

# Ideas



CENTRE FOR RESEARCH & INNOVATION  
A GPRC/PREDA Partnership

August, 2011

## Social Media is Changing the World

I remember using walkie talkies and listening to my Sony Walkman. Now we have smart phones, iPods, Twitter, Facebook, MySpace and blogs. What's really incredible is how society as a whole, has latched onto these many methods of communication. With over 50 percent of the world population under the age of 30, it makes sense that 96 percent of Millennials have joined a social network. But it's not just the kids. The fastest growing segment on Facebook is females, 55-65.

Social Media isn't a fad, it's a fundamental shift in the way we communicate. You can't go anywhere without being in contact with someone using some form of social media. To be without a cell phone is unheard of. Even our everyday way of talking has changed. BRB or LOL are common phrases. And with Twitter, you can send a message to a million people, while sitting in your living room, watching *Canadian Idol* and drinking a *Red Bull*.

Social Media is becoming the mainstay for how we do business locally, nationally and globally. When you read that Social gamers will buy \$6 billion in virtual goods by 2013 while movie goers buy only \$2.5 billion in real goods, this quote by Erik Qualman, author of *The Social Media Revolution*, rings true;

"We don't have a choice on whether we do social media, the question is how well we do it."

The basis of Social Media is the "social" part. What at first was blamed for keeping people apart is actually working to bring us together as communities. We're blogging, tweeting, commenting and updating. We're talking. We ask each other what we think about issues and products. We recommend. We review. We upload and download. 78 percent of consumers trust peer recommendations while only 14 percent trust advertisements. 25 percent of search results for the world's top 20 brands are links to user generated content and 34 percent of bloggers post opinions about products and brands.

Savvy business owners must embrace the power of the consumer and attempt to engage them in conversations. The traditional approach of wide reach and repetitive messaging is now being replaced by many much smaller, niche and people-centric activities. The facts are obvious, consumers will no longer search for products and services, products and services will find them via social media. Translation: If you don't have social media as an integral part of your marketing strategy for your business, you're going to be left behind.

### Check out the links below



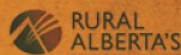
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*Welcome*

The Centre for Research & Innovation is pleased to welcome Bob Hall as our Manager Innovation Services.

On Monday, July 18th, Bob began working from our Centre 2000 offices where he is putting his 30+ years of business and economic development expertise to work for our innovation clients.

Bob is no stranger to the CRI as he has worked closely with us in his previous position as Manager, North West Region, Alberta Finance and Enterprise and through his responsibilities with the Peace Region Economic Development Alliance (PREDA).

Please feel free to contact Bob for all of your innovation queries at 780-539-2807, 1-877-539-2808, or email [rhall@gprc.ab.ca](mailto:rhall@gprc.ab.ca).

## Vote "Belt Drive Betty"

Our friend and client, Renee "Belt Drive Betty" Charbonneau has not only been nominated for Woman of the Year for Chatelaine Magazine in the Mavericks category, she's been short listed and chosen for the competition. For more information and to vote for Renee log onto: <http://goo.gl/DnUcF>.

## Value Propositions Key to Innovation

By Robert F Brands founder of InnovationCoach.com

What defines successful Innovation?

Innovation is the process of using intellectual capital to create new products or services that generate positive business results in the form of financial returns. Discovering new findings then spurs more innovation which leads to further financial returns, and so on.

Innovation is successful when positive outcomes result in return on investment (ROI). That is why Value Creation is so important. Adding perceived value to a new product or service will drive ROI. The value proposition is the key to successful innovation. Develop an innovation with high perceived value to your customer, and strong sales will follow.

It's all about understanding your customer and giving them what they want. Customer input and feedback is key. Look at Ford Motor Co. for example. The car manufacturer observed and listened to their large customer and prospect base on what they wanted in a car. They launched the "Your Ideas" initiative that invited people to make suggestions for improvement in all areas of comfort, convenience, connectivity, performance and safety. The result? Ford added iPod, MP3 player and USB connections, touch screens, voice activated communication systems, intelligent push-start buttons and more. Sales are soaring – not because of the traditional four wheels and performance but because of value added features. Ford

Motor Company  
now



has one of the highest customer satisfaction rating among all major automakers.

When was the last time you tried or experienced your product or customer experience? Create value and not just onerous processes. Consumer input should be considered at multiple stages of your new product development process in order to increase perceived value. Enhanced product value means higher margins, greater returns, improved loyalty and increased stakeholder value.

Finally, when you find that delicate balance between cost, manufacturability and consumer perceived value, be sure to protect your intellectual property (IP) portfolio through patents. Invest the time and money into constantly updating patents and managing your product or service portfolio because it will lock in the value of your Innovation IP.

