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Breakthrough Innovation Without Breakthrough Technology

A case study of Snickers Workwear

Innovation is a controversial term that has been the object of considerable academic study. The technical view of innovation, widely known as '*the better mousetrap*', has long dominated the innovation literature. Beyond any doubt, technology has spurred economic growth and economic growth has in its turn made it possible for technology to develop further. Technological innovation, however, cannot explain the success of brands such as Marlboro or Corona that from a technological perspective are me-too products as compared to competition. To supplement this view, Holt and Cameron recently suggested another kind of innovation: the cultural innovation.

The present thesis investigates the nature of the cultural innovation process and compares the two processes in terms of activities, tools, competences and associated costs. The two kinds of innovation processes have been studied through a case study of the Swedish company Snickers Workwear.

Results show that the two processes are quite similar in terms of activities inherent in the process, although their importance varies according to the innovation type. Tools and competences required are in addition similar, thus, implying that the two kinds of innovation are not self-excluding but can be used alternatively.

Key Words: Innovation, Cultural, Ideology, Process, Cultural setting

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1. Introduction

This chapter includes a brief introduction to the subject as well as a presentation of the dissertation's problem area, purpose and research questions. In addition, the chapter describes the delimitations and provides an outline of the present paper.

When consumers think of innovation, they tend to think of a product (or service) that covers their needs in a better way. In marketing that means that all else equal, consumers will opt for the innovative product, once the company manages to overcome the initial resistance to innovation (Ram and Sheth, 1989).

Nike, the world leading athletic shoe maker, sought early in its history to prevail in the market by producing functionally improved shoes. The logic was simple: consumers should opt for the functionally advanced product. The functional innovations that Nike presented caught the attention of professional athletes but failed in the mass market. Amateur athletes did not find the functional improvements significant enough and they did not identify themselves with the professional athletes portrayed in Nike's communication. Nike was merely perceived as another 'me-too' athletic shoe brand, until it took a significant turn. By using unknown and unrecognizable athletes in its communication, Nike promoted a different message: "beating competition is easy but beating yourself is a never-ending commitment". The "performing better than others" ideology was replaced by a "your performance is all that matters" mentality. This change coincided with the American recession, at a time when the American Dream was again in the forefront, as people needed to believe that it is possible to achieve anything through hard work and constant effort. Nike was no longer irrelevant and thrived in the market (Holt and Cameron, 2010).

Nike is an interesting example of a company that constantly sought to innovate. Technical innovation enabled the company to enter the hardcore athletes' sub-cultures but failed in the mass market. For that reason Nike had to pursue another kind of innovation to establish itself in the athletic shoe industry. Although representative, Nike is not the only example of a firm postulating a different ideology to succeed in the mass market. Snickers Workwear is a Swedish company that was founded in the mid 1970s proclaiming better social status for the

worker whilst fighting off social discrimination based on profession. As in the Nike example, technological innovation was not enough for Snickers to reach the mass market and only when a better ideology surrounded the product did the brand succeed. What did these companies do differently as compared to other innovators is what I intend to investigate in the present paper.

1.1 Innovation: a popular though controversial term

The word innovation dates back to 1540s and derives from the Latin *innovatus,* meaning "to renew or change", from in- "into" + novus "new" (The Online Etymology Dictionary, accessed 2/2/2011). As such, innovation is a process that renews something already existent. But not everything that is new is innovative. It is the implementation into and the success within the market that make an idea an innovation (Janszen, 2000).

Innovation has been the object of considerable academic study. As a result, there are multiple definitions of innovation in the scholarly literature, each tailored for the context in question. On the one hand, one can study innovation from a specific perspective such as network, management and entrepreneurial theories. A convenient definition of innovation from an entrepreneurial perspective is given by Peter F. Drucker, who wrote that *"innovation is the means by which the entrepreneur either creates new wealth-producing resources or endows existing resources with enhanced potential for creating wealth"* (The Discipline of Innovation, HBR, 1998). In network theory, innovation can be seen as *"a new element introduced in the network which changes, even if momentarily, the costs of transactions between at least two actors, elements or nodes, in the network"* (Regis Cabral, 2004). Luecke and Katz from an organizational perspective define innovation as *"(...) the successful introduction of a new thing or method (...) Innovation is the embodiment, combination, or synthesis of knowledge in original, relevant, valued new products, processes, or services"* (Luecke and Katz, 2003).

On the other hand, it is possible to study the various effects of innovation for technical progress, economic development, social change and so forth. The technological view of innovation as articulated by Ralph Waldo Emerson: *"build a better mousetrap and the world will beat a path to your door",* has long dominated the innovation literature. Joseph A. Schumpeter was the first to claim that creative destruction, caused by innovation, is the motor of economic growth (Schumpeter, 1942), an opinion shared among others by William Baumol,

who reckons that *"a reliable stream of innovation is the most important requirement for the remarkable long-run economic growth that has been experienced by the industrialized economies in the past two centuries"* (Baumol, 2004).

Recently, Holt and Cameron have complemented this technological view with what they call cultural innovation (Cultural Strategy, 2010). According to the authors, cultural innovators become very influential by advancing innovative ideology that challenges the dominant practice and ideology in a given industry. Technological innovation is built upon the premise that there is a latent demand for functionality and that only the material properties of what we buy are important, something that Vargo and Lusch (2004) reject in their effort to reformulate marketing through Service-Dominant Logic. Cultural innovation, on the other hand, recognizes society, culture and politics as potential triggers for innovation. It suggests that people are not always interested in better functionality but occasionally they are after a better ideology. The role of the company is to provide consumers with a relevant cultural expression, using the appropriate myth and cultural codes (Cameron and Holt, 2010). Corona, Starbucks and Nike are all examples of businesses that thrived in their markets by sensing the current market trends and coming up with an alternative and more compelling ideology than the common cultural orthodoxies in their industries. Corona, for example, leapfrogged the long dominant Heineken on the board of import beer brands, not because of a better mousetrap, since the offerings were me-too products, but by offering a new way of thinking of how to relax with a beer that matched perfectly with the ideological needs of their target (Holt and Cameron, 2010).

In the present study innovation stands for the successful exploitation of new ideas, irrespective of whether they incorporate new technologies or novel ideologies. Innovation will be treated as a coin with two sides: the technological and the cultural. Consequently, innovation will be hereto both related to *technology* as depicted in the introduction of a technologically more advanced version of a product, and *culture* manifested as an ideological challenge to the current status quo, to which the market corresponds in a positive way.

1.2 Viewing Innovation as a Process: Preconditions for Success

It is worth noticing that irrespective of whether we are talking about changes in technology or ideology innovation is a process, that over the years, several models (linear, interactive, systems, evolutionary etc.) have been proposed to describe. The more advanced the model the more complex the interactions and linkages among actors and innovation steps. In their article, Akrich et al suggest that the innovation process involves a great deal of decisions reached under uncertainty by numerous and often conflicting groups, which although may seem insignificant at the time, they could turn out to be crucial in the end (Akrich et al, 2002). The way innovators treat these influential groups and the way they organize themselves to defend their claims, will finally determine the success of the innovation. Read et al (2009) argue that predictive techniques are not appropriate for decision making under uncertainty and they propose instead a more effectual approach. Effectuation makes it possible to turn uncertainty into situations that can be controlled, co-created and transformed towards positive outcomes (Read et al, 2009).

For technological as well as cultural innovation to take place a set of skills, tools and firm-related competences will be required. Technological innovation has been traditionally classified into four distinct types, depending on the value added by the innovation as well as the applicability of the innovation to the firm's existing capabilities: incremental, generational, radical or architectural (Abernathy and Clark, 1985 & Henderson and Clark, 1990). These kinds of innovation require different skills and organizational capabilities. Incremental innovation, for example, reinforces established capabilities, whereas radical innovation forces companies to abandon old competences in search of new ones (Tushman and Anderson, 1986). Even if we narrow down to a specific kind of innovation, there does not seem to exist a *golden* process for managing innovation as this depends on firm and industry specific circumstances (Forrest, 1991, Tidd et al, 1997 and Souitaris, 2002). Based on empirical findings, we can argue that the most common firm-related determinants of technological innovation are level of R&D capital, R&D collaboration, patenting, business acquisitions and restructuring, recruitment of highly-educated personnel and incentives for innovation (Souitaris, 1999). Alternatively, it makes sense to say that innovation competency depends on the absorptive capacity of the firm, that is the ability of the enterprise to identify, assimilate and exploit knowledge from the environment (Cohen and Levinthal, 1990), knowledge which

results from R&D across industries and countries and good cooperation between researchers and practitioners.

High dependence on R&D seems, therefore, to be the downside of technological innovation, especially for those market participants that cannot afford increased investment costs to remain competitive in their categories, especially since the conduct of R&D in the high tech sectors of OECD economies has become hugely expensive, the outcome of R&D spending entails significant financial risks and the spending itself does not correlate to financial metrics such as sales or profit growth (Kandybin, 2009).

1.3 Problem Area

Technological innovation is an extensively researched study area whereas cultural innovation, within a business context at least, is a new concept and there is little knowledge about it. As technological innovation fails to explain cases such as Snickers Workwear or Nike that have been very successful in their markets, there grows a need to explore and better understand what differentiates cultural from technological innovation. Arguably R&D will be less important, but what other skills, resources etc. are required for successful cultural innovations? Is it possible for a company to systematically work its way towards cultural innovation and if so, is there any cost advantage as compared to technical innovation? Snickers Workwear will provide a case to investigate these questions and illuminate the topic.

1.4 Purpose

In the present study, we are looking to determine how the innovation processes differ in character. Secondly we are looking to identify whether cultural innovation can be a low-cost alternative to technological innovation. We naturally expect that by dispensing with breakthrough technology the company saves on considerable investment but it is yet to examine whether cultural innovation does not require equal or even higher investment costs. The main research questions are, therefore, formulated as follows:

How do the innovation-processes for cultural and technical innovations differ?

And as a sub-question: *What cost-consequences can we expect for firms engaging in these processes?*

This main research question will be answered with the help of three specific questions as follows:

- What are the steps inherent in each process?
- How are these steps linked with one another?
- What are the tools and competences that contribute to the success of each of the processes?

1.5 Delimitations

Delimitations of the study have been set in order to fulfill the purpose of the present paper. Firstly, a single case will be studied to allow for a focused investigation of the problem area. The results will be considered case-specific rendering generalizability impossible. A series of additional case studies should be attempted in order to evaluate if these involve a certain degree of generalizability, which goes beyond the purpose of the present study. It could be argued that a cross sectional survey would resolve the problem of generalizability, it still made sense, however, to opt for the case study given my focus on the process.

1.6 Disposition

After introducing the subject and the purpose of the dissertation, I will continue in Chapter 2 by presenting the necessary theories to understand the research area. In Chapter 3, I will present the method that I have used for conducting research as well as the strategy employed to gain access to information. The chapter concludes with a brief discussion about the quality of the paper. Chapter 4 begins with a short overview of the market and the company examined and continues with disclosure of the data collected throughout the study, including both interviews and documentation. Chapter 4 serves as a foundation for the analysis in Chapter 5. Chapter 6 includes a summary of the main analytical findings and provides explicit answers to the main research questions and sub-questions. The final chapter consists of a discussion of the thesis results and limitations and concludes with suggestions for future research and remarks.

2.Theoretical Framework

2.1 The Innovation Process

The term innovation is often synonymous with the output of a process. Scholars, however, tend to focus on the process itself, on claim that the latter actually affects and contributes to the final outcome. Viewing innovation as a process means that the latter can be programmed to occur (Robertson, 1967). Over the years several models have been proposed to describe the nature of the innovation process. In the section that follows, I will present these models in a chronological and evolutionary order.

2.1.1 The First-generation Innovation Process (1950s-Mid-1960s)

This model (Fig.1), often referred to as technology push, has been proposed to explain the unprecedented economic growth of the post war period, a growth largely attributed to scientific advances. The model suggests a linear progression from scientific discovery, through intra-firm technological development, to the market (Rothwell, 1994), while implying that innovations are pushed into the market without corresponding to current market and user needs (Michael, 1994). Simple though it might seem today, the linear model managed to represent an era, when economic growth had been spurred and fostered by major scientific and technological breakthroughs.

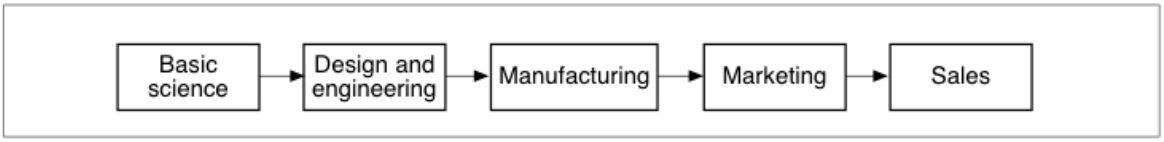


Figure 1. The First-generation Innovation Process (Rothwell, 1994)

2.1.2 The Second-generation Innovation Process (Mid 1960s-Early 1970s)

The Second-generation Innovation Process (Fig.2), also known as the market-pull or need-pull model, was put forth to portray an era of intense competition. The general level of prosperity was remaining high but there was no longer the growth that followed the first years after the Second World War. In an effort to overcome competition, companies sought to better correspond to market needs. As a result, market and no longer science was the generator of ideas for intra-firm technological developments (Michael, 1994). Hayes and Abernathy criticize however this market-driven performance claiming that novel superior technology can

bring about important benefits that might not currently exist in the users' consideration sets (Hayes and Abernathy, 1980).

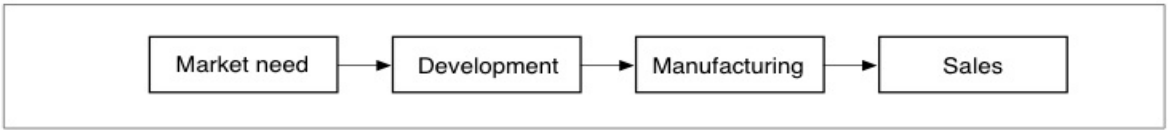


Figure 2. The Second-generation Innovation Process (Rothwell, 1994)

The First- and Second-generation models are often referred to as linear or serial models. They view innovation as a process divided into several tasks that succeed one another, whereas the preceding phase must be completed before moving to the next one. As a result, there is clear responsibility for its task and that can be extremely important in a complex delivery system. Their main drawback is that they lack in direct feedback, a shortcoming that the Third-generation model comes to resolve.

2.1.3 The Third-generation Innovation Process (Early 1970s-Mid 1980s)

The Third-generation Innovation Process (Fig.3) consists of an interactive model or chain model (Kline and Rosenberg, 1986) or the way Rothwell prefers to put it a *coupling* model (Rothwell, 1994). It is essentially a sequential process, strengthened by feedback loops that combines the two previous models, i.e. technology push and market pull (Kline and Rosenberg, 1986 and Rothwell, 1994). In this sense, both science and market are seen as potential sources for innovation. The model recognizes both inter- and intra-firm linkages and interactions, which are necessary for the innovation success (Teece, 1989).

