

5 EXPAND

Where Innovation Becomes Reality

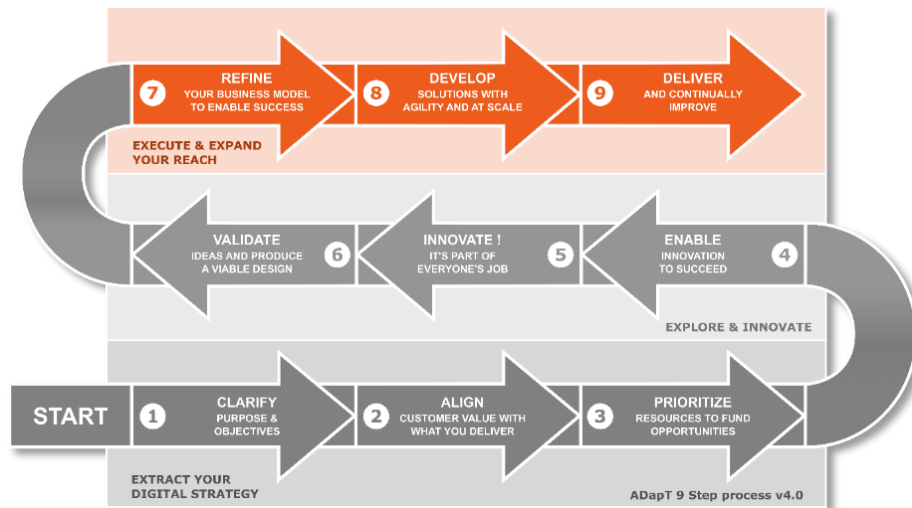


Figure 1: The EXPAND phase in the Agile-ADapT® model

The EXPLORE phase allowed us to imagine, test, and validate. We uncovered insights, designed new concepts, and ran focused experiments to see what truly resonated with our customers and aligned with our purpose.

But insight alone is not impact. Learning alone is not progress.

At some point, ideas must leave the lab and enter the real world.

That's where EXPAND begins.

This phase marks a critical inflection point in the transformation journey. It's where organizations shift from what could work to what will work at scale.

EXPAND is not about launching faster. It's about launching smarter—embedding innovation into the business's operations, systems, and culture in a way that is both

sustainable and adaptive. It's about getting results sooner and safer, resulting in happy customers and users.¹

¹ Read Jonathan Smart's book, *Sooner, Safer, Happier* – it will help you understand how the digital age has turned conventional wisdom on its head!

Where EXPLORE emphasizes creative freedom and rapid learning, EXPAND introduces structure, discipline, and intentional delivery.

Here, we refine the business model, eliminate blockers, address capability gaps, and ready the organization for adoption at scale. Importantly, this doesn't mean returning to rigid processes or bureaucracy. Instead, it means translating insight into execution without losing agility or intent.

In EXPAND, we ask:

How do we build what matters at a level that can be sustained, measured, and evolved?

How do we avoid letting good ideas die on slides or in post-its?

And how do we ensure that innovation is not just launched but absorbed by people, systems, and strategy?

Guided by the ADapT principles of REFINE, DEVELOP, and DELIVER, this phase turns transformation into capability. It strengthens the feedback loop between what customers need and what the business can consistently provide. It's about making change stick—without losing momentum.

Done right, EXPAND doesn't just scale innovation. It scales learning, ownership, and impact.

5.1 REFINE Your Business Model

Guiding Principle #7: Refine Your Business Model to Keep Pace with Evolving Needs and Trends

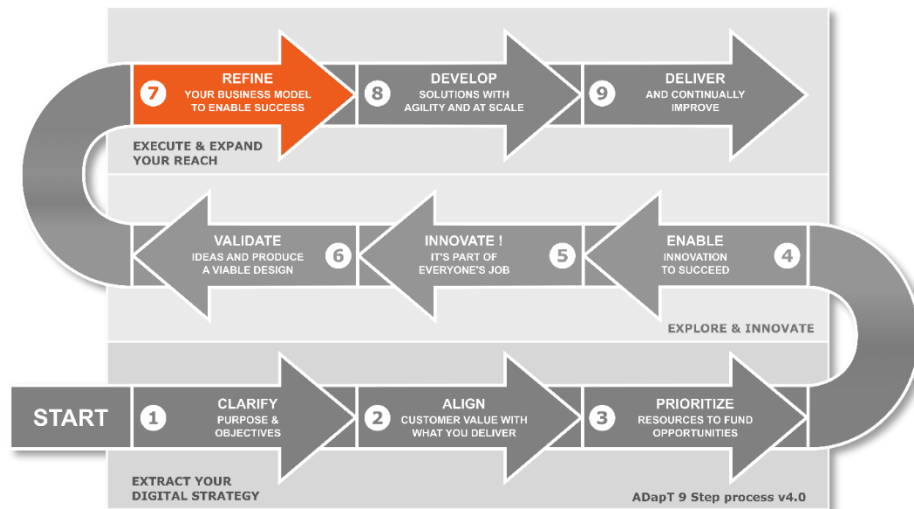


Figure 2: REFINE - the first of three Guiding Principles in the ADapT model

At the end of EXPLORE, we examined product-related go-to-market models, which are crucial in supporting innovation by shaping how value is delivered to customers through sales, marketing, and distribution strategies. Go-to-market models also help tailor sales channels for customer acquisition and retention. Our analysis focused on startups with a single innovation or product to consider.

