

## **Emergence of Social Media as an Innovation Driver in Business Organisations: An Exploratory Study**

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### **ABSTRACT**

*In the era of globalisation, an organisation's ability to innovate determines to a large extent whether it will survive and stay relevant or become obsolete and redundant. However, despite making innovation an organisational priority by allocating adequate funds, building in-house R&D teams, and getting a buy-in from the top management, companies are not happy with the quality as well as the quantity of the output. Indeed, innovation is not a straightforward process and can turn out to be a frustrating experience for organisations, especially the ones who tend to follow the 'closed innovation' model. On the other hand, businesses that have embraced the 'open innovation' model are more likely to succeed in their efforts as they can combine the skills, knowledge, and expertise that they have developed internally with the ideas, insights, and solutions from the external sources. A key role in this regard can be played by social media, which provides a variety of sharing, collaboration, and networking opportunities to the businesses and has its application across the entire innovation funnel. Realizing this, some of the world's most successful companies are showing tremendous skill and foresight in using social media for open innovation. Although social media provides a game-changing opportunity to the businesses that want to stay ahead of the curve, taking advantage of the medium requires more than having a social media presence or a maintaining a community blog. For deriving maximum benefits out of using social media for innovation, organisations need to ensconce it in their culture and use it in combination with other traditional and non-traditional methods. This paper aims to highlight the increasingly important role that social media is playing in the innovation processes of organisations, examine the techniques and methodologies that organisations are adopting to use social media for innovation, and recommend the steps that can be taken by the organisations to obtain maximum value out of the medium.*

**Keywords:** Open Innovation, Crowdsourcing, Social Media Analytics, Social Listening, Product Development.

### **INTRODUCTION:**

An organisation's ability to innovate plays a vital role in its success. Depending on the business requirements, innovation may involve finding new methods and techniques to improve the existing products and processes, or it may require finding entirely new solutions for the known business problems (Urabe, Child, & Kagano, 1988). Innovations need not always be colossal. More often than not, a seemingly prodigious innovation is a byproduct of several smaller innovations that have taken place incrementally, over time. Although the concept of innovation is not new and one may argue that organisations have been innovating ever since the days of

industrial revolution and even before that, what has changed in recent times is its tools, methods, and applications. With globalisation picking up speed and organisations all over the world competing for the same markets and vying to get the attention of the same set of consumers, innovation has burst onto the scene and has become the key differentiator between the success and failure, as well as survival and obsolescence of organisations. Innovation can prove to be a disruptive force and a game changer, whether it is product innovation that involves developing a new product or adding new features to an existing product; or process innovation that involves making improvements to the methods of production or delivery; or marketing innovation that involves significant changes in promotion, packaging or placement; or organisational innovation that involves transformations in business practices, organisational structure, or internal and external relations ("Oslo Manual", 2005). As a result, 'innovate or die' has become a clarion call across all organisations, notwithstanding their size and irrespective of their line of business

Research indicates that businesses are spending more on R&D than ever before. According to Global Innovation 1000—an annual study carried out by PwC to examine the innovation-related activities of the world's top 1000 corporate R&D spenders—the R&D outlay of these organisations has gone up by 3.2 percent in 2017 to \$702 billion. Remarkably, this upswing in R&D spending has come despite a 2.5 percent decline in revenue for these companies during the same period, which shows the kind of importance the organisations are attaching to innovation (Jaruzelski, Staack, & Chwalik, 2017). However, despite investing vast amounts of time, money, and resources into their internal R&D programs, many organisations, including the ones that figure in the list of top innovation spenders, are struggling to innovate. A McKinsey survey reveals that 94 percent of business leaders aren't happy with the nature and scope of innovation taking place in their organisations, and over 80 percent of them believe that their business models are at risk due to poor innovative performance. In the survey, 70 percent of senior executives have stated that innovation is going to be one of the major growth drivers for their companies in the next three to five years, thus exposing the huge chasm between the organisations' desire to innovate and their ability to execute (Barsh, Capozzi, & Davidson, 2008). This is corroborated by the findings of the Global 1000 Innovators report as well, which indicates that there's no straightforward correlation between an organisation's R&D spending and its quality and quantity of innovation.