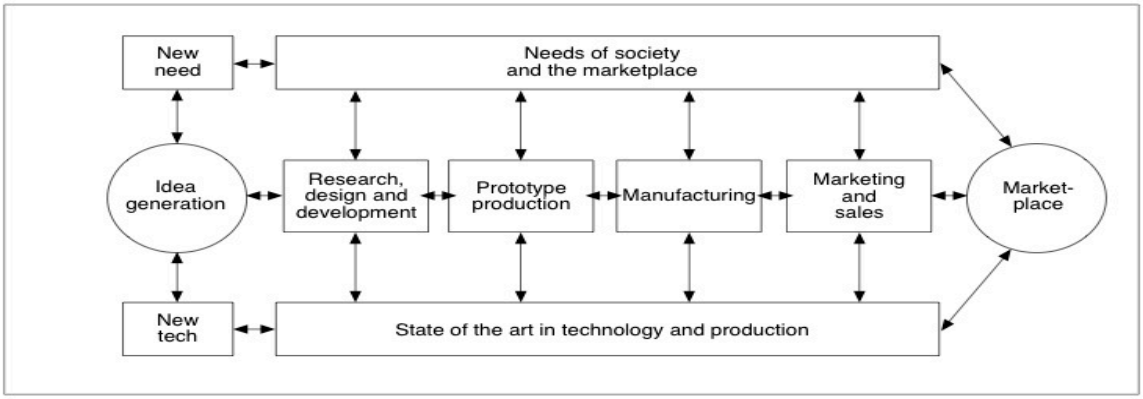


Figure 3. The Third-generation Innovation Process (Rothwell, 1994)

2.1.4 The Fourth-generation Innovation Process (Early 1980s-Early 1990s)

This model (Fig.4) is inspired by leading Japanese companies and, as opposed to the previous generation-models, is not sequential but instead parallel and integrated (Rothwell, 1994). The firm is highly dependent on suppliers, whose performance also affects the innovation process, whereas the several tasks take place simultaneously rather than in series, implying a certain degree of overlapping among the different activities (Rothwell, 1994). This process requires a radical new approach to management, as well as new information systems and extensive collaboration with external partners (Teece, 1989).

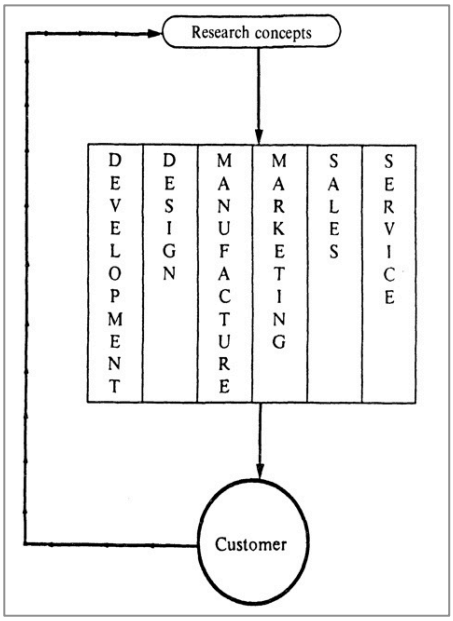


Figure 4. The Fourth-generation Innovation process (Teece, 1989)

Research results further indicate that early (Handfield et al., 1999; Mabert et al., 1992) and intensive participation in the network (Clark and Fujimoto, 1991) incurs shorter innovation processes, reduced innovation costs and higher innovative outputs.

2.1.5 The Fifth-generation Innovation Process (Early 1990s-to-date)

Rothwell in his homonym article suggests that we are moving towards a Fifth-generation Innovation Process (Rothwell, 1994). The model is practically similar to the Fourth-generation model, but highlights the need for continuous change. A network of several actors is being built to take advantage of the merging technologies and combined knowledge for producing in short times technologically advanced products. Open innovation becomes for some imperative for creating and profiting from technology (Chesbrough, 2003). The ability to control product development speed becomes central for the innovation success (Rothwell, 1994). Palmberg (2006) suggests that need-pull innovation tends to reach the market faster and is more effective in the short-run. In the longer-run, however, science-based innovation can be highly successful as well, due to accumulated monopoly rents (Palmberg, 2006).

It is worth noticing that all the abovementioned models of innovation processes consist of two major phases: (a) the idea generation and development and (b) the diffusion and adoption of the idea, whether the latter is science or market sourced. What changes are the linkages among, as well as the order of the tasks performed. The later models lay emphasis on the role of the firm as actor of a wider network. Integration of activities becomes, therefore, essential for the innovation success. In this network users might play a drastic role manufacture-wise, thus, the ability to identify these lead users can determine the firm's potential for success (von Hippel, 1988). From another perspective Akrich et al (2002) suggest that since the innovative company is part of an extensive network, the innovation success lies in making different actors of the network support the innovation in question, as well as select the appropriate spokespersons to promote the innovation in these influential groups. Last but not least, one should take into account that different actors might have different views on the innovation in question (Afuah and Bahram, 1995). An innovation e.g. which is architectural at the innovator level can be at the same time radical at the supplier level. As a consequence, innovators should avoid innovations that destroy current skills, knowledge and positive externalities and promote others that reinforce key concepts and linkages all along the value-added chain (Afuah and Bahram, 1995). In the same vein, the Society-Technology-Society movement postulates that technology and society are not independent constructs but on the contrary they affect and interact with each other (Bijker). In this sense, technological development should be seen as a social process that will be carried through by relevant social groups.

One would expect that since more advanced versions of innovation process models have been proposed, the old linear models would find no application areas today (Rosenberg, 1994). But are the linear models truly dead? Rothwell (1994) claims that all models exist in some form today but they are highly dependent on the industry and the country/market in question. In other words, pharmaceutical companies might tend towards a technology-push model, whereas FMCGs might rely on a need-pull model. In Japan highly integrated parallel innovation models are used but these are not so easily applicable to the western world, where companies might be using mostly the Third-generation innovation model (Rothwell, 1994).

2.2 Factors that Contribute to the Innovation Success

Apart from the models themselves, extensive research and empirical studies have shown that there exist several factors that affect and contribute to the innovation success. These factors are going to be shortly discussed in the following section.

2.2.1 Good Internal and External Communication Mechanisms

Communication is probably the most often recalled factor for innovation success and it comprises both internal and external information flows. Even in the early sequential models, communication was extremely important, as the intra-firm departments would otherwise act independently. One way to deal with this problem was to develop special boundary roles (gatekeepers), with the responsibility of transmitting information in and out of the firm as well as across the different departments (Schwartz and Jacobson, 1977 and Tushman, 1977).

As we move towards more advanced models of innovation, communication and knowledge management become even more central to the innovation process. Basadur and Gelade (2006) suggest that apprehension and utilization of knowledge allow for improvements in both routine and non-routine activities. To successfully innovate firms are called to successfully generate, conceptualize, optimize and implement information (Basadur and Gelade, 2006). From a similar perspective, Scarbrough (2003) suggests that HRM has an incrementally influential role in the innovative process, as it can significantly facilitate transmission of knowledge and shape the necessary skills and competences for innovative behavior.

2.2.2 Careful Planning and Project Control Procedures

The process of innovation is a problem-solving process divided into several smaller tasks. Since there are multiple solutions to a certain design problem, the way the project is divided into tasks will considerably affect the ultimate solution (von Hippel, 1990). Advances in problem-solving processes and experimentation methods, however, are expected to benefit the overall innovation process (Thomke et al, 1998).

Careful planning does not mean that the firm should insist on its initial plan. Tatikonda and Rosenthal (2000) suggest that both flexibility and firmness have positive results in the innovation process and that firms can balance the two to achieve an optimal outcome, irrespective of the degree of technological novelty.

2.2.3 Organizational design

The organizational structure is another determinant for innovation success. Literature suggests that success in innovation implementation requires both standardization and flexibility (Pierce et al., 1977; Lewis et al., 2002; Sagie et al., 2002; Drach-Zahavy et al, 2004), although there does not seem to exist an optimal mixture but it is rather industry and firm-specific. Several studies have also shown that treating innovation as a corporate wide task, rather than a senior management issue is necessary for innovation success (Weick and Roberts, 1993; Pearce and Ensley, 2004). Top management commitment, though, remains important as it can both inspire and facilitate innovative behavior in the organization. An interesting article by Clegg et al (2002) postulates that trust is implicated in the innovation process as a main effect. The authors specifically suggest two trust constructs that are associated with the suggestion of ideas (trust that benefits) and their implementation (trust that heard). In this sense, individuals will not demonstrate innovative behavior unless they expect to reap personal benefits.

2.2.4 External Factors

The innovative firm is not and should not be seen as standing alone, uninfluenced by its external environment. On the contrary innovation success largely depends on market structure, demand and cost expectations, unobserved heterogeneity and realized innovations in the previous year (Flaig and Stadler, 1994). This is much in line with the systems of innovation theory. The latter views the innovative firm as an open system: the external environment affects the ability of the company to innovate, which in turn affects the wealth of the external environment (Sundbo, 1998 and Edquist, 1997). Porter suggests that a firm's innovative ability is being determined by factor conditions, demand conditions, the presence of related and supported industries as well as the firm's own performance and that of competitors and supplements these four with influences from national government and chance (Porter, 1990).

K. Galanakis (2006) combines factors inside and outside the firm to the core innovation process to create what he calls the *creative factory concept* (Fig. 5). This is much in line with Ritter and Gemuenden (2004) who claim that both network competence and technological competence have a significant positive impact on a firm's innovation success.

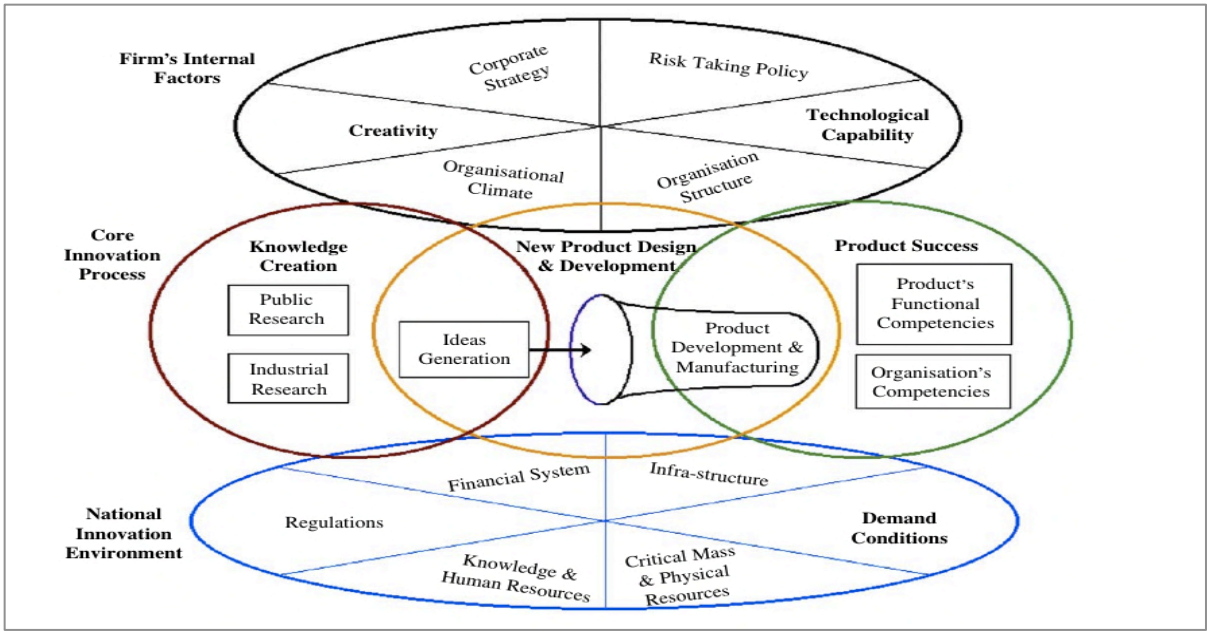


Figure 5. The creative factory concept (Galanakis, 2006)

To sum up the innovation process alone is not enough but several tools and competences contribute to the innovation success. These can be firm specific such as organizational design, and project control procedures or network specific such as interactions with other actors in the network and so forth.

2.3 The Cost Consequences of Innovation

As the innovation process models evolved so did the associated costs with them. The early generation models identified solely firm-centered costs, which were subsequently complemented by other actors' costs, as the firm was perceived as part of a network or system.

2.3.1 Costs Inherent in the Innovation Process

We have seen so far that technological innovation as a process consists of certain activities. Throughout the years the order of these activities as well as the linkages among them have changed to form different innovation models. Irrespective of order, however, or whether these activities take place sequentially or simultaneously, the activities as such, remain basically the same: Research & Development, Manufacturing, Marketing and Sales. In this vein, there exist a list of costs already put forward since the early techno push innovation model. These costs are now shortly presented in this paper (Stead, 1976):

- **Development costs** are commonly known as R&D expenses and include cash outlays required to produce the innovation and to pay for the abandoned projects along the way, as well as the opportunity cost of capital for each specific R&D investment.
- **Marketing costs** include the costs for market research and market testing, as well as the non-recurring costs of establishing distribution, maintenance and sales channels.
- **Financial and organizational costs** are the costs for financial planning and for raising extra capital, as well as retraining the personnel and doing all the structural changes necessary for the innovation to take place.
- **Cost of industrial design** includes for example the cost of design for aesthetic value, the cost for preparing the production drawings, naming specifications and so forth.
- **Tooling and industrial engineering costs** cover all the costs for changes in production, tools and machinery, which are necessary for the innovation. Here we can add the cost for software (Sirilli and Evangelista, 1998) as production methods and modes of experimentation become modernized.
- **Manufacturing start-up costs** are the costs necessary for the introduction of the new manufacturing activity, e.g. personnel retraining in the new techniques, in the use of new machinery and so on. As in every novel situation costs should be allowed for trial production runs and items damaged because of faulty equipment, procedures and/or operator errors.

The linkages between the activities in the innovation process are equally important from a cost-side perspective. We have already mentioned that innovation success heavily depends on smooth and incessant inter- and intra-firm information flows. This information, however, is often costly to acquire, transfer and use in a new location (von Hippel, 1994).

Due to the acceleration of technology development, shorter product life cycles and strong global competition, companies are faced with the need for accelerated product development (Rothwell, 1994). Innovation time can generally be reduced, by increasing innovation cost (Mansfield, 1988). This leads to increased R&D expenditure, at a time when the conduct of R&D in the high tech sectors of OECD economies has become hugely expensive.

In addition the outcome of R&D spending is highly uncertain and entails significant financial risks. Taking into account all the aforementioned costs that have to be realized in order for the

innovation to take place, we understand that innovation demands significant capital and resources, with no guarantee about the success of the innovation outcome. The accelerated product development in turn, should be viewed critically and treated with caution, to avoid costs that may not be obvious at first sight (Crawford, 1992).

2.3.2 The Hidden Costs of Accelerated Product Development

There has been significant literature, which stresses the importance of product development speed for the innovation success (Rothwell, 1994, Crawford 1992). While seeking to speed up product development, nonetheless, it is important to keep in mind that (Crawford, 1992):

- the firm's engagement in low-profit, trivial innovation might lead to overseen significant innovation opportunities.
- the need for acceleration coincides with the elimination of several steps in the innovation process that can lead to mistakes and miscalculations due to increased pressure, hence increased costs.
- pressure can have a negative impact on team management hindering the innovation process.

