

March 12th 2024

Protecting your Innovation Budget

Nice to Meet You



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*Disruptive Edge
Growth Leader*



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*Disruptive Edge
Market Leader, US*

What we'll walk through

1

Introduction

10 minutes

2

Protecting Your Innovation Budget

25 minutes

3

Auctus Demo (AI Innovation Platform)

10 minutes

4

Closing and Q&A

10 minutes

POLL

Before we dive in: Of the Fortune 500 companies from the year 2000...

What percentage have gone
**bankrupt, been acquired,
or ceased to exist** as a result
of disruption?

A 18%

B 37%

C 52%

D 63%

52%

of the Fortune 500 companies from the year 2000 that have either gone **bankrupt, been acquired, or ceased to exist** as a result of digital disruption.

– Harvard Business Review

TOYS R US

Kodak

BLOCKBUSTER

THIS IS WHY WE EXIST...

Disruptive Edge is North America's Leader in Growth



POLL

What are you currently spending the majority of your innovation budget on?

A

Ideas that keep the core business alive

B

Ideas that are incremental to the business we operate

C

Ideas that could transform the business and the industry it operates in

POLL

Can you guess the % of the world's top 100 organizations that have cut their innovation budgets in 2023 ?

A 5%

B 15%

C 30%

D 50%

~30%

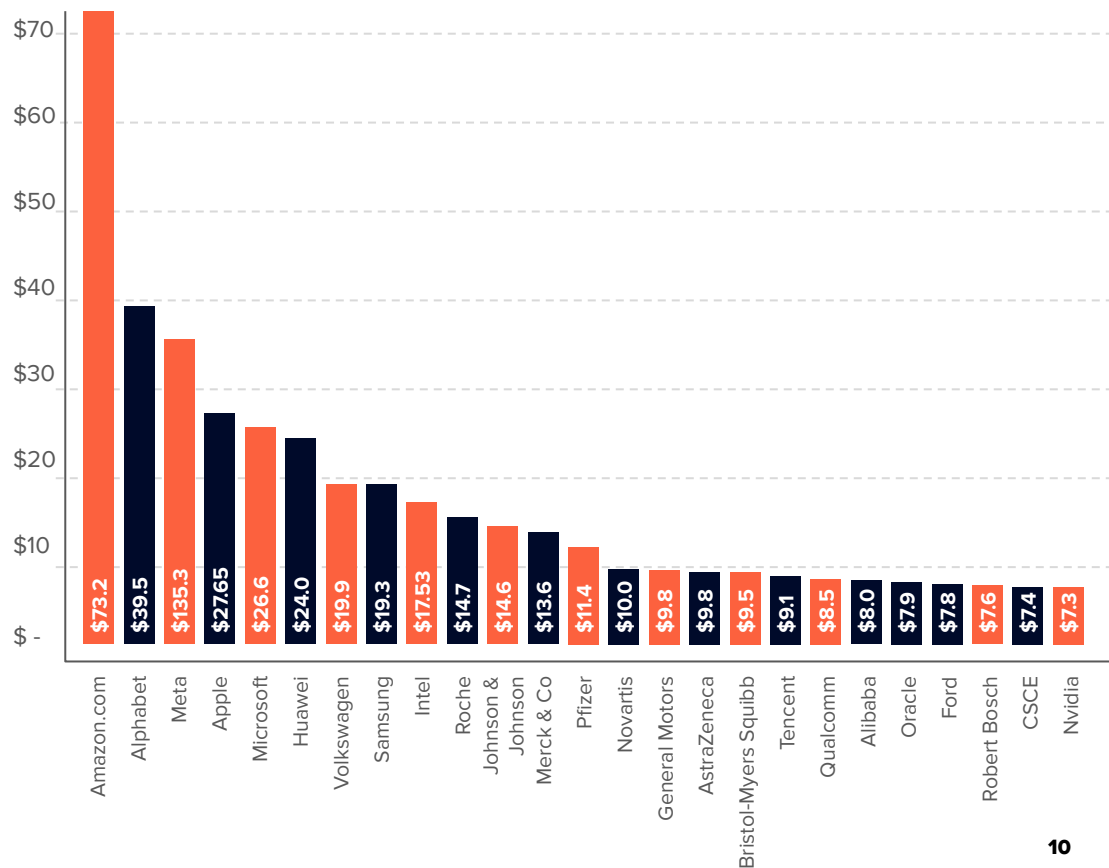
Of the world's top 100 companies are cutting innovation budgets instead of investing in them.