### **The Innovation Challenge:**

So why is it that despite allocating large budgets, hiring smart people, and obtaining buy-in from the top management, innovation remains a challenge for most organisations? While there may not be any simple answer to this question and that's not even the purpose of this research paper, but one of the main reasons that have been identified by the experts to explain the lackadaisical innovation performance of businesses is their 'closed innovation' model. Many companies continue to follow a closed innovation model, wherein innovation is the sole prerogative of the R&D and product engineering departments and is out-of-bounds for everybody else, whether they are inside the organisation or outside of it (Brough, 2006).

To put things in perspective, the closed innovation model developed towards the beginning of the twentieth century, when the resources were sparse, the technological landscape was underdeveloped, and the market dynamics were in sharp contrast to what they are today. Under those circumstances, the closed innovation model, that relied heavily on individual geniuses working for long hours behind closed doors, appeared to work quite successfully. A plethora of new products were introduced in the market, thousands of patents were filed, and the companies that were at the forefront of these efforts made humongous profits, be it Ford that developed the moving assembly line, which resulted in production of affordable automobiles, or Sony that revolutionized the music scene with the introduction of Walkman, or AT&T that built the transistor, which is the main building block of all electronic devices.

However, there were huge problems that lurked behind all these success stories, and with the passage of time, those problems became more and more pronounced. For every innovation that reached the market and became a success, there were countless others that remained unused either because they lacked a commercial application or because the parent organisation didn't possess the necessary vision, expertise, or funds to turn that piece of innovation into a marketable product or service. On other occasions, the gestation period of these innovations was so high that by the time they hit the market, they had already become outdated. Also, due to organisational politics and complex hierarchies, which continue to remain a mainstay of many large organisations, there were numerous instances when a great idea didn't receive the desired support from the management, or a subpar idea that should have been killed at an early stage continued to draw support for years. And there were other problems as well. For example, large corporates, with billions of dollars of R&D budgets and dozens of highly qualified R&D professionals, were invariably being preempted and outsmarted by smaller companies that were

operating on shoestring budgets and had a handful of people on their rolls. It was becoming increasingly clear that the closed innovation approach, even though it had certain advantages, wasn't working as intended, and to remain relevant and viable in an ever-changing world, companies needed to look more outwards than inwards.

### **Towards Open Innovation:**

Research indicates that in the corporate environment, interconnected and collaborative groups are in a much better position to deliver market-friendly innovations and provide consistent results over time, compared to talented individuals who are operating in solitude and without any external stimulus or inputs. In their whitepaper titled *Managing Creativity in Small Worlds*, Fleming and Marx refer to 'cohesive clusters' that are formed when inventors develop close ties with one another without the interference of a mediator. "By engendering trust, cohesive clustering encourages sharing, widespread and lateral communication, and a wide range of other behaviours that facilitate creativity. Invention processes within a cohesive cluster will be more social and iterative; more inventors will contribute to the creative search, take part in the creative breakthroughs, and understand all the components of the creative synthesis" (2006). Greg Satell, the author of *Mapping Innovation: A Playbook for Navigating a Disruptive Age* notes that in the digital age, collaboration has become a competitive advantage and even though technology has made working alone simpler than ever before, those who are working in teams tend to outperform the solo performers, especially with regards to innovation. Satell is of the view that innovation in the networked world often involves dozens of people for bringing an idea from its initial discovery to the point where it can make an impact. Unlike in the past, competitive advantage is no longer the sum of all efficiencies, but the aggregate of all connections (Satell, 2017).

Clearly, organisations that want to grow, stay ahead of the competition and create value for their customers, partners, and employees, need to broaden their mindset towards innovation and move towards a sharing, collaboration, and networking based model that will allow them to leverage the insights, technologies, and ideas available within their boundaries as well as outside, and attain excellence by combining and recombining inputs from various sources. While there can be many ways for organisations to adopt, assimilate, and imbibe an open innovation and crowdsourcing based innovation strategy, a key role in this regard can be played by social media.