From another perspective Holmstrom (1989) suggests that mixing innovation with routine activities can be particularly costly, due to misallocation of risk and attention across different tasks.

2.3.3 Other participants' costs

So far, we have examined the innovator's costs but since the company does not standalone but operates in a network it makes sense to refer to other participants' costs as well. These might not seem relevant for the innovator at first sight but literature suggests that the success of innovation highly depends on complementary innovations (Afuah and Bahram, 1993). Tushman and Anderson (1986) discern two kinds of innovation depending on whether the latter enhance or destroy the knowledge base of the network.

Other kinds of costs include psychic costs that are evidenced more in terms of resistance to change, or fear or inertia, and hard dollar costs associated with the acquisition and use of a new product.

In sum, several kinds of costs should be taken into account, when calculating the cost consequences of innovation. The direct costs, i.e. R&D costs, marketing costs, financial and

organizational costs, cost of industrial design, tooling costs and manufacturing start-up costs represent only a fragment of the total cost of technological innovation. Unless indirect costs, such as opportunity costs, costs related to accelerated product development and customer-side costs are taken into consideration, one does not have a complete view of the total cost consequences.

2.4 Cultural Innovation

From all the aforementioned it is obvious that there is a considerable amount of knowledge regarding the technical innovation process. The cultural innovation process is far less explored, as it was only recently introduced, at least from a business perspective.

Holt and Cameron (2010) claim that cultural innovators are brands that provide consumers with an innovative cultural expression. According to the authors cultural innovators are advancing an innovative ideology, through the use of the appropriate myths and cultural codes that shakes the prevalent practice and ideology in a market by providing consumers with a cultural expression that they highly value and adopt (Cultural Strategy, 2010). It is hence evident that ideology, myths and cultural codes are all indispensable parts of a successful cultural expression. A short definition of the terms used follows (Holt and Cameron, 2010):

Cultural expressions: abstract constructs, which describe and indicate how we view the world and our place in it. It is these expressions that make us perceive something as moral or human etc.

Ideology: a specific aspect of cultural expression, shared by a large group of people and perceived as *truth*. Ideologies are concepts that can be expressed in multiple ways (e.g. masculinity)

Myths: instructive stories that serve as a means to communicate ideology (e.g. Marlboro cowboys)

Cultural codes: the short-ways that allow consumers to easily understand the ideology conveyed through the message (e.g. cowboys without bosses or machines to suppress their masculinity)

Holt and Cameron (2010) suggest a six-stage model that serves as basis for the development of the appropriate cultural strategy. The model is not linear but interactions between the several stages that move the process back and forth are expected. These six stages are:

1. Map the category‘s cultural orthodoxy
2. Identify the social change that can disrupt the orthodoxy
3. Disclose the ideological opportunity
4. Gather the appropriate source material
5. Apply cultural tactics
6. Design the cultural strategy

It is worth noticing that the model provides solid ground for the development of cultural strategy, necessary in the cultural innovation process, it does not coincide, however, with the innovation process itself. It still remains to explore the nature of the cultural innovation process, thus, an in-depth empirical study is warranted. To understand cultural innovation in a manner that it can be commercially viable and replicable it is important to understand the nature of the process. Which activities are inherent in the cultural innovation process? How are they linked? What tools and competences contribute to the innovation success? What cost consequences can we expect from engaging in cultural innovation?

3. Methodology

3.1 Overview

Although there has been extensive literature about technological innovation, cultural innovation within a business context is a new concept and still unexplored. Holt and Cameron (2010) introduce the concept of cultural innovation providing examples of cultural innovators but the nature of the cultural innovation process remains to be explored. The present study aims to identify the activities inherent in the innovation process hence provide a first step towards the understanding of the cultural innovation process.

The paper however will not be limited in analyzing the nature of the cultural innovation process but it will further seek to compare and contrast the two different innovation processes, i.e. cultural and technological innovation processes. For this reason and on the grounds that

the process of technological innovation, although it has evolved in the course of time to formulate different models, still remains country and industry-specific (Rothwell, 1994), I found it appropriate to present and compare examples of innovation processes within the same industry. As a consequence, the selected industry should be characterized by a certain degree of technological innovation, whereas at least one of the actors in the industry should have shown signs of being a cultural innovator, recently or in the past.

In the selection of the appropriate case there were two important bounding factors:

1. The company should preferably have its headquarters in Sweden, as innovation is normally an issue taken care of centrally.
2. The innovations should have proven their success in the market, consequently too recent examples both of technological and cultural innovation had to be excluded.

With these limitations in mind, I found Snickers Workwear AB to be an excellent innovator case both from a technological and cultural innovation perspective.

3.2 Research Design

The research method used in the present paper was the case study, which entails the detailed and intensive analysis of a single case (Bryman & Bell, 2007). The aim of the case study is to elucidate the particular nature and perplexity of the case in question. Contrary to the cross-sectional design, the case study generates results that are unique and case-specific and therefore, cannot provide a basis for generalized statements that apply irrespective of time and place. In this paper the case consists of a single organization, Snickers Workwear AB. The emphasis is laid upon the intensive and in-depth examination of the organizational setting so as to elucidate the nature of different kinds of innovation processes that took place in the company.

The case study design favors particularly the qualitative methods of research, which facilitate and support the detailed and in-depth examination of the case, although quantitative methods are possible to use as well (Bryman & Bell, 2007). The single case design was opted as opposed to the multiple case design, for the reason that it enables for complete contextual insight focusing on a single organizational setting (Dyer and Wiikins, 1991).

To avoid too great a reliance on a single method and in order to crosscheck the data generated, Knights and McCabe (1997), suggest that several qualitative methods should be combined. In the present paper, semi-structured interviews were triangulated with data from marketing campaigns, press releases, a book, magazines and newspaper articles to provide a solid basis for analysis. Triangulation means that one uses different sources of evidence focused on the same specific phenomenon (Yin, 2003). Bloch (1953) further supports this view, stressing that different sources should vary both in kind and number. The relationship between theory and research was an inductive one, where the research findings were used to reconstruct an image of the different kinds of innovation processes and the success factors surrounding them.

In this case study, similar sources of information were used for each of the two innovation processes, as different methods could lead to devious results. First of all, the semi-structured interview method was employed so as to identify the several steps in the innovation processes, as well as the tools and competences in-place for innovations to succeed. I opted to use this research method because it allowed for a great degree of flexibility when retrieving primary data from the respondents. The semi-structured interviews allowed for generation of unexpected data, as respondents were offered the flexibility and were encouraged to discuss any issue they considered relevant, offering a more holistic view to the phenomenon under investigation. The primary data from the personal interviews were then supplemented and triangulated with the secondary data to present the phenomenon in a more holistic and more reliable way. As these data were not produced on request of the researcher, the possibility of a reactive effect can be largely discounted as a limitation on the validity of the data (Bryman & Bell, 2007).

For the sake of balance, the researcher wished to have the same amount of interviewees for each type of process, but as this dates back in the 1970s-early 1980s, her efforts to reach former company employees did not pay off. This was resolved, however, by reaching the key character behind cultural innovation at Snickers, Matti Viio. The findings from the interview were then triangulated and supplemented with secondary data retrieved at the Centrum för Näringslivshistoria and a book from the founder of the company Matti Viio (Följden av att bli förbannad-den mustiga berättelsen om entreprenören Matti Viio berättad för Pelle Jansson, 1996).

3.3 Participants

In order to determine the nature of the cultural and technological innovation processes as well as the necessary tools and competences for their success, a total of 3 respondents, active within the company at the time, were asked to participate.

The qualified interviewees at Snickers Workwear AB were in alphabetical order Mats Andersson, Supply Director at Snickers, with long experience in the company since the early 1980s and the apparel industry in general, Henry Lundberg, Manager of Product Management Workwear at Snickers since 2005, with long experience in the consumer and outdoor garments market and Peter Simonsson, Marketing Project Manager and member of the Snickers marketing team since 2004.

The snowball sampling procedure was then followed to identify other potential interviewees, who, however, turned out to be inaccessible. In this sense, the sample can be said to be partly convenient and opportunistic, since not all potential respondents were within reach.

In an effort to illuminate the early years of the company, the researcher further tried and managed to reach the prime actor of the cultural innovation process at Snickers, Matti Viio. Others actors from the early years of Snickers turned out to be inaccessible.

As for the content of the interview guide, this was similar for all respondents, but not identical, as representatives from one department were expected to have department specific knowledge that the other could not possess. It should be mentioned, nonetheless, that the semi-structured interview format allowed for increased flexibility in the retrieval of data, so that general, important knowledge is not overseen.

3.4 Instruments

The semi-structured qualitative interview was employed as the main data-gathering instrument for part of this study (see Appendix). The researcher used an interview guide, which was similar (not identical) for all respondents at Snickers Workwear AB acknowledging that the questions posed should be relevant to the respondents. The interview guide was divided in two major sections: the profile and the interview proper. The profile includes personal information about the respondents' experience, background and position in

the company. The interview proper explored the personal perceptions of the employees regarding the work wear market, the innovation processes in general, the innovation processes at Snickers Workwear AB, the tools and competences required for innovation to take place and the conditions at Snickers Workwear AB, which facilitate or hinder the innovation process. Finally the interviewees were asked questions regarding the costs inherent in the innovation process. In addition, questions that are not included in the interview guide were asked as follow-up of the interviewees' comments and responses, whilst the interviewer allowed room to pursue topics of particular interest to the respondents.

The interview guide for Matti Viio was a bit different although care was taken to cover all necessary aspects. The researcher had already read the book 'Följden av att bli förbannad' by the time of the interview that allowed her to dig deep in research areas that the book fell short of explaining.

Before the actual interviews, the researcher introduced the research purpose and informed the respondents about the content of the interviews in the form of topics for discussion. The interviews took place at the headquarters of Snickers Workwear AB at Sollentuna, Sweden and were recorded and transcribed with permission of the participants. The duration of each interview was approximately 1,5 h. Time was spent on the premises before and after the interviews. There are several reasons for conducting the interviews in the organization's offices. To name but a few, it creates a relaxed feeling for the interviewees which results in easier discussions and it allows for observation of the employees in their natural environment (Yin, 2003). The interview with Matti Viio took place via Skype due to lack of physical proximity and was one hour long.

According to Yin (2003) the use of multiple resources to triangulate results increases the quality of the case study. Furthermore, documentation that has not been produced on request of the researcher is valuable for triangulation of results (Bryman and Bell, 2007). Before conducting the interviews, the researcher investigated the company's website and press releases, as well as competing websites. The focal interview with Matti Viio came later, at a time when the researcher had in her disposition all the data that were subsequently used in the thesis.

Documentation was requested from the company and partly received. Old documentation from the 1970s and early 1980s was no longer available in the company and the researcher turned to Svenskt Näringsliv for all relevant information.

3.5 Research Quality

3.5.1 Reliability

Reliability concerns ensuring that the same results and conclusions would be reached if the study were to be replicated by a third party. Yin (2003) suggests that documentation of the procedure is necessary for this purpose. To increase reliability of the present paper, the researcher recorded the interviews and then carefully transcribed the answers, which subsequently documented in interview guides. Only the interview with Matti Viio was not recorded due to technological limitations, the researcher however took notes and wrote down the answers to the questions posed immediately after the interview. The method used was described in detail, so that the reader understands the connection between the data available and the researcher's reasoning.

Yin (2003) suggests that interview transcripts should be made available to future researchers. Giving free access to secret company information that was disclosed throughout the interviews would raise however, ethical considerations regarding the trust and the collaboration between the researcher and the company. Consequently, future researchers will have to gain own access to the relative information. From a different perspective LeCompte and Goetz (1982) claim that it is impossible to replicate the social setting in which the data were collected, therefore differentiation of the findings is unavoidable to some extent. Other than that, a significant part of the dissertation is based on secondary data that can be easily accessible to all interested parties.

The small interviewee sample might be considered as another reliability weakness, although the representativeness of the sample along with the criteria set to guarantee pertinent information advocates to the contrary. To counter personal bias on behalf of the interviewees, the researcher crosschecked the answers with the answers of other interviewees and the secondary data available.

Internal reliability could emerge as an issue, on condition that there was a single author for the present dissertation. The researcher, however, tried to remain objective and always based her argumentation on crosschecked findings to reduce as much as possible the impact of personal bias. In the same vein and to the best of my knowledge I avoided leading questions that could affect the reliability of the interview results.

Finally, as far as reliability of the documentation used is concerned the researcher did her best to take into consideration the purpose and the target audience of each publication.

3.5.2 Validity

Validity refers to the integrity of conclusions produced through a research (Bryman and Bell, 2007). Yin (2003) distinguishes three types of validity, namely construct, internal and external validity.

Construct validity measures how well the investigator approached the case in order to realize the purpose of the study. Absence of data triangulation negatively affects construct validity. For this reason the researcher made sure to use multiple sources of information. Interviews were conducted with persons from different departments of the company under investigation to guarantee an as wide perspective as possible. To further increase construct validity I made sure to have enough theoretical information before the interviews, so that I can design the interview guide to collect as much information on the subject in question as possible.

Internal validity refers to whether or not there is a good match between researchers' observations and the theoretical ideas they develop. To strengthen internal validity, the researcher took care to involve interviewees directly related to the research questions, who could subsequently guarantee a degree of expertise on the issue in question.

External validity refers to whether the findings are generalizable beyond the specific (Bryman and Bell, 2007). Single-case studies have been criticized for lack of external validity. The latter can however be increased as long as the case seeks to "generalize a particular set of results to some broader theory" (Yin, 2003).

4. Empirical Presentation

Although this study is focused on a specific Swedish work wear brand, I considered it appropriate to first provide some background *information for the work wear market in general, that will help the average reader better understand the framework in which the firm in question operates. Thereinafter there is a short presentation of Snickers Workwear AB followed by historical data, which form the setting in which the cultural innovation was introduced. This is followed by a presentation of the data I have accessed in terms of interviews and printed material, such as books, magazines, old strategy documents and marketing campaigns.*

4.1 Background Information

4.1.1 The Workwear Market in Western Europe

Work wear is heavy-duty clothing for physical or manual work (Oxford Dictionaries, accessed 30/3/2011) and is often used within various trade industries because it is provides increased durability and safety for the wearer.

The work wear market is witnessing rapid changes across Western Europe (Frost&Sullivan, 2006). Traditionally, sales have been dictated by price and quality, but increased demand for stylish work wear incited work wear manufacturers to rearrange their offerings with more emphasis on visual design. This does not mean, however, that visual design is taking over functionality, as protection for the wearer always remains top priority in the work wear industry. In the same report Frost and Sullivan (Western European Workwear Markets, 2006) claim that work wear is a mature market with approximately 750 actors in Western Europe. Growth opportunities still exist however for those who are willing to innovate.

4.1.2 North vs. South: The Two Main European Segments

The work wear market has long been divided in Europe into two major segments: North and South.

Apart from the EU norms that apply all around Europe, country-specific regulations for safety in the working environment imposed by the presence of strong labor unions and extreme

weather conditions have given another boost in the Northern Workwear Market. Today the market is characterized by high expenditure on Personal Protection Equipment [1](PPE) per employee and Nordic-originated brands, while comfort and fashion become increasingly important. The South segment on the other hand is not as advanced. There is low PPE expenditure per employee, whereas work wear brands are often substituted by casual Denim brands.