However, for organizations managing multiple products, at some stage, this exercise extends to evaluating the entire business model.

Business models define how a company creates and captures value. Addressing this topic is essential—without it, innovation efforts risk being wasted. As we move into the final phase of the iteration model, we must critically assess how to optimize the organization to maximize customer value.

Business Model Innovations represent a powerful Type-5 Innovation, capable of influencing and reinforcing all other types of innovation—and even sparking entirely new ones.

From an innovation perspective, let's explore the impact business models have on shaping success.

5.1.1 Innovating Business Models

Business models frequently become obstacles to the success of brilliant ideas. For an innovative idea to take flight, it might be necessary to identify the best business model to underpin the new concept and rethink or even reinvent the entire business and the operating model.

Innovation explicitly targeting the business model can act as a powerful catalyst for change, unlocking new horizons and cultivating the growth of fresh ideas – it works both ways! This ability to adapt is crucial because altering an established business model is notoriously difficult.

As such, crafting a distinct business model for specific innovations allows the said innovations to prosper in an environment untethered from the constraints of existing models. This strategy is particularly recommended for Type-1 innovations, initially advised for Type-2 innovations, and often prudent for Type-3 innovations.

Looking at our usual suspects like Netflix, Apple, Amazon, Microsoft, and Nike, we see that they all changed or evolved their business models to become what they are today. Their original business model looked very different, but they evolved by leveraging technology & AI and/or shifting to DTC (direct-to-consumer) or platform/ecosystem models. European examples are:

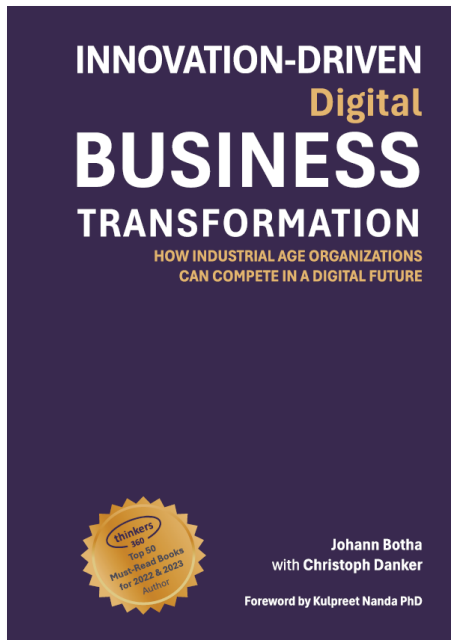
- **Spotify:** from music downloading to subscription streaming.
- **Vodafone:** from telecom operator to digital & IoT service provider.
- **Nestle:** from mass consumer goods to personalized nutrition & wellness.
- **Lego:** from physical toy maker to digital & experience-driven brand.

For a more in-depth understanding of business model innovation, we invite you to refer to **Appendix 4**.

Organizations rarely take the necessary steps to rejuvenate their business models, clinging to legacy approaches and controls that no longer serve their purpose. This reluctance can significantly hinder the organization's ability to refocus, refresh, and grow.

Because changing a business model is so hard, it is often easier to define an entirely different business model for specific innovations. BUT this strategy only allows innovation to thrive in environments detached from the current business constraints.

However, the challenge of having two business models in one business is even more significant than not evolving the existing business model – the ONLY time this works is if you spin off the idea as a highly independent new business (that often competes directly with the mother company).



Johann H. Botha, Christoph Danker

Paperback, 322 pages

Innovation Driven Business Transformation is a thought-provoking exploration of how organizations can stay relevant in a world of constant change. Rather than offering rigid frameworks or buzzword-heavy strategies, the book takes a principle-based, human-centered approach to transformation.

At its core, the book is about rethinking how we deal with complexity, innovation, and change – not as one-time projects, but as an adaptive continual cycle. It challenges traditional ways of working and encourages leaders to embrace uncertainty with curiosity, clarity, and courage.

The book calls for a shift:

- From control to co-creation
- From rigid plans to adaptive cycle
- From surface-level change to deep, cultural transformation

Innovation Driven Business Transformation is not a step-by-step manual – it's a mindset shift. It invites organizations to become more aware, more authentic, and more aligned with their purpose, people, and potential – the ADapT way.

eBook Available on Amazon, Paperback Available Soon!

This book is not just about a model - it is a call to action. It invites leaders, teams, and organizations to treat transformation as a continuous discipline. Whether you are navigating uncertainty, scaling innovation, or rethinking your role in a rapidly evolving world, it will inspire you to lead with intention, experiment boldly, innovate with empathy, and transform with courage.

Dr. Kulpreet Nanda | Global Emerging Practices Leader, Capgemini

It's brilliant - discover a common-sense approach that reimagines tried-and-tested methods, removing complexity to make innovation and transformation easy.

Dr. Suzanne Van Hove | Retired Business School Professor & Author

It cuts through all the noise and provides a straightforward, common-sense approach to strategy, technology, innovation, and transformation. It's obvious, it's simple, and their thought leadership is profoundly relevant.

David Cannon | Executive VP, nfinity3 & Best-selling Author