### **Business Applications of Social Media:**

Social media has transformed the way people communicate with one another, share their feelings and emotions, express their ideas and opinions, keep track of what is happening around the globe, get updated on new trends, shop for products and services, spend their leisure time, acquire new skills, support social and political causes, and more. With internet and smartphones becoming ubiquitous, the amount of time that consumers are spending on social media has gone up dramatically. There are more than 2 billion digital consumers worldwide, and a typical digital consumer now spends more than 2 hours every day on social networks, registering a steady increase over the last five years. Also, almost 85 percent of online adults globally have a Facebook account, and even though the millennials still form the highest percentage of social media users, the Gen Xers and Baby Boomers are fast catching up ("GWI Social", 2017).

In the light of this new reality, businesses across the globe are investing their time, money, and resources on social media platforms such as Facebook, YouTube, Twitter, Google+, Instagram, Pinterest, Tumblr, Snapchat, and many others, and are using these platforms to connect, interact, and collaborate with their internal and external stakeholders. Realising that social media can be a useful and inexpensive way of engaging with the current and potential customers, understanding their tastes and attitudes, and obtaining their ideas and opinions, businesses have incorporated social media into most of their processes, including sales and marketing, branding and corporate communications, customer enablement and support, and training and human resources. While some are still struggling to gain 'fans' and 'followers', there are others who have got it right. In March 2018, Coca-Cola's Facebook fan page boasted more than 100 million 'Likes', and Starbucks had over 11 million followers on Twitter.

Apart from impacting communication with external audiences, social media is also influencing communication within the organisations. Companies are using tools such as wikis, corporate blogs, and intranet sites for organising training sessions, facilitating knowledge sharing activities, putting together rewards and recognition programs, boosting teamwork, fostering internal dialogue, and a variety of other purposes. This is not only leading to significant cost and effort savings, but is also promoting employee-to-employee collaboration, building an atmosphere of openness and trust, and improving communication between the management and employees. "Technological advances", says Ruck, "provide more engaging ways for employees to express their opinions about various work-related issues. Using internal social media has the potential to fundamentally

change the way voice is expressed as it becomes an open forum" (Ruck, 2015).

While many organisations are using social media for sharing, collaboration, engagement, networking, and communication, others have gone a step further and are exploring the potential of the medium as an open innovation and co-creation tool. "The future belongs to firms that can best harness the global trend toward open, networked and user-driven approaches to innovation", says Vijay V. Vaitheeswaran, an advisor to World Economic Forum (Schawbel, 2012). In *The Network Society: A Cross-cultural Perspective*, Castells defines network enterprise as an organisation that thrives on "alliances, partnerships, and collaborations" and quips that tactics and strategies that worked in Fordist organisations of yore cannot work in network enterprises, whose success depends on sharing, collaboration, innovation, engagement, networking, and communication (Castells, 2005).

### **Innovation and Social Media:**

Henry Chesbrough, the author of *Open Innovation: The New Imperative for Creating and Profiting from Technology*, has compared open innovation with closed innovation, wherein all the innovation-related activities of an organisation are the sole responsibility of the internal teams, who work in silos to develop products, services, and processes for the organisation. In contrast, Chesbrough has defined open innovation as "the use of purposive inflows and outflows of knowledge to accelerate internal innovation and expand the markets for external use of innovation" (Chesbrough, 2011). So on the one hand, the open innovation model enables an organisation to innovate by obtaining knowledge, skills, and ideas from outside; and on the other hand, it enables an organisation to innovate through sharing wisdom, insights, and expertise with external entities. Sharing, collaboration and networking are the hallmarks of social media, and since each one of these characteristics is integral to open innovation, the coupling of open innovation with social media is a marriage made in heaven. An Accenture report states that "innovation process should be hardwired into social media and digital communication channels, allowing companies to leverage employee, consumer, and third-party networks, and the insights held within each" (Breed, 2012).