4.1.3 The Case Study: Snickers Workwear AB

Snickers Workwear was founded in 1975 by Matti Viio, as a protest against the work wear industry of the time. The company manufactures and provides work wear for professional tradesmen and service people. Since 2006 Snickers Workwear AB is part of the Hultafors Group and is one of the leading brands within the work wear industry in Europe, present in 20 countries through 6.000 dealers (Snickers, accessed 30/3/2011).
The company will provide the base for an in-depth qualitative study, allowing me to explore the different kinds of innovation processes, namely cultural and technological and the success factors around them, while at the same time offering a consistent and solid framework so as to avoid firm and industry related peculiarities that might lead to devious findings and observations.

Since its inception, Snickers has laid emphasis on improved functionality. Competing in an industry, where functionality is more of a prerequisite than a point of difference, Snickers depends on technological innovation to differentiate from competition and provide the market with more advanced offerings. As a result the company has received a number of patents for innovations in its garments (e.g. the KneeGuard system).

Technology alone, however, cannot explain the company's reason of being and success. Through Snickers Workwear AB, Matti Viio, advanced an innovative ideology that managed to shake the dominant practice and ideology in the work wear market by providing consumers with a more relevant cultural expression than competitors did.

For their contribution to society, Snickers was nominated by STU (Styrelsen för teknisk Utveckling[2]) one of the top 100 most important innovations in Sweden since 1945.

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[1] PPE refers to protective clothing, helmets, googles, or other garment designed to protect the wearer's body from injury

[2] The Swedish National Board of Technical Development

4.2 Empirical Findings

For reasons of simplicity I considered it appropriate to divide this section in two main parts: the Cultural Innovation Process and the Technological Innovation Process at Snickers. The section involves simple disclosure of the findings, which will be subsequently analyzed in Chapter 5.

4.2.1 The Cultural Innovation Process at Snickers

The section that follows is based on a great extent on the interview with Matti Viio as well as secondary data, especially the book "Följden av att Bli Förbannad: Den Mustiga Berättelsen om Entreprenören Matti Viio" (1996) and old company documents retrieved at the Centrum för Näringslivshistoria. To avoid constant repetition, references will be used when the information source is different from the aforementioned.

Sweden 1850- 1980: The Cultural Setting for Innovation

Protection in the workplace and environmental considerations although popular among all labor union agendas today, were practically inexistent in the 1800s. Sweden was on its way out of poverty but was still more of an agricultural economy as industrialism was not fully accomplished. The working conditions in the growing industry sector, may be unacceptable for modern standards, but back then they were for many people a preferred alternative to poverty or emigration. Workers were protesting against the poor working conditions, but with no strong unions by their side, these protests usually ended to the workers' detriment (Ingvar Söderström, 2007). The first Safety and Health Act was enacted in 1889. The law concerned protection measures in the workplace but shortcomings soon became apparent with accidents taken for granted in the everyday working life. To illustrate the magnitude of the accident-related problem in Sweden in the 1890s, it is enough to mention that the average life expectancy of a worker was 44 years (Ingvar Söderström, 2007). A new law was enacted in 1912 only to become obsolete a few years later due to rapid industrial developments. In the meantime unions were pressing the government for better working conditions. The solution was given in 1949 with the foundation of the Safety Council (Arbetarskyddsnämnden), which still had a long way to go before real changes were made in the industry for the worker's safety and protection.

The Swedish Working Wear Industry: 1850-1972

Work wear equipment became increasingly important at a time when safety and protection in the workplace stood in the spotlight. Initially a luxury that only big companies could afford, work wear equipment ended up an attraction employed by recruiters. Unions started demanding free work wear (Ingvar Söderström, 2007). Despite all technological evolutions and advances of the time, especially with regard to tools and working methods in order to speed up industrialization, work wear was still the "*same as in the mid-19th century*" (Snickers, accessed 13/04/2011)

With the collaboration of STU, the Safety Council (Arbetarskyddsnämnden) decided to produce new improved work wear. Mixed fabrics of cotton and polyester came to replace the old ones made solely out of cotton. The mix of the fabrics turned out advantageous in many ways but soon ended up problematic. Skin itch and rash after the first washing added to the workers' safety and protection problems (Ingvar Söderström, 2007). In 1969 Fristads and Slitman received from STU 1.5 million SEK in order to develop advanced work wear. The result could be summarized in minor changes. Outraged by the incompetence of contemporary work wear manufacturers, an electrician decided to make his own workwear. That electrician was no other but the founder of Snickers, Matti Viio. "*One day, I went home from work and designed my own garments to work in! That was my protest against the established work wear industry. I wanted to show that we workers have pride and know-how, and that our need of respect is the same as that of all other groups in society*" (Matti Viio). Is this protest a random incident? It could be but it is hard to neglect the cultural setting in which it took place. Matti's protest coincides with the end of the big leftish-wave in European politics. Protests constituted a global phenomenon in the 1960's that culminated with the student protests in 1968. Civil liberties, racism, feminism, anti-war and ecological movements figured mostly in the protestants' agenda. People had a voice, put forth their dissatisfaction and fought for a better future. In Sweden major worker strikes broke out in 1969 and were said to be the most intense and most violent in nature since 1945 (International Socialism, 1970). The strike in the port of Gothenburg involved 1.000 workers, which is a considerably high figure for the Swedish standards and the miners' strike in Northern Sweden involved approximately 5.000 workers (International Socialism, 1970). Revolutionary ideals were clearly around and Matti's indignation seems to be very much in line with the general sentiment among workers of the time.

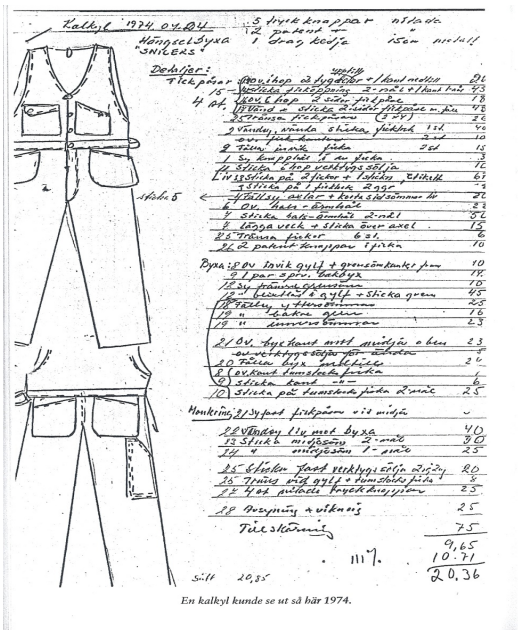
The Category's Cultural Orthodoxy

At that time (1972 and backwards) all manufacturers had the same kind of work wear with hardly any differences in terms of design, quality and price. The competition was practically inexistent in a segmented market were incumbents protected by the law, which defined work wear as mandatory, did not feel the urge to change and develop but rather seemed satisfied with their assigned markets and did nothing to increase their shares. Back in the 1970s there were only two work wear products: a pair of trousers and a vest.

As a result of this silent agreement, the work wear equipment, which was supposed to protect the wearer, hardly fulfilled its mission and original purpose. The garments failed within a couple of weeks and workers had to either keep working with them until the got the new ones or did not wear them at all (Ingvar Söderström, 2007). This was however how the industry worked and workers were too conservative to demand any radical changes or even understand that a radical change was necessary, simply because that was the way they had learned to perform their work, and their fathers before them, and their fathers' fathers before them and so on.

The Ideological Opportunity: Help the Craftsman Perform Better While Giving Him Professional Pride and his Company Status and Image

The fact that current work wear manufacturers undermined the workers outraged Matti who decided to solve the problem alone. In his opinion, it was inconceivable why these big players could not come up with better work wear. "*Their workwear was terribly boring, had no function and made us look like idiots*" (Matti Viio, 2011). Based on his own experience and needs at the workplace, he drew his first designs on his kitchen table, consisting of a vest, a pair of trousers and the first holster pocket. The next morning he showed his sketches to his co-workers who, contrary to his expectations, did not show any interest. The workers could simply not understand



Picture 1. A cost calculation in 1974

and see any benefit in Matti's functional work wear. The industry had always been the same and obviously a sketch was not enough to stir interest and demand.

Matti, however, believed in his idea and spent all his free time developing it. He wanted to make a prototype so as to have tangible evidence that he was right. He finally found a seamstress who agreed to sew his garments. The result was a red slim outfit with bell shaped pants (pic.2), which were by the way very fashionable at the time. As he himself describes in his book, the outfit was intentionally extra slim, so as to provoke his co-workers, who were normally dressed in baggy outfits, and attract their attention.

Although Matti was enthusiastic about the result, he did not dare to wear it at his current workplace for fear of discouraging and "*heartbreaking*" comments from his friends. He decided to test it in another work setting with people he had never seen before. Matti received positive comments from the other workers, which encouraged him to continue.

Apart from the improved functionality, which was definitely needed at the workplace, Matti's work wear were intended to solve another problem: how other people perceive workers. One day Matti put on his old work wear to go to work and as his hands were full of tools and other stuff that he needed to perform his duties, he could not open the doors. People were just ignoring him and passed him by. The next day he put on his new work wear and went again to the same building but this time he was treated completely differently. The office people's rejection had been lifted in front of the nice and professionally looking "*installman*" (not worker!).



Picture 2. Matti Viio dressed in his first work wear

At this point it is important to understand, however, that when it comes to work wear, it is not enough to proclaim better ideology, as the product is intended for usage in a professional setting. Functionality and good quality are necessary prerequisites without which any other claim fails to guarantee repeated purchase. **It could be said that functionality and quality protect the brand from low-cost competition, whereas cultural expressions help the brand differentiate from high-end competitors.**

Matti believed and wanted to prove that the profession of the tradesman is not of a lower status. On the contrary, tradesmen are necessary in society and professionals in what they are doing. Appearances, however, have always been important as people do judge a book by its cover. To be consequently perceived as professionals from the other groups, craftsmen should look professional as well.

Matti understood that his work wear had potential in the market and tried to sell his designs to any of the eight Swedish work wear manufacturers of that time, without succeeding however. "*You should turn to NK* [3] *because workers don't wear this*" was amongst others a comment that he received from the Sales Manager of Imargo in Stockholm. Matti did not manage to sell his designs but with the help of Imargo's past production manager, who had quit the company and was now competing with them with his own factory, he produced a small amount of the first Snickers garments. Matti sold by direct selling, meaning that he went himself to construction sites and sold his garments. His tough financial situation, caused by his high expenses and the fact that he had no longer time to work as an electrician, incited him to continue trying to sell his idea to market incumbents. In the meantime, Matti's work wear gained in popularity and this was noticed by STU who suggested cooperation between Fristads and Matti. His entrepreneurial instincts led Matti to turn down this proposition and for the first time he considered founding his own company. The Swedish textile industry was at the time (1973-1974) at a severe crisis as most of the companies preferred to transfer their production in lower labor cost countries. The most significant drop was in the light textile industry, meaning underwear, female garments etc.

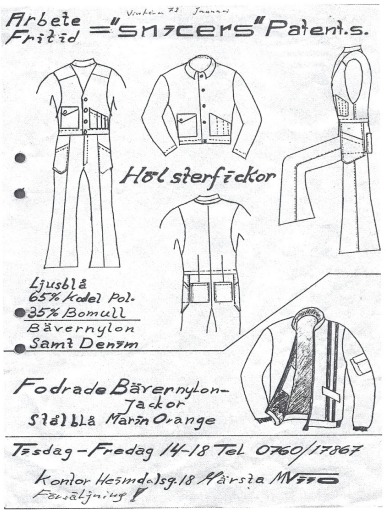
The first large-scale production was realized in cooperation with AMS (Arbetsmarknadsstyrelsen). Matti kept direct selling at construction sites but sales proved a

[3] NK (Nordiska Kompaniet) is a high-end shopping mall in the center of Stockholm

tough task to deal with. Workers did not know Matti and viewed him as another salesman. The fact that he used to be one of them helped Matti understand how they felt and why he was often rejected and as a consequence he achieved better results. Once he understood that there was enough demand for Snickers, he abandoned this technique, namely direct-selling on the construction sites. The workers now demanded Snickers work wear from the retailers and Matti was in a very good position to negotiate with them. He founded Snickers Workwear in 1975. The first real Snickers office with warehouse and distribution was located in a 30m^2 facility in Stockholm and employed two persons, including Matti.

Already by then, Matti knew that work wear should have a triple function: be functional and qualitative so as to protect the wearer and help him perform his duties, be nice and look professional to assist the wearer reflect his professionalism to others, being a worthy ambassador of his employer. This will be imprinted in the company's philosophy: "*Snickers shall provide professional tradesmen and companies with functional and comfortable work clothes to give the individual self-confidence and professional pride and his company image and status (...)*" (The book of Snickers). The cultural innovation was not just an abstract idea in Matti's mind but was obvious and central part of all strategy documentation. Snickers would consciously try to change the industry with: "straight and simple designs with smart details different from those of traditional work wear".

Marketing: as important as design and production



Picture 3. Matti's own hand-made ad

Thanks to Matti's constant efforts already 200.000 workers knew about Snickers before the company's first communication effort targeted to the wider public. Before that Matti used to draw his own posters that placed in construction sites. Already by then, Matti was preaching that Snickers garments are both functional and nice-looking that can be used either for work or leisure (pic.3).

The success of Snickers can be attributed to its marketing activities, as much as to its design and production. Bengt Liljestam from Reklambyrån XXVI was the person responsible for Snickers' communication since 1975 and until recently. Bengt realized that

although work wear was a low-interest niche product, Matti's story was unique, inspiring and definitely something to rely upon. The story of Snickers represented a rebellion against the textile industry of the time, demanding that the profession of the worker is not seen as one of lower esteem. The emphasis was not put on the garments themselves but on what Snickers stood for.


Elektrikern som blev förbannad och gjorde sina egna yrkeskläder

Det är både hantverkare, montörer och arbetsledare glada för...

Det pratades mycket och länge bland experter om hur riktiga arbetskläder skulle vara beskaffade för att fylla yrkesmännens krav på komfort, rörelsefrihet, styrka och anpassning till moderna verktyg och maskiner. Resultatet blev klent. Vi gick där fortfarande i vara säckiga och dragiga blåställ med hängslena neré på armbågarna och skjortan utanför.
En vacker dag ilsknade jag till. Gick hem och ritade mina egna yrkeskläder. Jag visste hur dom skulle se ut. Jag jobbade själv som elektriker.
Som du ser skiljer dom sig från allt som finns på marknaden. Och det inte bara till utseendet. I varje detalj har jag satsat på kvalitet. Jag räknar med att t ex fickorna i Snickers (jag har döpt kläderna till det) ska hålla ungefär dubbelt så länge som i vanliga arbetskläder vid normal nötning.
Snickers är förstås dyrare än vanliga blåställ. Men ser man till livslängden så blir dom betydligt billigare.