# Ideas

## Next Round of Innovation Vouchers

October 1, 2011 is the deadline date for the next round of Innovation Voucher applications.

Alberta Innovates—Technology Futures' Innovation Voucher Program helps small small technology and knowledge-driven businesses in Alberta move ideas from concept to commercialization more quickly.

Eligible businesses may now qualify for vouchers worth up to \$15,000, for services such as conducting opportunity assessments or for specialized services required to assist the entrepreneur related to business development and mentoring for the purpose of supporting the advancement of technology, small scale prototyping or intellectual property services. Businesses may also still qualify for larger vouchers of up to \$50,000 for more substantial technology development activities such as product prototyping, lab verification or field testing.

Businesses are potentially eligible to receive one of each type of Voucher throughout the duration of the program.

Contact the Centre for Research & Innovation today for assistance or guidance with the Voucher Program. Further information is also available at:

[albertatechfutures.ca](http://albertatechfutures.ca)



## Your 30 second speech

With permission from Canadian Innovation Centre, June/11, by Lucy Keating

When meeting someone for the first time, especially at a professional event, it's useful to have a prepared personal introductory speech that lasts no more than 30 seconds. Think of it as a 30 second commercial about you, your organization and the work you are doing.

Occasionally people say they are not getting positive responses when networking and ask for advice on how to improve. I begin by having them introduce themselves to me just the way they would at an event. Sometimes there is no need to look further for the problem. These folks begin their introduction with their name followed by a 3 minute monologue that would put a late night TV host to shame. They not only include a lot of irrelevant details but frequently make it so long and convoluted it's hard to follow. By the time they pause it is likely the person they are speaking to has mentally checked out.

One of the most important things to remember when meeting others for the purpose of networking is that you simply need to stop talking and engage the other person in a conversation. Your initial introduction is about offering a thumbnail sketch of yourself or your company that allows the person to get a basic understanding of your work.

It is terrific if you can make that introductory speech so intriguing that you invite the person to ask you questions. Some years ago I was on an airplane heading across the country. A polite conversation with the person seated next to me



revealed that he was also crossing Canada on business. I casually asked him what he did for a living and he replied by saying "Let me introduce myself, my name is Jared and I sell weather." As openings go, that one is hard to beat for sheer engagement; maybe someone could resist asking for more detail, but I certainly couldn't.

Getting a conversation started is what your introductory 30 second speech is all about. Don't try to memorize it, but do think about it well before your next networking event. Then, when you meet someone new, resist the temptation to deliver a monologue. Simply stop talking and invite dialogue.

*A partner in Commexus Inc., **Lucy Keating** has designed and delivered many education programs for organizations across North America. With extensive project management experience, and a particular strength in co-ordinating multi-disciplinary teams, she works with a variety of engineering and technical groups to design communications focused on fostering understanding and acceptance of change. She has designed and delivered leadership, team work, networking and presentation skills training programs for a wide range of organizations.*

## The anatomy of a fundable startup

As a co-founder of several companies, an angel investor in several more, and co-maintainer of two great resources for entrepreneurs -Angellist and Venture Hacks-Naval Ravikant has a unique view of the startup and investing landscape. That's why he was asked to speak at this year's Founder Showcase event in San Francisco to almost 500 founders and investors, and he did not disappoint. Naval broke down the 5 main qualities of an "exceptional startup":

### 1. Traction

- "Traction trumps everything"
- "You want to have about 20% a month growth to look like a hot company"

### 2. Team

- "There's not a lot of room for non-technologists. One seller, and the rest builders"
- "Recruit only the best. And if you can't, you're not ready. It's that simple"

### 3. Product

- "Most angels will loath to invest before the launch." They can usually just wait.

### 4. Social proof

- "It matters, but it's a bit overrated"
- "If you have to rely on social proof to get funded (in lieu of other metrics), I question whether you have a great company on your hands"

### 5. Pitch/ Presentation (this is the least important aspect)

And while all these qualities are important, Naval explained, the most important thing is to understand that "investors are trying to find the exceptional outcomes, so they are looking for something exceptional about the company. Instead of trying to do everything well, do one thing exceptionally. As a startup you have to be exceptional in at least one regard."

Naval's talk is a must watch for any technology entrepreneur or angel investor. He also shares several "hacks" to raise funding and signs for when to call it quits on your roadshow [See the full video of Naval's talk at the Founder Institute website here.](#)

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Your comments and feedback are appreciated. Articles on topics relevant to innovation may be submitted for consideration.

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