Social media, in combination with mobile computing, analytics, and cloud computing, has emerged as one of the critical factors that are driving innovation in organisations and has completely changed the dynamics by providing new ways to develop products, interact with customers, partner with external agencies, and compete with other companies, states a PwC report (PwC, 2012). Social media has brought the cost of collaboration and communication between myriad stakeholders of a company to almost zero, and some of the world's most innovative companies are showing tremendous mastery in leveraging social media to innovate and create value. In the age of globalisation and free trade, several factors work in favour of using social media for open innovation. One, barriers that hitherto impeded the free movement of workers are withering away, making it easier for those who are educated and capable of changing jobs to do that, and in the process, take their expertise along with them. Talent is perhaps the most valuable asset that a business possesses, and in a scenario where not just the companies, but also the countries are vying with each other to attract the best talent, no business can rely solely on those who are on their payroll for ideas and their implementation. Social media, by way of creating virtual communities where people contribute their ideas, insights, and expertise on a continuous basis leads to the creation of a vast pool of knowledge that any stakeholder can dip in, even after the original contributor is no longer there in the system. Two, a company's employees, partners, customers, suppliers, and vendors can be located anywhere across the world today, and bringing all these stakeholders together for face-to-face brainstorming sessions on a regular basis or expecting them to actively collaborate with each other in real time, is almost an impossible task. In such situations, by enabling all the stakeholders to contribute to the discussion at their convenience, social media can help the companies overcome the geographical barriers. For example, if a thread was started by contributor x at 8 in the morning and contributor y added to it at 2 in the afternoon, then contributor z has the choice of sharing his thoughts at 10 in the night, thus making it possible for contributor x to study the perspectives of contributors y and z at 8 in the morning. Lastly, a lot of research today has become interdisciplinary and it's highly plausible that the experts who possess the required knowledge, skills, and creativity needed to work on a project, are from diverse social, cultural, and educational backgrounds, and may find it awkward to work in a multicultural, interdisciplinary, and cross-geographical environment. In these kinds of situations, social media, by way of enabling people to get to know each other at a personal level, can help break the ice and ensure that they start relating to each other not just as professionals, but also as humans. Clearly, if one puts together all these factors, the pivotal role of social media in the open innovation ecosystem becomes obvious. Social media provides a unique opportunity to the companies to bring together their myriad stakeholders and use their synergies to raise the efficiency and effectiveness of the innovation processes.

Use of social networking for innovation not only makes sound business sense, but it also has a biopsychological aspect to it. According to Crabbe, a business psychologist who has done some pioneering research in the realm of innovation, to induce optimum conditions in our brain for innovation, a neurochemical called dopamine is needed. When we interact with someone whose thoughts match those of ours, dopamine doesn't flow, but when we collaborate with someone who perceives things differently, dopamine secretion starts, thereby setting the stage for innovation and creativity. It should come as no surprise then that many breakthroughs do not happen in the lab; they happen during the course of stimulating discussions among individuals and groups who think differently from each other (Crabbe, 2014).

IBM is one of the trendsetters when it comes to using social media for enterprise innovation. The company's social media strategy is widely acclaimed for the kind of collaboration it drives between the employees, customers, partners, NGOs, and communities, not only on company's internal networks, but also on social networks. If one searches for 'IBM blogs' on Google, one will find numerous posts from IBMers on all kinds of topics, ranging from service-oriented architecture and Internet of things to blockchain and business analytics. The company's underlying thought behind this endeavour is to provide a platform to its various stakeholders that would allow them to come together and exchange ideas in a casual and relaxed setup. The IBMers are all over Twitter, LinkedIn, and Facebook, and company's blog has over 100,000 registrations. Being in direct contact with customers on social media and listening to their successes and failures, makes IBM employees feel connected with the company and empowered to innovate. "Our brand is largely shaped by the interactions that they have with customers. We realised we could trust employees to engage", says Adam Christensen, Director, Social Media Communications at IBM Corporation (Casey, 2010). The success of IBM's social media program can be gauged from the fact that the company has the maximum number of patents in the world, more than any other company. In 2017 itself, the company acquired 9043 patents, with next one on the list, Samsung, acquiring 4837 (Lunden, 2018).

IBM's example makes it clear that the community character of social media stimulates innovation and creativity. The medium makes it possible for people from different backgrounds and areas of expertise to come together and solve problems that are otherwise difficult and even impossible to tackle in a formal set up. Sharing of ideas gives rise to more ideas, triggering a chain reaction that can result in truly innovative solutions. However, the potential of social media as an innovation driver extends beyond ideas. Mount and Martinez propound that social media has its application across the entire innovation funnel, ranging from ideation to product development to commercialisation (Mount, Martinez & Marian, 2014).