Snickers

Många arbetar redan i Snickers

Byggnadsarbetare hos Kullenbergs, svagströmselektriker hos LM Eriksson, rörarbetare hos Björnbergs Rör, elmontörer hos Vanadis, Calor-Celsius, och BPA . . . Listan kan göras lång på yrkesmän som redan arbetar i Snickers.
Byxorna finns med både fasta fickor och hölsterfickor. Det finns en jacka som är anpassad till modellen och t o m en mössa i matchande modell.

BAEVERNYLON
Snickers är tillverkade av kraftig smuts- och vattenavstötande Baevernylon. (50 % bomull 50 % nylon.)

LAGOM BENVIDD
Inte för stora upptill, inte för smala nedtill! Kan lätt dras över skor och stövlar

BREDA FÖRLÄNGNINGSBARA AXELBAND
Glider inte ner. Rejäl vidd i ärmhålan ger bra ventilation och rörelsefrihet.

TVÅ RYMLIGA BRÖSTFICKOR
Den ena med lock för plånboken. Den andra med knappar för kniv.

HÖGT UPPDRAGNA SIDOR OCH HEL RYGG
Skyddar mot drag och smuts.

FYRA HÖLSTERFICKOR
Bekväma, lätta att komma åt, hänger rakt ner även när du står på knä. Ger maximal rörelsefrihet och nöter inte på benen.
Inget foder utan två lager Beavernylon. Det håller länge. Vändsydda sömmar, som inte nöts.

DUBBEL MÅTTSTOCKSFICKA OCH HÖGT PLACERAD HAMMARHÅLLA
Lätt åtkomliga på höger sida. (Hållan ska klippas bort om den inte används.)

TRYCKKNAPPAR I ÖVERDELEN

BLIXTLÅS I GYLFEN

Fråga efter SNICKERS i affärer för yrkeskläder.
Tillverkare och leverantör
M. Viio Box 563, 191 05 SOLLENTUNA 5
(OBS ny adress och telefon 08-96 87 70-80)

KUPONG FÖR INTRESSERADE
☐ Ring för information om Snickers
☐ Intresserad av återförsäljning
NAMN
FÖRETAG
ADRESS
POSTNR POSTADRESS
TELEFON
Var snäll, skriv tydligt

SNICKERS MODELL 0211 MONSTERSKYDDAD

Picture 4. The first ad: The Electrician who got hopping mad

"The electrician who got hopping mad and did his own work wear" was the first Snickers one-page ad in Expressen in 1975 (pic.4). This single exposure cost 24.000 SEK, which was double the amount of Matti's marketing budget for the whole year. The ad, nonetheless, was met with very good results, with Snickers receiving about 500 serious replies to the ad and the company's turnover increasing from 1.5 million to 28 million SEK.

"The electrician who got hopping mad" became ever after the 'trademark' for Snickers. The same theme "The electrician who got pissed" would be the central theme in all subsequent communication efforts. The only thing that changed was the angles and the pictures depending how the market was changing. In the end, the electrician and the brand became one.

Representing a fight for a noble cause, Matti Viio became well known all around Sweden and that was only the start. The Snickers sales increased dramatically as more and more end-users wore Snickers: Matti was one of them, he knew by first hand the market needs, was honest and strived for their best against the powerful industry. Although working wear is a niche market, Matti made sure to have a strong presence in the mass media to take advantage of viral marketing. And since his marketing budget was limited, he made sure to make the best out of every exposure. For his provoking and rebellious acts, he often received extensive publicity.

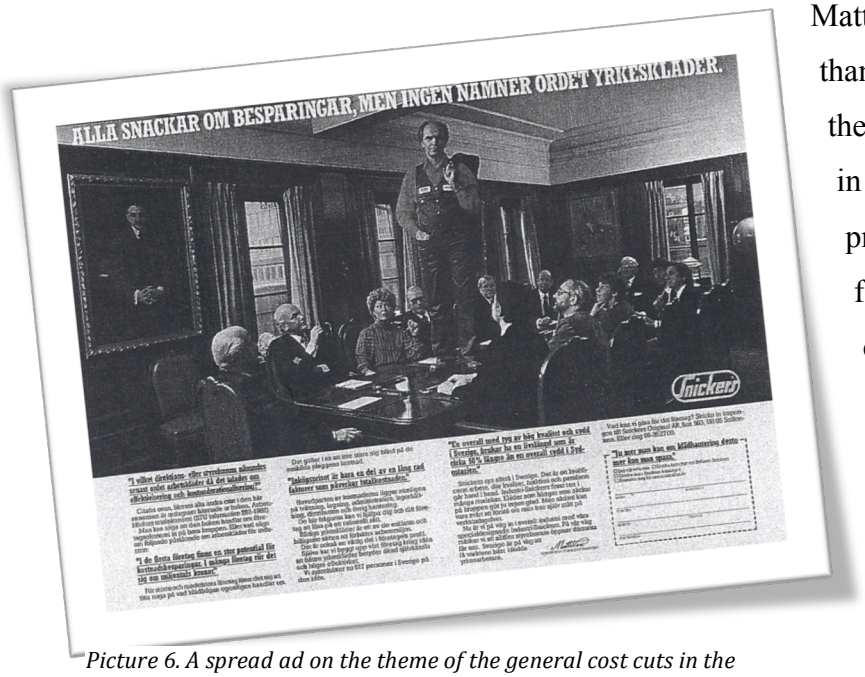


Picture 5. Matti Viio hanging from his vest on Queensboro Bridge, New York

"There is no shortcut to better work wear" and no limits to what Matti subsequently did to show his trust in the brand. "*If you want to develop working wear, you have to test it*" ("Vill man utveckla yrkeskläder, får man prova sig fram") claimed Matti who would be seen jumping and hanging from his Snickers vest at Queensboro Bridge (pic.5), a picture that was named the advertising picture of the year in Sweden in 1985, hanging from a chopper holding on a 50 meter long string consisting of Snickers garments, walking through fire with the Snickers anti-flame equipment and so forth. In every single exposure Matti was provocative and rebellious.

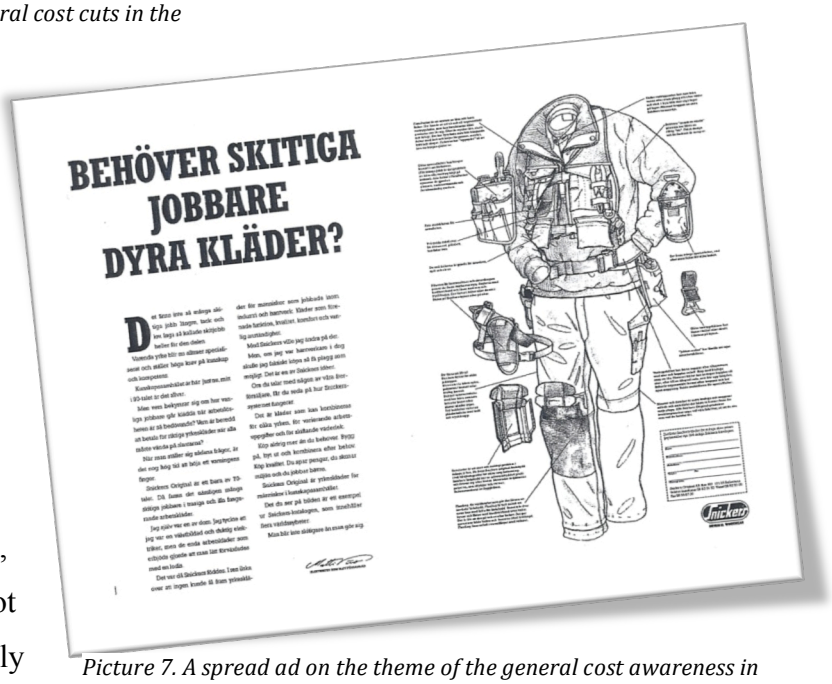
"There is no shortcut to better work wear. Every Snickers garment holds a unique solution to give you who works in it a better situation both when it comes to environment, health, efficiency, security and working pride"

(Excerpt from the abovementioned ad shot in NY)



Picture 6. A spread ad on the theme of the general cost cuts in the beginning of the 80's

Matti was much more for Snickers than simply the founder: he was the company's soul. His presence in all marketing communications provided the company with a face. Snickers, contrary to competitors, were not an impersonal organization but had flesh and blood. Matti signed the majority of the company's communication. "The electrician who got hopping mad", was sometimes replaced by "the electrician who got on fire" and subsequently when Matti became more famous by "the electrician who…". Several times Matti and Snickers got awarded for their marketing efforts. In 1982 Matti was voted as Marketer of the Year (Dagens Industri, 28/10/82) whereas in 1998 Snickers got awarded for long-term internationally durable concept in their profile advertising by 100-wattaren.



Picture 7. A spread ad on the theme of the general cost awareness in Sweden 1996

In many occasions, Matti put the spotlight on hot social issues in an effort to balance the otherwise extreme circumstances. At a time when there was extreme focus on cost-cutting and efforts to restore the Swedish competitiveness, Matti would be seen standing on a boardroom table and claiming that "dirty workers do need expensive workwear", because quality is not an alternative but a prerequisite when it comes to workwear (pic.6 and 7).

The Snickers communication could be characterized by great consistency in all touch points. The electrician was present not only for the sake of the public but also on the promotional material sent to dealers and other third parties, in the company's hiring ads, even at the fair trades promoting and selling Snickers. When Matti was not the central theme, his story took over. Termosen (The Thermos) was a two-part video starring the popular Swedish actors Janne Carlsson and Gösta Wälivaara in 1981 that portrayed in a funny yet instructional manner the idea of Snickers. The video was to be shown during trade fairs but it became so successful that customers (dealers, franchisees) wanted to buy it, whereas labor unions often borrowed it to have it as entertainment. The video won the 1st prize in category video production in Sweden in 1983 and the 2nd place in Cannes against all videos in Europe.

The promotion of Matti's story was not just a marketing gimmick to increase sales and improve the Snicker's brand image. What Matti was interested in and stressed it in his marketing goals was to "*force our competitors in the industrialized world to change their products and their views on the customers*".

"We are not selling clothes,
we are selling a better way to work"

(Excerpt from ad in Dagens Industri, 28.10.82)

Going back to Holt and Cameron, Snickers cultural innovation is portrayed by a distinct ideology as portrayed through myth and cultural codes (fig. 6). Protesting against an unfair status quo, the Snickers myth lies in that societal discrimination based on profession can be overcome by improved work performance and enhanced external appearance. The cultural codes are incarnated in Matti who represents the smart and daring worker who can do anything with the appropriate protection equipment.

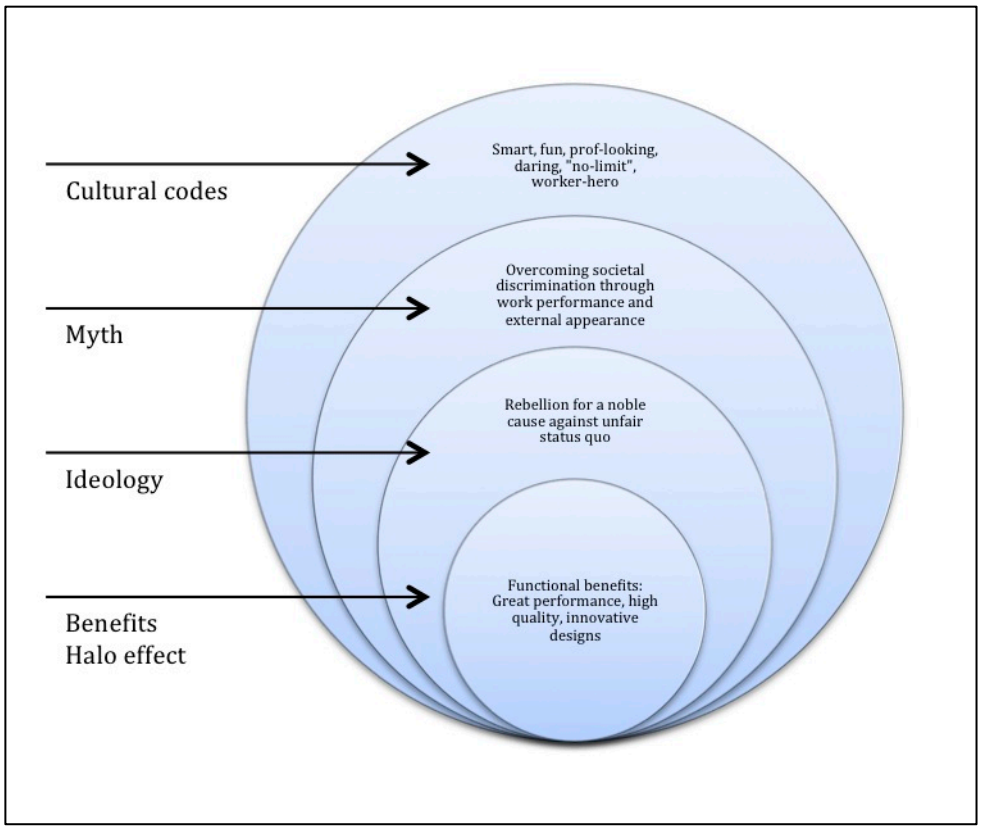


Figure 6. Cultural Innovation at Snickers

After Matti left the company in 2006, Snickers changed their communication, in the sense that the electrician is no longer part of the message, they maintained however the essence: "Fighting for better work wear" (pic.7).



Picture 7. Current Brand Marketing

The Cultural Innovation Process

From all the aforementioned it is obvious that the cultural innovation process at Snickers was a long process that started even before the company was officially founded (fig.7).

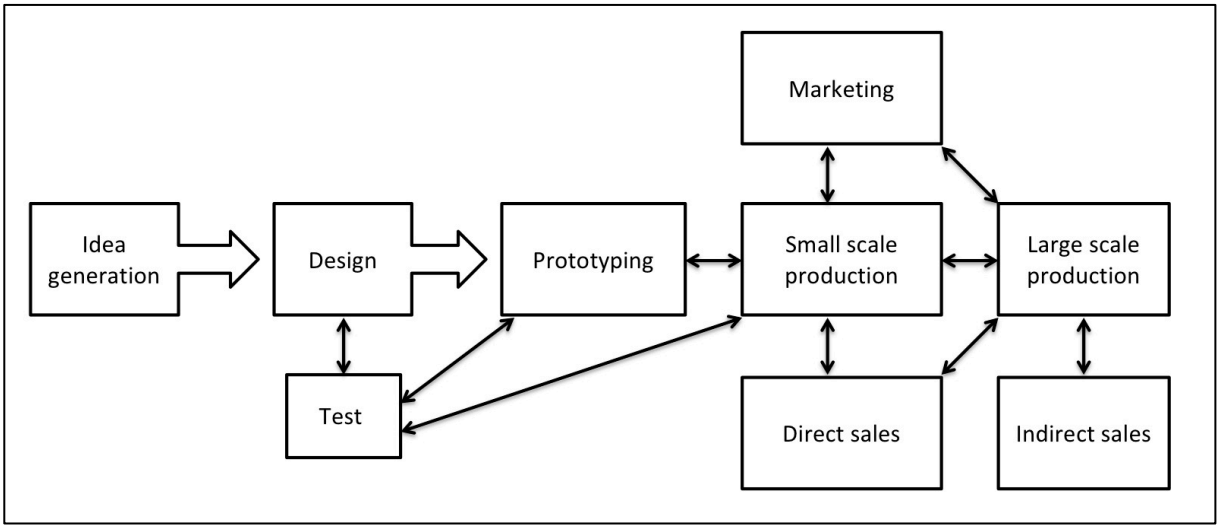


Figure 7. The cultural innovation process at Snickers

The idea came from a need for a better ideology in a market that had been innovation-wise sterile and slow moving. The worker's need for improved functionality was supplemented with the person's need for pride and recognition and took a step further to reflect the employer's image and status. The testing of the market began even before the prototyping with Matti showing off his designs to his co-workers. After the first prototype, Matti wears his unique Snickers to test the market and the Snickers potential before he proceeded to a small-scale production. Testing was essential due to demand uncertainty and limited resources. Through direct selling, Matti managed to test not only his selling abilities and his garments but also the whole Snickers idea. Marketing was part of the process already at an early stage, although it was quite limited in scope and reach. The success and recognition from the public did not arrive until a large-scale production was realized and mass media communication transferred the Snickers message and story to the wider public.