The Top 100 global innovation leaders spent \$720B on R&D and Innovation in 2022.

On average, this represents 14% of total revenue spent on innovation.

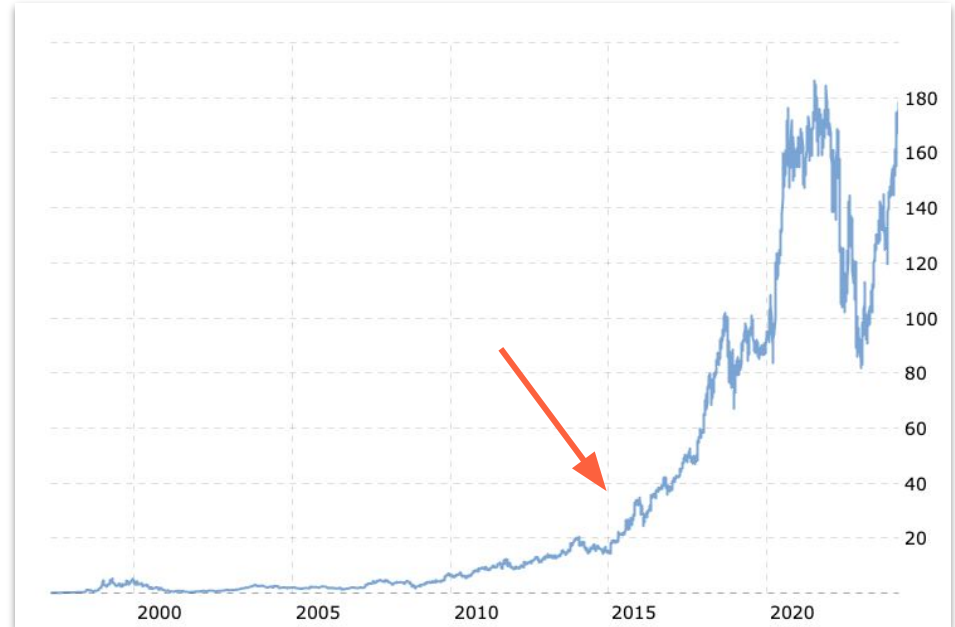
World Top 26 R&D & Innovation Spend 2022
(US\$Billions)



Amazon Case Study

10 years ago, what did they invest and how did that pay off.

2016 ~ \$20 B
2017 ~ \$22 B
2018 ~ \$30 B
2019 ~ \$36 B
2020 ~ \$43 B
2021 ~ \$56 B
2022 ~ \$73 B





Investing in growth / innovation
drives shareholder value even
in contractionary environments

A BRIEF

**OVERVIEW ON THE INNOVATION
LANDSCAPE HISTORY.**

The emergence of AI marks a **historic development** in innovation.