### **Social Media and Crowdsourcing:**

Ideation, which involves generation of new product or service ideas, is a critical stage in a firm's innovation process. An increasingly popular approach to ideation that is being adopted by several companies, including Pepsico, Starbucks, Dell, and Cisco, involves crowdsourcing ideas from consumers, employees, and other stakeholders using social networks. The crowdsourcing technique enables these companies to generate a variety of concepts, opinions, and designs within a short span of time, and that too, without burdening their resources or finances.

For their whitepaper, Kenly and Poston investigated the tangible benefits that were obtained by companies that used social media for ideation. According to their research, 46 percent of the companies accepted that they had gained more new product ideas and consumer requirements using social media. More importantly, almost the same percentage of companies (43 percent) admitted that use of social media had helped them obtain 'better' new product ideas and requirements. Additional benefits reported by the firms included accelerated time to market, quicker product adoption, and lower product development costs. These benefits contributed to the success of new products and services and helped the companies achieve higher profit margins (Kenly & Poston, 2011).

In 2008, Starbucks launched mystarbucksidea.com, an online community that would allow the company to obtain ideas from its customers as well as employees. In the past nine years, the company has received thousands of ideas from across the globe related to products, in-store experience, social responsibility, and more. Many of the ideas have been adopted by the company, including the introduction of cold-brewed iced coffee, providing non-dairy and non-soy alternatives for people with allergies, free drinks for those who purchase reusable cups, the rollout of splash sticks, and offering breakfast sandwiches with a spicy sauce. Apart from posting new ideas, users can also comment and vote on the ideas posted by others, which gives the company an even better perspective on consumer sentiments and market trends.

One of the world's largest and most successful companies, GE, believes that it is impossible for an organisation to have all the best ideas. With that awareness, the company runs a highly successful open innovation program,

which involves bringing together thinkers, inventors, and industry leaders from across the globe by way of virtual communities. The company's goal is to source and support ideas wherever they might come from to augment its internal capabilities to solve challenges across energy, transportation, water, healthcare, and lighting industries. Anyone can join the community by registering on GE's portal. Till date, over a hundred ideas generated through the program have been implemented, creating value for the company as well as the participants, who can win cash prizes, development grants, and opportunities to collaborate (GE, 2016).

Companies such as Coca-Cola that have tens of millions of fans on Facebook and other social media platforms have started using the power of social media to develop new products and have met with considerable success in the process. One of the most notable cases is that of VitaminWater, a Coca-Cola brand that's popular in over 20 countries. The company asked its fans on Facebook to recommend a new flavour for the brand, choose its ingredients, and also select its packaging. Using the inputs provided by over two million fans, the company developed a new flavour, black cherry-lime, which turned out to be an instant hit in the market.

SAP, a leading global software company, has come up with an enterprise social media platform called SAP Idea Place, where its customers can share their product innovation ideas as well as comment and vote on ideas submitted by others. The organisation runs four types of innovation campaigns using the community forum, including continuous innovation, where users can share ideas and suggestions for future product releases; innovation contests, where a challenge is presented to be solved and a prize awarded for the top answer; innovation jams to encourage disruptive thinking and accelerate adoption of new SAP technologies; and private brainstorming where SAP employees, customers and partners can brainstorm together in private around a common challenge (Milroy, 2012).

Not just the fans and customers, but employees too are using social media platforms to come up with innovative ideas. When British Airways launched its new Airbus A380, some cabin crew members posted suggestions on the internal social network regarding improving the pantry layout, and even uploaded some sketches and designs to support their ideas. The organisation's engineering team took note of this and could incorporate the changes in a matter of days. In another instance, cabin crew members started a thread about the amenity kits that are given to customers, sharing what customers thought about them and what improvements can be made enhance customer experience. "This connection and level of collaboration between different parts of our organisation would have previously taken significantly longer to achieve," says Steel, Global Head of IT Operations for the company. Using social media reduced the exchange to days and led to the development of a highly practical solution that enhanced staff productivity as well as customer service (Dudley, 2015).

