigit's partnerships with the innovation practices of large systems integrators like IBM will have no doubt played a significant part in this feature enrichment.

Spigit is somewhat of a “Swiss Army Knife” of innovation management tools, providing many more features and options than many organisations will likely need – at least to begin with. This provides some great differentiators for Spigit over many of its competitors, but we would like to see a more packaged and streamlined approach that simplified the product for new customers and prospects, and also addressed specific use cases more directly, beyond the pure marketing approach the company currently favours.

Another point to note is that the product currently addresses the innovation lifecycle only up to the point where ideas are selected; it would be great to see Spigit provide support beyond this within the platform, perhaps through integration with project and program management tools for example. There is also no capability in the product to support tracking and/or monitoring of the actual success or progress of ideas once they have been selected, to know for example whether those ideas that were selected and reached project stage actually delivered (either individually or collectively) savings for the company. Given that customers will undoubtedly have targeted KPIs around this, it’s something that we would expect to be addressed within the product.

Achieving success with an innovation programme is inevitably about more than the technology implementation; there are considerable demands relating to processes and adoption that play a vital role in the outcome. Spigit clearly fully understands this, and it expends as much effort on educating the market about the challenge that it is trying to address with its technology as it does on the technology itself, which is wise given the niche and still-evolving nature of the market. That said, there is certainly room for better description of the technology’s capabilities in Spigit’s web presence; it is largely glossed over, providing only superficial descriptions of the key features of the product, making it hard to get to grips with without direct engagement with the vendor.

However, there is no doubting the depth of capability of Spigit’s offering in this area, and given its already leading position in terms of market size, Spigit’s renewed investment should help to reinforce this going forward, and in turn reassure prospects about Spigit’s long-term success.