This process, which would subsequently reflect the core of Snickers' concept, turned out to be the recipe for success, when examining the international expansion of the brand and its entry into new markets. The Snickers would not succeed in any market without previous direct sales and slow introduction of retailers. When the market was prepared marketing would guarantee to spread the word in the mass market.

Actors Involved in the Cultural Innovation Process

Intra-firm

Matti Viio is a key character for the Snickers success. As he himself performed several roles from different positions in the company, the cultural innovation was not merely a top management issue but involved the whole corporation. The corporate culture and the company's philosophy incited each and every employee to become a Snickers ambassador, who was encountered with the Snickers story and idea already from the hiring ads.

Extra-firm

Apart from Matti Viio three actors in the network can be credited with the success of Snickers. These will be shortly discussed:

The advertising agency

Snickers owe largely their success to Reklambyrån XXVI and more precisely to Bengt Liljestam, responsible for Snickers advertising and mass media communication. It was Bengt who identified the importance and uniqueness of Matti's story and turned it to the central theme of Snickers communication. Functional attributes had turned out inadequate to shake the industry but once combined with a better and advancing ideology that took shape with Matti's rebellion, the Snickers succeeded in the market.

Suppliers/Producers

During the early years of the company, Snickers faced serious liquidity problems. Without close partnership and collaboration with fabric suppliers and producers, Snickers would not have managed to survive. Trusting relationships enabled the company to delay payments enough, so as be able to survive financially.

End-users

Snickers constitute a special case where innovator, designer and end-user are one person. End-user dissatisfaction led to the idea generation and subsequent realization. In this sense, manufacturing can be said to be end-user driven.

Snickers Cultural Innovation Success Factors

Treating Innovation as a Corporate Wide Task

In the early Snickers history there was an overlap in the different departments' functions. Matti Viio was representing the top management as founder and CEO of the company but he

was further the driving force behind the design team as well as the company's representative to the public in every occasion. This enabled innovation to be seen as a corporate wide task, whereas Matti's commitment and devotion to innovation was a facilitator and inspiring source for innovation for all employees.

A downside, however, is that his personal involvement in practically every area of business could restrict the employees' creativity which simply expected Matti Viio to resolve any problem that might have occurred (Henry Lundberg, 2011). From a similar perspective, personal and simultaneous involvement in multiple areas and tasks overburdened a single person and hindered the creation of the appropriate infrastructure that could have contributed to more effective problem solving.

Good information flows

There were 50 people working for Snickers in the late 1970s and already by then it was obvious that the company was divided in two major groups: office and distribution. To resolve the problem the Snickers house, which still roofs the Snickers headquarters was built in 1987 in Sollentuna. The house is round and spacious, open in the middle and resembles a big, open room. The small number of employees as well as the lack of physical boundaries makes it easy to transfer information within the company.

In addition, Snickers had a good connection to the end-user market as many Snickers employees including Matti, originated from the trade. Apart from that the company lacked in mechanisms and infrastructure to reclaim external information and often had to learn by trial and error.

The Snickers' Organizational Structure and Spirit

Since its inception Snickers has had a flat organizational structure with informal decision-making processes and procedures as well as a corporate culture that favored straight and open communication. Openness, understanding and respect between fellow workers and divisions were sought, as internal balance was considered a prerequisite for success. Finally, to foster good relationships among the employees Snickers provided them with many collective extra-curricular activities.

Entrepreneurial spirit and determination

The Snickers idea was initially faced with significant resistance. Workers mistrusted the sketches, seamstresses refused to sew the Snickers garments out of disagreement with the patterns and dealers and manufacturers turned Matti down repeatedly. Resistance came even from Matti's closest environment.

Matti, however, believed in the potential of his idea and was determined to succeed. For two years, he was paying for the Snickers expenses from his own salary as electrician, worked extremely long hours and sold his garments from the trunk of his car. His entrepreneurial spirit and instincts helped him subsequently to avoid pitfalls and establish one of the most innovative companies in the Swedish history.

The right spokespersons

Matti Viio was an electrician himself, a fact that increased credibility in his claims regarding the need for change. Snickers were not an impersonal company for the market but users viewed a person that they could identify themselves with. Matti was one of them and he could understand their needs. That made him ideal brand spokesperson and therefore represented the brand in almost every touch point.

Matti was not the only person from the trade at Snickers. Understanding the importance of the right spokespersons, Matti employed tradesmen, who became ambassadors of the brand. As a result, Snickers were seen as a brand made from tradesmen for the tradesmen.

4.2.2 The technological innovation process

According to Frost & Sullivan (2006), innovation is a prerequisite for differentiation and growth in the already saturated European work wear market. 'Fighting for better work wear' is not just a slogan for Snickers but it is an attitude that today takes shape through technical innovation. The different steps of the innovation process at Snickers Workwear (fig.8) are now shortly discussed.

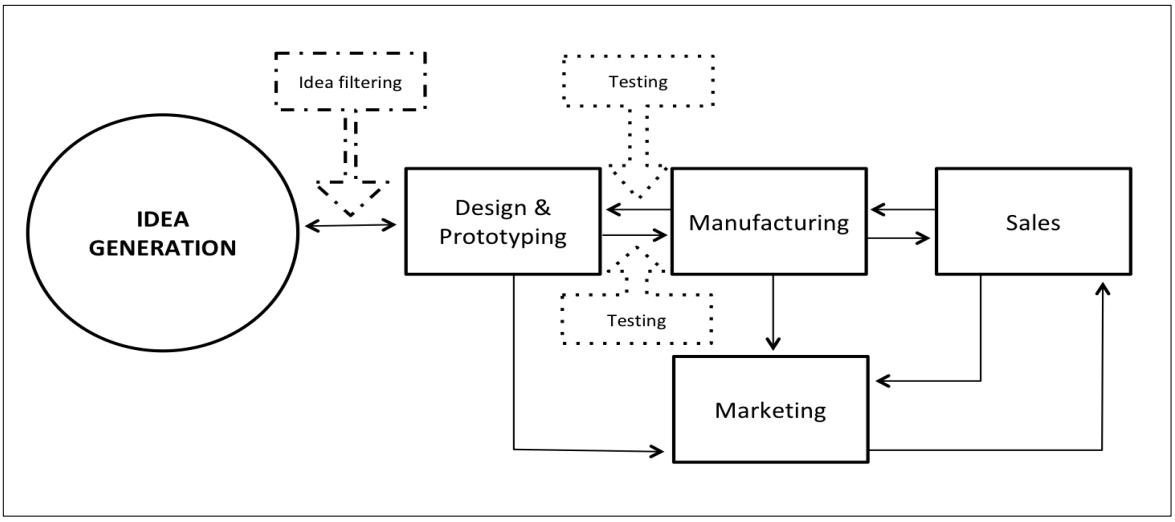


Figure 8. The Technical Innovation Process at Snickers Workwear AB

Idea Generation is the result of commercial intelligence and constitutes the first step of innovation process at Snickers Workwear AB. Market and technology are the two main sources of inspiration that lead to idea generation (fig.9). Different departments in the company are assigned with different sources of potential information, so that variety and variability of ideas is ensured. Supply teams are for example responsible for sourcing production whereas product development is assigned with competitors' analysis and so on. The information collected is then filtered and narrowed down to opportunities that are commercially viable and in addition fit the overall Snickers' vision and mission. An idea is considered commercially viable if, after deduction of all associated costs, it is expected to stir enough demand to generate profits for the company. In this sense, it is essential at this stage to find the right suppliers and fabrics as well as test the idea with end-user studies, focus groups, dealer visits and so forth before proceeding to Design and Prototyping.

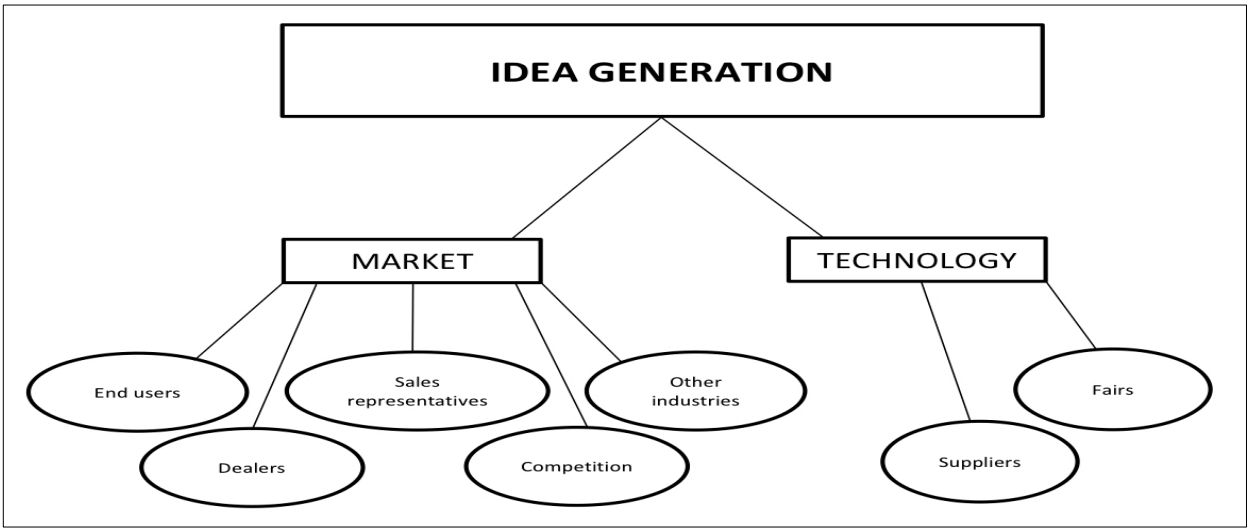


Figure 9. Different sources of Idea Generation

Design and Prototyping is the second step of innovation process. At this stage outsourcing can be an alternative to substitute the lack of necessary in-house expertise. When it comes to garments, Snickers have their own designing team but external designing agencies are normally employed for innovations regarding other business areas, such as gloves for example. Designs are then prototyped and ready for multiple testing to guarantee improved functionality and durability of the product. Testing normally includes testing of materials, testing of the prototype, testing of the product in real life and so forth. Especially in case that the product requires external certification by a European institution (EU norms for PPE), the testing process can be quite demanding and time consuming. Feedback from testing is then used to modify designs accordingly, which are then sent for prototyping and testing. The process is repeated until satisfactory results are reached and ***manufacturing*** can begin.

Marketing is usually involved in the process at an early stage but its role is mainly reactive to the outcomes of product development. Highly innovative products are often accompanied by innovative for the industry communication solutions. These solutions might be normal practice in other industries but the work wear market is a new application area for them, thus, rendering them innovative for the specific market.

Sales constitute the last step in the innovation process and include three different interest groups, namely European sales operations, dealers and end-users. Snickers have to make sure that innovations satisfy all the aforementioned groups otherwise the success of innovation is endangered.

Linkages and Interactions Among the Different Activities in the Innovation Process

"You can plan as if there is an order but in real life it's not like this and it never will be"

(Henry Lundberg, 2011)

The quote of the Manager of Product Development at Snickers portrays how complicated and how uncertain is the course of innovation process. Although a certain order of activities can be assumed for reasons of simplicity there is considerable overlapping and interaction among them, meaning that the next step can begin before the previous one is completed and that the process moves back and forth several times before the innovation finally reaches the market.

Different kinds of technical innovation require different synthesis of the activities and the actors involved in the process. In the gloves case for example, external partners and the marketing department have been enlisted in the process from the beginning, a fact that contradicts the normal practice.

The average duration of innovation process, from the inception of the idea till the market launch is estimated at approximately 18 months. The process can be extended to 2-3 years for innovations in areas that fall under the European jurisdiction and require certification from an external part or shrunk to roughly 12 months for products that need no extended testing or certification (e.g. underwear). In real life, not a single innovation is taking place but there are several projects running at the same time. The innovation process is always one year ahead of the market, so that the products developed at any moment will be launched in the market roughly one year after their development.

Actors involved in the innovation process

Several actors are involved in the innovation process at Snickers Workwear AB. The synthesis of the innovative team can change depending on the nature of the innovation that is taking place at the time. The actors that are normally involved can be distinguished in two main categories, internal and external and are:

Product Development Team

The innovation process at Snickers is nowadays product centered rendering the Product Development Team the driving force behind the process. In Snickers different product managers are assigned with different assortments but they also work as a team. They are expected to be highly innovative and daring, thinking outside the box while crosschecking the viability of their ideas in terms of price points, functionality and so on.

Marketing Department

The Marketing department embarks relatively early on the process, depending on the innovation in question. It is presented with the findings of Product Development and then the two departments design in common the communication strategy for the specific innovation.

"In many cases it's business as usual, it's not that we invent a new way when it comes to the communication of a product"

(Peter Simonsson, 2011)

Sometimes, however, the innovation at Snickers does not end with the product but extends to the communication around it. The company has been the first to use pop-ups in the work wear market for its in-store communication and differentiated its communication with images (e.g. catalogue) by portraying Snickers end-users in a studio rather than in their actual workplace.
There are five official meetings scheduled every year, where the Marketing and Sales department get updated with the goals and objectives of Product Development and together discuss and design the launch campaign of the products.

Suppliers

"(...) it's not that we go out shopping with the Snickers logo, it's a product that we have designed all the way through"

(Mats Andersson, 2011)

The Snickers garments are aimed for a very demanding audience in terms of functionality and durability. The selection of right suppliers is of essence for Snickers, since the company is dependent on them for sourcing of appropriate fabrics and materials. It is not unusual that suppliers initiate the innovation process with the suggestion of an innovative fabric or material. The need for strict specifications has led Snickers to have a close and long relationship with its suppliers, as in most circumstances the learning curve and investment time is considerably long for both parties.