### **Social Listening:**

With billions of posts, shares, likes, tweets, comments, tags, and various other forms of data being generated daily, companies realise that social media listening can prove be a valuable product innovation tool, and one that doesn't involve significant long-term investments or resource commitments. Each post, each uploaded video, each tweet, each like, each share, and in fact, each click that's made anywhere on social media generates data, which, if analysed along with various other qualitative and quantitative inputs, can prove beneficial at each stage of innovation. As it is, a large percentage of conversations on social media contain direct or indirect references to brands, and by paying heed to whatever is being discussed about them and categorizing it based on demographics, market segments, and consumer personas, companies can get accurate, instantaneous, and unfiltered insights about the strengths and weaknesses of their offerings, as well as about customers' tastes, preferences, and expectations. In addition, businesses can use social media to obtain actionable intelligence about their competitors, including which are the areas they are focusing on, what are their strengths and weaknesses, what is the profile of their customers and how are these customers engaging with their products and services, and then use this information to augment, fast track, and repurpose their own innovation efforts.

Even though most of the data available on social media is unstructured, recent advancements in artificial intelligence, machine learning, and data sciences, are making it possible for the organisations to derive actionable intelligence from the billions of gigabytes of unstructured data at the click of a button and in ready-to-use formats. The social media analytics tools that are available today can help the companies track conversations about their products, services, campaigns, and events across various social media platforms in hundreds of languages, and can also customize the search results as per the business needs. These tools can also be used to track brand-agnostic conversations with the goal of understanding the emerging trends across different markets and demographics. For example, an FMCG company was toying with the idea of introducing a new range of snacks in the market. To gauge the diet-related trends in certain geographies, the company took the help of social media analytics. Over the next few weeks, the company monitored the ongoing discussions

regarding diets and snacks on various social media platforms. Besides analysing the data obtained from social media, the company also examined the data collected from many other online resources. When the company's senior leadership went through the findings, the trending conversations around 'gluten-free' caught their attention, and they decided to explore the genre of 'gluten-free snacks' further, with the intent of launching a disruptive new product in the market. Within a couple of months, the company was ready to commercialise their innovation—snacks that were not only gluten-free but also fat-free, and made from organic ingredients.

When people talk about businesses on social media, they are not just discussing the products and services that the businesses offer. In addition to that, they are debating a whole lot of other business-related issues, such as the strategies of the companies, their downsizing plans, their impact on the environment, their handling of consumer issues, their new CEO, etc. Any company that wants to be sure about the feasibility and acceptability of a new product or service it's planning to bring into the market can benefit from using analytics to understand the deeper meaning behind thousands of mentions that a brand is getting on social media. By using a variety of complex algorithms to analyse consumer sentiments in real time, these tools enable businesses to take preventive measures before committing their resources towards enhancing the existing product lines and developing new product lines.

Few years ago, a leading makeup brand that wanted to launch its products in a new market decided to use analytics to understand the prevailing trends and consumer sentiments about beauty products. The results revealed that there was a lot of 'chatter' in that market about the use of cancer-causing chemicals in various beauty products, more so because there was a new player in the market who was specialising in 'natural' beauty products and was constantly cautioning the consumers about the harmful effects of these chemicals. Since the company managed to capture this information before the launch of its product range, it was able to take corrective actions by way of finding 'natural' alternatives for certain chemicals and repositioning its marketing campaign to highlight the use of natural ingredients. Thus, social media analytics adds value to the innovation process by providing real-time insights about the prevailing trends and preferences. Instead of asking market researchers, sales teams, distributors and dealers about what the customers want, manufacturers can use social media analytics to directly 'ask' their entire customer base what they want.

With most people now accessing social media networks through their smartphones, a lot of social media conversations are turning visual. Billions of images are shared every day on social networking sites, and quite a few of them pertain to brands. It could be the image of a new dessert that someone has made using Hershey's cocoa powder, or it could be a selfie clicked by a group of coworkers proudly displaying the Milton water bottles they have received as a Diwali gift from the company, or it could be the image of a new Ford Ecosport that someone purchased recently, only to find that some of its much-touted features are not working along the expected lines. Since many of these brand-related images are not accompanied by text messages that mention the name of the brand or contain a keyword or hashtag that can be tracked, it is virtually impossible for the brands to find them manually in the labyrinth of social media. To trace these conversations, businesses are taking the help of image analytics tools that can scan various social media platforms for images, logos, graphics, emojis, and memes. These tools enable the brands to 'listen' to image-only conversations and understand how the consumers are using their products, what kind of problems they are facing, and what can be done to improve the stability and safety of these products, improve their ergonomics and design, make them more efficient and comfortable, and make them more useful by adding more features.