Design Thinking 2000s



Human-centered design
methods based on
empathy and creativity

Lean Startup 2010s



Hypothesis-led
experimentation
and validation

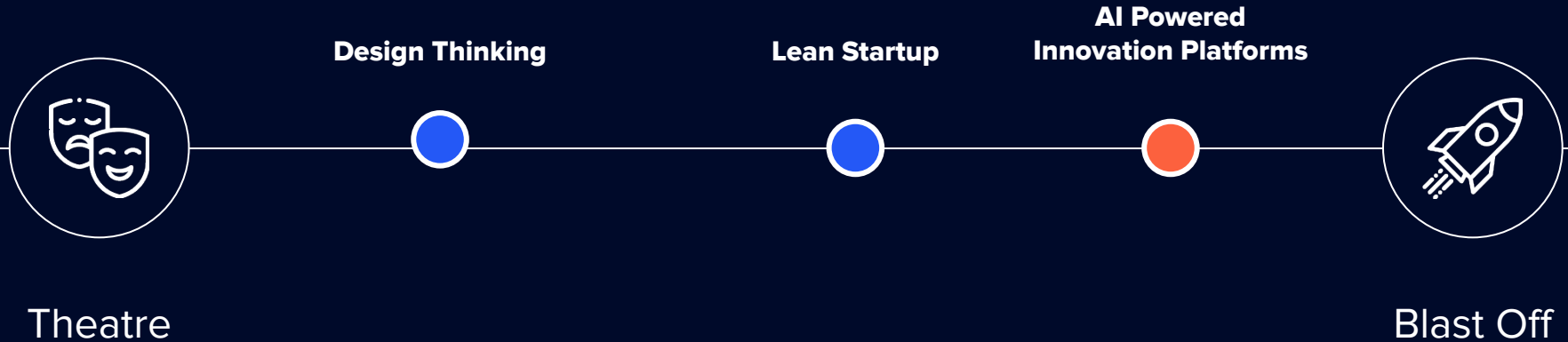
AI-Powered Innovation 2020s



AI-powered imagination,
creation and scaling of
new products

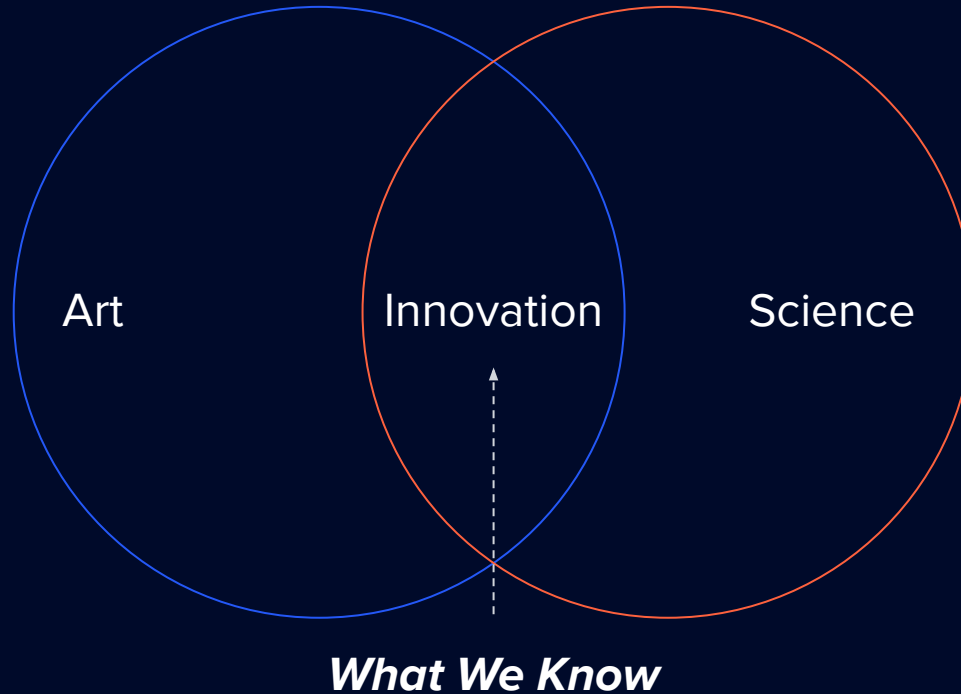
Our Hot Take:

The Innovation Spectrum



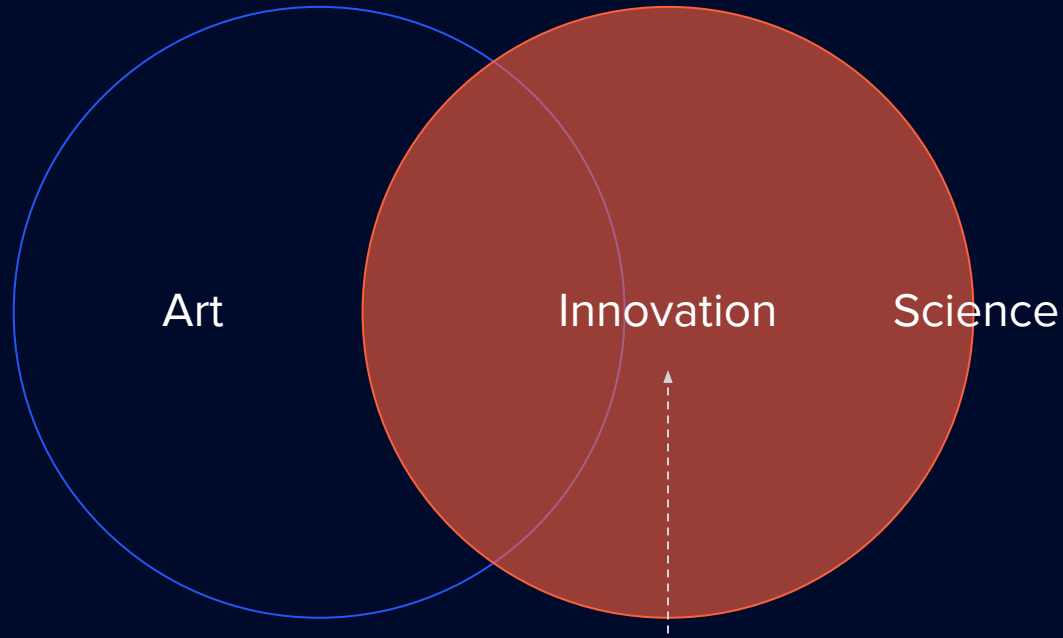
Our Hot Take:

The Innovation Sweet Spot



Our Hot Take:

The Innovation Sweet Spot



What We Have Learned

What Do These Programs Have In Common?







**So, what can
you do to **save**
your innovation
budget?**



1

Build Metrics Systems That Demonstrate Value

Let's start with KPIs



Ideas Submitted



Workshops Held



of Key New Hires

THE REALITY IS THAT...

**Activity metrics are a way
to show executives that
you're busy.**

Let's talk about the good stuff.



Idea Conversion Rate



Number of Active
Innovation Projects



of Products Tested

Measure Quality.



of Products / Services Commercialized



IP Created



ROI: Revenue Growth

Finally, the Gold Standard Metrics.



ROI: Profit Margin Impact



Impact on
Shareholder Value



% Revenue Generated
by New Products



2

Show Widespread
Value (but don't break
the bank)

Motivate Employees



Give employees the opportunity to participate

Motivate Leadership



Recognition & Awards

AWS Case Study



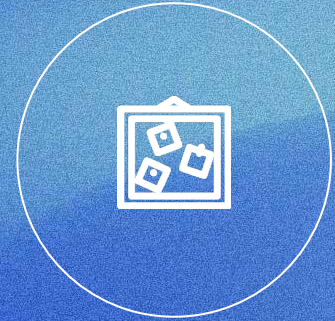
Awards & Recognition



A Conversation
with the CEO



Physical Awards



Board of
Champions



EPHEMERALIZATION

The ability of technological advancement to do “more and more with less and less until eventually you can do everything with nothing.”

– R. Buckminster Fuller in 1938

aucctus

aucctus.com

3

Your Unfair Advantage in Corporate Innovation

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