Retailers-Sales Operations

In the past Snickers distribution was equally divided into direct sales to the end-users and indirect sales through intermediaries. This is, however, no longer the case as the company is selling almost exclusively through retailers, with the exception of a limited number of concept stores, and as a consequence it is highly dependent on sales operations and dealers to promote and sell their garments. Product specialists and sales representatives around Europe are responsible for transferring information between dealers/end-users and the company and vice versa.
All three interviewees expressed their skepticism as far as market information is concerned, identifying a certain degree of myopia: *"dealers and sales reps don't see in front of them, they just compare you (...) with what the competition looks like at the moment"* (Henry Lundberg, 2011)

End-users

In an industry where protection of the wearer is of primary importance, it would be probably unwise to exclude end-users from the innovation process. End-user testing is an integral part of innovation process for all Snickers garments. The same testing group is regularly used to provide feedback for clothing and function as basis for comparison between new and older garments. Consumer co-creation is another way to involve consumers in the process, although not much utilized in the recent years of the company. This year, however, the company launched a new collection for painters, which is very much based on consumer co-creation.

Preconditions for innovation success

The factors that contribute to innovation success at Snickers Workwear AB are:

Information management

"It's like a competition when you are running 4x400 m and now it's my turn to run with the stick and hand it over to a person and he has to carry it and go on to the next step"

(Henry Lundberg, 2011)

As it has already been mentioned different departments and persons are responsible for gathering and transmitting information to different actors in the network and within the company as well. Both formal and informal processes are being followed to guarantee intermittent information flows from, to and within the company. The small size of the company and its relatively flat organizational structure facilitate in addition information sharing. Constant interaction and team spirit are prerequisites for successful information management.

Time management

Time is an important parameter especially in a market where in time availability is of vital importance. Work wear are low interest products and unless readily available end-users are bound to opt for a competitive product. That puts pressure in the whole process, as time to reach the market becomes a critical issue for innovation success.

Organizational structure

"(...) we are not so many people, so I know everyone involved in the innovation process. I have no problem talking to any of the product managers and say anything even if I don't

agree with them. I have no problem talking to Anders, who is my boss (…) even to Bo, the CEO (Hultafors Group) we can tell him everything"

(Peter Simonsson, 2011)

Snickers are a small company in terms of size, with horizontal organizational structure. During my visit at the company headquarters at Sollentuna I noticed that all offices are in the same floor. The interior gives you the impression of an open room, as there are no walls separating the different departments. The small number of employees and the lack of physical boundaries make it easy to transfer information within the company, infuse a relaxed atmosphere with no hierarchies compressing freedom of speech and ideas and facilitate the development of team spirit.

The acquisition of Snickers by the Hultafors Group has affected the structure at Snickers adding more hierarchies and formal processes that come naturally with a growing organization. According to the interviewees the acquisition by Hultafors Group has not shown any negative signs yet, they expressed, however, a certain degree of skepticism for the dynamics of Snickers in the future. Other than that, the new constellation is claimed to have been to the best interest of all companies involved in the Hultafors Group.

Corporate Culture

"Sometimes we believe that we are number 1. If you look from the outside, we might not be number 1 but we still feel that we are"

(Mats Andersson, 2011)

Admittedly, competition has caught up with Snickers and today there are no considerable differences among the actors that operate in the higher-end work wear segment in terms of both functionality and visual design. Matti Viio's spirit and vision still inspires Snickers that view themselves as leading the development in the work wear market.

Tolerance for failure-Dare to Innovate

The small size of the Snickers and the open environment that prevails facilitate interaction among all departments so that mistakes and faults are limited. However, failure is not always avoidable and Snickers is not an exception. As a dedicated innovator, the company is tolerant towards failure, which is finally considered as failure of the team and not of specific persons in the team. To the other extreme, incentives for innovative behavior are not provided at least as far as tangible incentives are concerned.

Sweden as external environment

The external environment has in its turn contributed to the success of Snickers Workwear AB in multiple ways. Firstly, Sweden has been in the forefront when it comes to law and state regulations in the labor market, with focus on the protection of the worker in all aspects.
"…the more expensive the working hour is, the more expensive the labor cost is, the more the labor source is seen as an asset, not as an expense or problem (…) you need to treat the workers (in the right way), give them the tools to do their job" (Mats Andersson, 2011).

From another perspective, many successful industries originate from Sweden, allowing the company to leverage credibility. Snickers, today, are more successful and known as a premium brand in Europe than in Sweden. Last but not least, the concentration of successful work wear, outdoor and apparel companies (fashion industry) has generated some source of reputation and has created a significant source of knowledge for garments to be transferred and benefit from in the work wear market.

Innovation costs

"Today 10-15% of the operations are automated or semi-automated and 85% is handy craft"
(Mats Andersson, 2011)

In general terms, product development is a low cost process in the apparel industry, including the work wear segment. Due to the low level of industrialization and automation direct costs inherent in the innovation process are not significant. In addition, the company produces its garments in low labor-cost countries.

Indirect costs on the other hand include costs that other actors face in the network. That renders it necessary for the company to seek the right balance between functionality, visual design and quality. Contrary to the common practice in the fashion segment for example, work wear end users do not welcome significant changes in the garments because this would disturb their learning curve. The same applies to suppliers, who in many instances find it difficult to follow the rapid innovative pace set by Snickers. Long-term relationships and common investment are of vital importance to overcome this problem.

5. Analysis

This chapter will analyze the empirical findings with the help of the sub-questions posed during the introductory section. The chapter will be therefore divided in four parts each of which will seek to give a concrete answer to the research questions. Each part includes short descriptions of the two innovation processes as well as a synthesis of the two that provides a solid base for comparison. The first part presents the steps inherent in each process, the second part examines the linkages and interactions among the different steps in these processes, the third part identifies the tools and competences necessary for each type of innovation and the last part discusses what cost consequences can be expected for firms engaging in these processes.

5.1 What are the steps inherent in each process?

5.1.1 Cultural innovation process

The process begins with the *Idea Generation* and comes from a market need. This need is not solely functional but can be to a large extent translated into need for a better ideology. The motive is not merely profit oriented but a consequence of anger and frustration against the status quo of an industry that neglects the real needs of end-users. Snickers idea consisted of a triple proposition: functionality, quality and visual design with the purpose of increasing the wearer's performance while decreasing the social discrimination gap between workers and other professionals. The idea was put on a paper with the *designing* of the Snickers garments and was subsequently realized with *prototyping* and *production*. *Testing* is an integral part of the process and concerns primarily testing of the idea rather than testing of the product. *Marketing* inserts the process at a relatively early stage although it is initially quite limited in scope and reach, and can be mostly seen as complement to the *direct sales*, in the sense that it contains the Snickers contact information to promote and facilitate selling. Mass communication follows along with the large-scale production in an effort to spread the Snickers message to the wider public, at the same time that direct sales are being supplemented with *sales through 3rd parties*. The process ends when the product combined with the appropriate communication message reaches the customer.

5.1.2 Technological innovation process

The process begins with an *idea* that comes from either the market or technology. The idea is subsequently filtered and once deemed feasible the process continues. After *design and prototyping* the idea has come to life and multiple *testing* is implemented before *manufacturing*. *Marketing* enters the process at an early stage but it's role is mostly advisory with no marketing action visible to the public before manufacturing has been completed and the product is ready for the market. Intermediaries come in the process before the product reaches the market as today Snickers sell almost exclusively through intermediaries.

5.1.3 Cultural vs. Technological Process

Interestingly enough the steps inherent in each innovation process do not differ significantly. Irrespective of the idea generation source the steps that follow and are necessary for the idea to come to life and reach the market are design and prototyping, testing, manufacturing, marketing and sales. This makes sense, as in both cases irrespective of whether the focus is on abstract or tangible attributes a product is being produced. In this vein, focusing too much on the idea would lead to devious findings that do not reflect reality.

The steps alone are not indicative of whether the processes are alike, as the linkages and interactions between the steps can completely alter the image. For this reason, we are subsequently going to examine the connections among the different steps in each process.

5.2 How are the steps in each process linked with one another?

5.2.1 Cultural Innovation Process

Although the steps are described in a linear sequence for reasons of simplicity it is important to understand that the process itself is not perfectly sequential but there is partial overlapping between the different steps as well as several movements back and forth along the process. Matti Viio had an idea in his mind that urged him to design his first work wear garment. Already several activities from Holt and Cameron's model took place in the innovator's mind before the innovation process really started: Matti Viio instantly mapped the cultural orthodoxy of the work wear industry, identified a need for change and put forth an ideological opportunity. The latter however did not take its final form until after the garments had been

designed and prototyped and Matti had tested the reaction from the market. The market in this case did not consist solely of the end-users but further included other social groups and the way they perceived work wear consumers. Prior to small-scale production there has been extensive testing of the idea: testing of designs, testing of prototypes, testing of the market interest and the potential of the concept. Direct sales and marketing accompanied the small-scale production while Matti kept testing his idea. During direct selling Matti started gathering the appropriate source material that was subsequently used in the Snickers cultural strategy (Holt and Cameron, 2010). The large scale production followed and along with it a more coordinated and consistent marketing effort as well as indirect sales. The communication efforts would probably not have the same results, if Matti hadn't learnt by trial and error what end-users valued. With the help of Bengt Liljestam cultural tactics were applied so as to express the ideology behind the product in a concrete and understandable way. Feedback was an integral part of the process that intended to use acquired knowledge to improve previous steps and increase overall efficiency. Finally, intra-firm connections are supplemented with inter-firm relationships that proved to be essential for the innovation success.

5.2.2 Technological Innovation Process

The technological innovation Process at Snickers falls under the third generation model of innovation process that was presented earlier in the theoretical framework. There are significant overlaps between the different functions and feedback mechanisms are used to enhance the output of each step, since the output of a single activity can significantly affect the outputs of subsequent activities. As a result there is constant motion in the process but often in opposite directions (back and forth). The company is not perceived as an independent actor but as part of a network and consequently inter-firm connections are equally important for the innovation success. In this sense, Snickers can outsource activities that require expertise that the company does not possess, or is dependent on others for a technology that will be used for its garments and so forth.

5.2.3 Cultural vs. Technological Innovation

The two processes resemble in that they are partly sequential but with considerable overlap and movements back and forth along the innovation process. Feedback mechanisms were in both cases vital part of the process that served to enhance the outcome of each step and

subsequently the final outcome. Moreover in both cases the company is not confined into a micro perspective but on the contrary is perceived as an actor of a wider network. In the case of cultural innovation, Snickers took competition into consideration and forwarded a distinct value proposition. In addition external partners, such as suppliers, producers and the advertising agency proved invaluable for the innovation success. As for the technological innovation, the company once again is significantly dependent on its external environment and other actors of the network (e.g. suppliers for new fabrics and materials).

5.3 What are the tools and competences that contribute to the success of each process?

5.3.1 Cultural Innovation Process

The cultural innovation at Snickers was to a large extent the outcome of an individual effort. In this sense determination and entrepreneurial spirit can be seen as the cornerstones of success, since without them the idea would not have been realized to begin with. The idea itself is something worth putting emphasis on, as it required a unique competence that is not encountered in technological innovation: have a feeling for contemporary issues in society. Snickers more than just satisfying unmet needs, provided consumers with a relevant cultural expression meant to bring to the spotlight latent social issues and considerations. Consumers of Snickers more than just buying workwear, they were paying tribute to the Snickers philosophy that rejected societal discrimination based on profession.

Matti Viio had to fight against considerable resistance from multiple interest groups. Contrary to my initial expectations resistance came from end-users as well, despite the fact that Snickers represented an ideological opportunity much needed for the market. Only when the market had been adequately prepared for Snickers did the concept succeed. The entrepreneurial spirit further enabled innovation to be treated as a corporate-wide task. Matti engaged himself in several functions and departments, from designing to selling and marketing and he supported innovation from all these different positions, so that it is not solely an issue of top management. The fact that Snickers was a small organization with flat structure and informal decision making processes further contributed to the innovation success, as there was enough transparency and enough flexibility to adapt to market sudden

changes. In his effort to support transparency and trust, while strengthening the intra-firm relations, Matti moved his headquarters to the Snickers house. Last but not least, the fact that Matti Viio originated from the trade, gave credibility to Snickers. This credibility was complemented with hiring more people from the trade, as ultimately the 'Snickers' garments were made by craftsmen for the craftsmen.

5.3.2 Technological Innovation Process

Several of the success factors, mentioned earlier in the theoretical framework, apply to the Snickers' case. Information management, organizational structure, external environment, commitment to innovation, corporate culture and tolerance for failure were mentioned to be affecting the innovation result by the interviewees. Time management is an important success factor usually encountered in the fifth-generation innovation model but not the third. The Snickers technological innovation process resembles the third generation innovation model, time however, seems to be an important issue as well.

5.3.3 Cultural vs. Technological Innovation

It is worth noticing that several factors are important for both types of innovation. Organizational structure and corporate culture seem to affect innovation in general. Snickers have evolved and grown during the years but the corporate culture and organizational structure have not changed at least not considerably. There is no doubt, that Snickers as part of the Hultafors Group have today a more complex and official structure, informality, however, dominates a considerable part of the everyday interactions. Snickers is still located in the same building as in 1988, which have already been said to promote solidarity, respect and team spirit among the employees, thanks to the open and unconstrained environment.

From another perspective the external environment seems to have affected both processes but for different reasons. On the one hand, lack of cultural innovation in the market created an ideological opportunity gap that needed to be covered. In this sense lack of previous innovation stirred the innovation at Snickers. On the other hand, technological innovation is largely affected by other innovations that have recently taken place in the environment. As a result, Sweden is considered to be a very good environment for Snickers thanks to the multitude of other successful apparel and outdoor garment industries, the legislative framework for protection at work, the credibility of the market as quality producer and so on.

As for the necessity for appropriate spokespersons, it is obvious in the cultural innovation process that Matti Viio was the perfect representative for the company, increasing the credibility of the offer. The need for right spokespersons is not so apparent in the technological innovation process at Snickers although supported by the literature.

A key competence inherent in cultural innovation but absent in technological is to be updated and have a feeling for contemporary issues in society. Market intelligence, a common idea generator in technological innovation usually does not expand to societal issues and considerations but remains focused in market needs and technical advances.

All in all, it can be said that certain tools and competences seem to favor both types of innovation, i.e. cultural and technological. Some competences referred to in the literature as preconditions for technological innovation success, such as the selection of the right spokespersons, seem to apply to cultural innovation as well. Time management was deemed important in the case of technological innovation at Snickers, although not being acknowledged in the literature until recently with more advanced models of innovation process. Only one competence turned out to be unique in cultural innovation, although it can be argued to constitute an extension of market intelligence, a common practice in technological innovation.

5.4 What cost-consequences can we expect for firms engaging in these processes?

In this section I decided to place emphasis on indirect-costs for three primary reasons. First of all, direct innovation costs are difficult to discern and separate from routine costs, a fact that could lead to devious results. Secondly, industry-specific factors, such as low degree of automation and industrialization, render work wear a relatively low-cost market. In this sense, significant costs often inherent in the technological innovation process, such as tooling costs, manufacturing start-up costs etc. are not present in the market in question. Thirdly, R&D costs are not an indispensable part of work wear innovation, since in most cases the actors in work wear industry source fabrics and materials for their garments instead of having their own manufacturing units.