### **Commercialisation:**

Transitioning from ideation to go-to-market is one of the biggest challenges before organisations, as commercial viability of their innovations is determined at this stage. Using social media for commercialisation-related activities can not only help in refining, improvising, and optimising the new product, but also in bringing down the time-to-market vis-à-vis traditional methods of commercialisation. Introducing the new product to a limited set of users, obtaining their feedback using social networks and communities, and using various analytical tools to collate the feedback can help a business successfully commercialise its innovation. Deploying social media tools such as polls, surveys, and contests at this stage can also build awareness and curiosity about the product amongst potential customers and help the organisation define the market. Individuals and communities that are participating in commercialisation-related activities can also serve as brand advocates for the product they have co-created, thus augmenting the firm's marketing, promotions, and PR efforts. Organisations who do not have the resources, know-how, or time to develop their beta communities can partner with various popular forums for the purpose. For example, Mumsnet, a UK-based parenting community having millions of members, is being used by several companies to test their products and services before going for large-scale commercial launch.

The participants are selected based on surveys and stand to win cash prizes, gift vouchers, and various freebies in return for their participation and feedback.

## **CONCLUSION AND RECOMMENDATIONS:**

While many of the businesses have a social media presence today and are using the medium in a variety of ways, ranging from branding and marketing to public relations and customer support, there are some who have started looking beyond these obvious uses of the medium and have begun to explore its potential for open innovation. Even though social media is still a relatively young medium, whose full potential for innovation is yet to be realised, but there are enough indications to suggest that it's becoming a more acceptable and widespread method of generating ideas, co-creating products and services, conducting beta testing, and facilitating market launch. Organisations can use social networks and communities for innovation actively as well as passively. They can actively approach their customers, partners, employees, suppliers, and other stakeholders for idea generation, product development, and commercialisation, or they can passively monitor enormous amounts of data that is being generated on social media and decipher it for innovation-related purposes.

Indeed, social media and open innovation are a natural fit, and if used efficiently, can prove to be a force multiplier for any business. By harnessing social media for crowdsourcing innovation and by deriving intelligent inputs out of the billions of gigabytes of unstructured data that's being generated by the consumers on social media, a business can gain access to ideas, insights, and trends that it may not have been able to discover otherwise. Use of social media can also help a business keep an eye on the activities of its competitors, and can help them stay one step ahead of them by preempting their business moves and innovation strategies. At the same time, the businesses who are willing to use social media to develop new insights and new products, need to have a well thought out strategy in place, closely linked to their short-term and long-term business objectives. Embracing open innovation and crowdsourcing using social media without having a clear-cut strategy and support mechanism may not yield desired results and can even prove counterproductive. The key lies in identifying the areas in which social media can be effectively used for innovation and identifying the problems that can be handled better through crowdsourcing initiatives as compared to in-house R&D. Crowdsourcing innovation through social media is not universally good or bad, says Pisano. "It is simply a tool whose strength (exploiting large numbers of diverse problem solvers) is a benefit in some contexts (highly diffused knowledge base, relatively inexpensive ways to test proposed solutions, modular system), but not in others (concentrated knowledge base, expensive testing, system with integral architectures)" (Pisano, 2015).

There are no shortcuts or formulas for innovation, and no tool or method can guarantee consistent and profitable breakthroughs. Therefore, organisations need to brace themselves for a continuous, untiring, and ever-evolving effort towards innovation, using internal R&D teams as well as digital communities. Organisations need to be realistic while determining what kind of innovation strategy will yield maximum results in their unique ecosystem. An innovation strategy that works for company X need not necessarily work for company Y, even if both the companies are operating in the same sphere and have definite similarities. While social media is an immensely useful tool for open innovation, co-creation, and crowdsourcing, it should be used as an adjunct to other methods of innovation, and not as their alternative. The best utilisation of social media can happen when it is incorporated into a company's culture and processes and is part of a formal and comprehensive innovation strategy. By imbuing social media into their overall innovation mix, organisations can significantly increase their chances of long-term success and viability, besides obtaining a whole lot of benefits from using social media for internal and external communications.

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