



Scaling Innovation into a Competitive Advantage

The global information services leader faced a dilemma as new industry entrants disrupted its market. So, it developed a more systematic approach, building and scaling a high-performance innovation system that recharged company growth.

Challenge

Experian is a global information services company with hundreds of data, software, and analytics products generating more than \$6 billion in annual revenue. One of the first companies to aggregate credit paying histories of borrowers to inform risk assessment in lending and other markets, it expanded into direct-to-consumer markets in 2001, selling credit reports to individuals on a one-off or subscription basis.

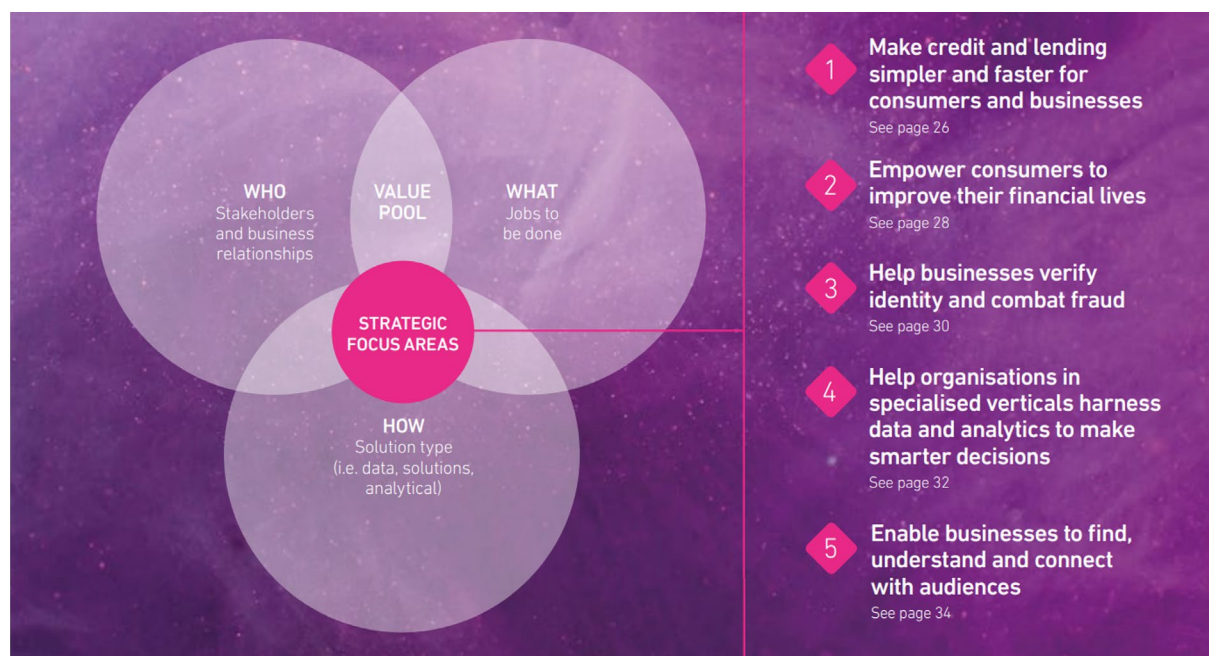
Fueled by growing interest in personal finance, increasing internet access, and Experian's customer acquisition expertise, the consumer services business grew rapidly. However, when Brian Cassin took over as Chief Executive Officer in 2014, growth had stalled as disruptive entrants offered free access to personal credit reports that they monetized through targeted advertising. The company found itself confronting an "Innovator's Dilemma," in which a successful, market-leading business struggles to respond to disruptive upstarts.

Discovery and Design

While Experian had a strong track record of introducing innovative solutions, Cassin launched an initiative to develop a more systematic approach to make innovation faster, more strategic, and higher value, better taking advantage of the company's global scale. The company engaged Innosight to bring perspective on best practices and relevant models from other organizations.

Experian had broad range of projects underway, but innovation was often not a top driver of strategic priorities as leaders lacked insight into initiatives and a portfolio approach to resource allocation decisions. The company also needed commonly shared definitions, processes and metrics as well as a clear top-down strategic direction for innovation. So, it created a team to engage leaders in the design and piloting of what became the “Experian Innovation System,” consisting of three pillars:

Strategic Focus Areas. Used to pick the right markets to invest in while enabling a common language for developing strategic plans across businesses with a bridge to connect high-level direction to more granular guidance for investment, M&A, ventures, and innovation.



Source: [Experian Annual Report 2020](#)

Innovation Pathways. These are the tools and processes used by innovators to systematically uncover customers' jobs to be done and develop and de-risk potential solutions, as well as a portfolio of training programs and communities of practice to support the teams engaged in driving innovation.

Innovation System Management. This enables the entire effort to be managed as a portfolio of portfolios, rather than as a set of discrete initiatives, allowing both visibility and control of resource allocation to ensure that innovation investments remain consistent with strategic priorities over time.

Impact

Experian's transformation journey has had a profound impact on its culture and performance. By developing a systematic solution for better focusing on a smaller number of high-potential projects, it has reduced the time it takes to bring new innovations to market by up to 75% and doubled the expected revenue from projects. This has helped the company fundamentally reorient its relationship with consumers, opening up new avenues for growth as it has introduced a series of value-adding features to its paid offerings, including identity protection services, financial wellness, and ways for members to better control data and save money.

The company has been recognized by Forbes as one of the most innovative companies in the world every year since 2018 while Fast Company selected one of its new products for helping consumers improve their credit scores, Experian Boost, which featured actor and wrestler John Cena in an advertising campaign, to its 2022 list of World Changing Ideas. Experian's number of registered members has increased to over 60 million in the U.S., reigniting revenue growth to double-digits annually, while its equity market value, which was \$15 billion when Cassin took over as CEO, reached over \$35 billion as of mid-2023.

About Innosight

Innosight is a strategy and innovation consulting firm that helps organizations navigate disruptive change and manage strategic transformation. Now a member of the Huron Consulting Group, we work with leaders to create new growth strategies, accelerate critical innovation initiatives, and build innovation capabilities. Discover how we can help your organization navigate disruption at www.innosight.com.

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