On the other hand, indirect costs turned out to be an important cost for the market in question. In the case of technological innovation, changes must take place gradually and always follow the knowledge scheme that has been created by previous innovations. The rule is to build on past innovations rather than to create something drastically new as end-users need time to assimilate an innovation and learn how to use it, and are therefore not open to constant changes. Consequently the success of technological innovation highly depends on other actor's costs and unless the innovator takes them into consideration the innovation outcome is at stake. Contrary to technological innovation, cultural innovation disrupts previous knowledge for something new. The innovator does not follow the usual pattern but presents the market with a different alternative. The success of the innovation depends on the feasibility and potential of the ideological opportunity identified by the innovator. Although it might be expected that cultural innovation will not be encountered with resistance, the Snickers case proves the opposite. After the success in Sweden, Snickers had a hard time to replicate the success in other markets. Mass marketing was unsuccessful when the market had not previously been prepared with direct selling and slow introduction of retailers. This can be explained by the fact that through direct selling, Snickers could identify and approach the trendsetters, which in turn would attract followers. At the same time offensive marketing would guarantee enough spread and reach of the message.

All in all, indirect costs are present and significant in both innovation processes. The innovator has to identify and overcome them to succeed.

6. Conclusion

This chapter will answer the main research question of the paper.

How do the innovation-processes for cultural and technical innovations differ?

The processes have been analyzed and compared on a triple basis. First of all, the activities inherent in each process have been presented and contrasted. Once the different steps have

been identified the linkages and interactions among them were examined. Last but not least, the success factors in each process have been described in an effort to identify whether similar tools and competences are necessary for the two kinds of innovation processes.

The results indicate that the processes are to a great extent alike. They consist of the same activities and are partially sequential, with considerable overlapping as well as feedback mechanisms. They even share some common success factors such as organizational structure and corporate culture, although the latter can be explained by the fact that the same company in different time periods is examined. Other factors, such as the external environment seem to affect the processes to the opposite direction. Last but not least, there exist factors that are innovation type specific, such as the entrepreneurial spirit and keeping updated in the cultural innovation process or the time management in the technological innovation process. In addition factors mentioned in the literature as precondition for technological success applied to the cultural innovation at Snickers as well, i.e. the selection of the appropriate spokespersons.

The main difference between the two processes is that cultural innovation builds on an idea, whereas technological innovation builds on a product. In this vein, functionality is central to technological innovation but merely not enough when it comes to cultural innovation. This is in addition reflected in the role of marketing. In technological innovation, marketing is primarily responsible for communicating product attributes, tangible or intangible, supporting and complementing in this manner the work of product development. When it comes to cultural innovation, however, the marketing has a more central role that can be independent of the product. This affects in turn the influence it has on the public, as consumers find it easier to identify with situations as expressed through myths, rather than products. Matti Viio as the official Snickers spokesperson represented the ‘nobel’ rebel who dared to fight alone against the industry. It was another ‘David-Goliath’ encounter, where ‘good’ prevailed in the end. Matti became the daring, limitless ‘worker’ who could do anything with the appropriate equipment. This was not a total transformation, meaning that Matti did not represent a superhero in any sense. He was the normal, everyday craftsman that had the drive and the will for something better and he was in position to achieve it with the appropriate equipment. The Snickers guy was smart, daring, self-confident and looked good in his garments. Everyone could identify with him and many wanted to imitate him.

The time horizon of the processes is another significant differentiating point. The duration of the average technological process is estimated to 18 months approximately. The cultural innovation was significantly more time consuming and was estimated to approximately 3-4 years from idea generation to reach the market.

Another difference is the effect on the market and its reflection on the innovator. Cultural innovation helped Snickers to overcome competition and practically change the whole industry. The company gained esteem and reputation and although it is difficult to assess the effect of soft values, there is no doubt that they contribute to the company success. Almost 40 years after Matti founded the company, Snickers are still using the "*we invented the modern work wear*" for the reason that it adds credibility to their offering. Such acclaims lose resonance when it comes to technological innovation, since technology evolves in such a fast pace that obsolescence rates have increased dramatically.

7. Discussion

This final chapter discusses the dissertation's results and limitations and concludes with suggestions for future research.

7.1 Discussion of the dissertation's results

The theoretical framework developed by Holt and Cameron provides a basis towards organizing for cultural innovation, it does not describe, however, the nature of the process.
The results from the Snickers Workwear case can, consequently, have significant repercussions on innovating firms. First and foremost, it has been shown that one type of innovation does not exclude the other but they can instead be used alternatively or as a complement to each other. At Snickers the two kinds of innovation reinforced each other and were equally important for the subsequent success. On the one hand technological innovation alone would have never been enough to allow Snickers reach the mass market, and on the other hand, cultural innovation would have fallen short in a market, where quality and functionality are necessary for the protection of the wearer. In other words technological innovation protected the brand from low-end competition while cultural innovation helped the brand to differentiate from high-end competition and succeed.

The fact that the two processes were similar in terms of actions and actors involved and shared several common success factors implies furthermore that it might not be as difficult to organize for one type of innovation, especially when already succeeding in the other one. On the contrary ’innovation experience’ can be an important competence for the innovating firm.

Cultural innovation, nonetheless, might not be as easy as technological innovation to implement on the grounds that there has to be an ideological gap to be exploited. The Snickers ideology that proclaimed better status for the worker and rebelled against social discrimination based on profession made sense in the early 1970s but today is probably not as relevant. In this vein, cultural innovation, although difficult to copy and imitate, runs the risk of becoming outdate or simple being outrun by another ideology that the target market considers to be more relevant. Arguably, the logical would be for the company to proclaim a different kind of cultural innovation to meet the new consumer needs, but to what extent is it feasible to regularly exploit cultural innovation in the same way as technical? Cultural innovation seems to require a different competence on behalf of the innovating firm: be constantly updated and have a feeling for contemporary issues in society that naturally require additional resources and effort, if possible over time. Even if it is possible, there still exists a possible conflict here with the notion of a company having a stable identity, ideology and mission. Can these change on a regular basis and if they do, what will the reaction of the market be? Will the change be credible or does the firm run the risk of losing its trustworthiness? From another perspective, following a different ideology links to transitions in management. If you maintain the same leadership, then it is likely that you also maintain the same ideology. Consequently, it is doubtful that the firm will take advantage of a new ideological opportunity, especially if the latter is significantly different from the previous one. So, how do you keep being culturally innovative?

Last but not least, cultural innovation can protect from competition longer but in the end imitation is inevitable. Snickers managed to change the work wear market in the sense that nowadays all competitors in the high-end segment produce more or less work wear with no differences in terms of quality, functionality and visual design. In order to differentiate, technological innovation is necessary, until the emergence of another ideological opportunity with market potential.

7.2 Limitations

Even though my aim has been to make the study as reliable as possible, it is inevitable that there exist some weaknesses. First of all, the reliability of this thesis is affected by the fact that I gained access to classified information during the interviews that for ethical considerations towards the interviewees cannot be readily available to future researchers.

Moreover, interview guides and transcripts have been employed to guarantee that the interview results are unbiased, there is a risk however, that personal thoughts and opinions might have affected the interviewees and subsequently the interview findings. Additionally, reliability might be affected by the fact that the interview findings were not sent to interviewees for verification before publication. The researcher's firm belief was, nonetheless, that this is balanced by the fact that interviews were transcribed and crosschecked by using multiple sources.

The construct validity in this paper is considered good judging by the fact that multiple sources have been used, ranging from non-reactive to reactive sources. Hence, the study has relied on both primary data, in the form of interviews, and secondary data. The fact that the interview subjects were not selected randomly might decrease construct validity to some extent it significantly increases reliability, nonetheless, as the respondents were selected based on their knowledge regarding the innovation processes.

External validity is normally poor in single case studies. Hence it is not possible to generalize the results of this study. The importance of the present dissertation lays instead on the fact that it provides an in-depth analysis of the case in question allowing us to examine and understand the specific process. Moreover it provides a basis for future research as the results from this study can be used to reinforce or weaken future generalizable findings.

All in all, the reliability of the dissertation is good and the results can be trusted, the validity, however, is weak in that the results cannot be generalized without prior considerations.

7.3 Future Research

I this thesis I have only dealt with a single organization, Snickers Workwear so as to explore in depth the cultural innovation process. Hence the results cannot be generalized as they can

be considered firm specific. In order to create a cultural innovation process model in the same way as the technological innovation process models I will now present a couple of research suggestions.

First of all, there is need to explore more cultural innovator cases so as to have more knowledge around the subject. Secondly, it would be interesting to study cases from several industries to avoid industry-specific peculiarities while at the same time getting a broader picture of cultural innovation processes. My personal recommendation would, thirdly, be to explore the tools and competences for cultural innovation in terms of significance. Are there competences that largely contribute to the innovation success or tools that are good to have but not as important in isolation?

In conclusion, additional research is needed in order to get a thorough understanding of the cultural innovation process and the success factors around it. I hope, however, that this thesis can serve as a good starting point for future researchers to whom I wish the best of luck.

7.4 Special Thanks

Last but not least I would like to thank Pio Barone from Pond Innovation & Design for his support. I would also like to express my special thanks to Henry Lundberg and Peter Simonsson for their interesting input during the interviews and especially Mats Andersson for his positive engagement and support throughout the project. I would like to particularly thank and express my gratitude to Matti Viio for his invaluable input and inspiration, without which the writing of this paper would have been impossible. I would also like to thank my tutor Hans Kjellberg at the Stockholm School of Economics for his interesting feedback as well as Tomas Lundmark for the meticulous translation of the Swedish bibliography that provided me with invaluable input for this paper. In addition, I would like to mention that all photos are used with the kind permission of Matti Viio and Snickers Workwear AB.

8. Appendix

INTERVIEW GUIDE

Thank you for agreeing to participate in this study. My goal, as I explained in the email that I sent you, is to investigate the cultural and technological innovation processes as well as the associated costs with them. My questions are designed to get a sense of how do you see cultural innovation as a person and as part of the Snickers work wear team.

Before we start do you have any objection to my recording our conversation?

Profile Questions

First of all, I would like to learn some things about you.

- What is your position in the company?
- How long have you been in that position and in the company as a whole?
- What is your background and work experience?
- In what way are you involved in the innovation process at Snickers Workwear AB?

Interview Proper Questions

Now I would like you to think about the ideal work wear equipment

What/How would that be? Please explain why.

(If only functional aspects are mentioned)

- What is the role of visual design in the workwear clothing? Please elaborate on your answer.

a. Can you give me the profile of the current workwear user? Who is he?

b. How has the end-user changed during the past 20 years?

c. What are his/her current needs? Are these different, if different at all, from the needs of a craftsman in the 1970s?

- Now that you have the ideal work wear equipment in mind, how close do you think Snickers Workwear AB is to that? Please elaborate on your answer.

(If nothing is said with regard to competition)

- How is Snickers Workwear AB different, if different at all, from its competitors? Why should I buy Snickers as a worker instead of any other workwear brand?

Snickers Workwear AB is a brand that has always paid attention to increased functionality and visual design/fashion.

- What made Snickers Workwear AB to pay so much attention to those in the first place?

a. Was it an intentional approach or something that just happened?

(If the inspiration source is not mentioned)

- How did it all start with Snickers Workwear AB?

a. Was there any specific person behind this?

b. Did you respond to any particular trend/need?

(If nothing is said about the importance of increased functionality)

- What are the tradesman's needs with regard to workwear equipment?

a. Are there norms regarding the manufacturing of workwear equipment?

(If nothing is said about the importance of visual design)

- How does the tradesman feel about his profession? How does he view himself?

- Where would you place Snickers Workwear AB in a functional/visual design matrix?

a. How functional/'fashionable' is the brand?

b. How functional/'fashionable' are the competing brands.

- Lately you are trying to give to work wear a sports and out door-ish twist. Why? What was the reason behind such a decision?

Matti Viio, the founder of Snickers Workwear AB, is said to have changed the whole workwear industry. He was the one to claim that the tradesman is a professional and he should feel and be treated as one. His workwear equipment is then a means for him to feel and reflect this professionalism, and should therefore boost his self-esteem and pride. Snickers Workwear AB was the first in the market with such a claim. Ever since, however, others have gotten inspiration from this example and come in the market with a similar claim.

- How do you protect yourselves from competition? How do you remain at the forefront of functional development while being at the same the 'fashionable option'? Aren't others imitating you?

Let us now proceed to the innovation process. First of all, are there any issues that are strategically sensitive and you cannot discuss about?

I would like you to think of a specific garment example that Snickers developed and it was new to the work wear market (innovation)

- What were the steps of the innovation process?

a. How did you come with the idea in the first place? Where did you get inspiration?

b. What did it take to transform this idea into a marketable product?

c. What problems did you encounter?

(If the interviewee answers without any specific order)

- What do you think is important for innovation, to take one step at a time or have activities running simultaneously?
- What is your experience on that at Snickers Workwear AB?

(If the interviewee answers with a specific order)

- Is this the actual order of the steps taken?
- Is there any overlapping between the different activities or do you see any activities running simultaneously?
- Who are the actors involved in the innovation process?
- When is your department involved in the process?

(If only intra-firm actors are mentioned)

- Are there any external actors that are important?

(If suppliers are not mentioned)

a. Do you manufacture your products yourselves or buy them from suppliers?

b. If you buy from suppliers how important is your connection to them?

c. Is it easy for them to follow your innovative pace?

d. Do they have a say in the innovation process? Please elaborate.

(If retailers are not mentioned) Snickers is more of a B2B firm, right?

a. How important is your connection to your retailers?

b. Are they somehow involved in the innovation process? Please explain.

(If the end-user is not mentioned)

a. Have there been any instances of user co creation?

b. If yes, how did you identify the right users for the co-creation process?

c. Can you give me a profile of this user?

(If only external actors are mentioned)

What does the innovative team consists of in the firm? Please name specific departments/roles or persons.

(If the external environment is not mentioned): Snickers is a Swedish company.
How important is the Swedish heritage, the Swedish apparel industry and the Swedish reality in the innovation process? (Acne, H&M, Björn Borg are successful international brands)

Now that we have discussed about the innovation process, let us discuss about tools and competences that contribute to the innovation success:

- What are the preconditions for innovation success?
- What are the necessary tools and competences to succeed? What do you need to make it succeed?

(If information management is not mentioned)
a. How do you get the information that you need?
b. How do you transfer the information to the company?
c. Are there any specific persons assigned with this role?

(If people are not mentioned)
How important are personal traits and characteristics in the innovation process?

(If incentives are not mentioned)
Based on your experience, what is the best way to engage people to innovation? How do you assure that they will demonstrate innovative behavior?
(After the answer): is this how Snickers ensures innovative behavior as well?
How tolerant is the company towards failure?

(If organizational structure is not mentioned)
How is the ideal organizational structure for innovation to take place?
What is the role of management to this?

- Who decides for the innovation that takes place? Is it the senior management, the development team, the marketing department?

a. What is the role of each?

b. How do they interact?

We discussed earlier about the nature of the innovative process. You mentioned that the activities of the innovation process are:

- ……..
- ……..
- …….. and that sequence is (not) important.

- Can you identify the costs inherent in each of the aforementioned activities?

- Do you have any figures for these costs? If not, can we get these figures from someone else in the company?

- Are there any other costs that you can think of and are not included above?

WRAPPING UP

- Now we are closing in to the end of our interview. Do you feel there is something that is important for you or Snickers Workwear AB that have not been covered so far?
- Now that you have participated in this interview do you know anyone that you would recommend me to talk to about this as well?
- Do you know anyone that has been in the company from the very beginning in the 1970s? Can you provide me with a contact?

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