“Work like a startup!”

Can a lean startup be built inside a large company? Case F-Secure Lokki

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Product guy and UX designer, who also wrote real software a couple of decades ago

Director of F-Secure Lokki

11th of December 2013, 13.50-14.15

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Startup? F-Secure?
Founded in 1988, 2012 personnel 931, revenue MEUR 157.2
“Internal startup”

a.k.a. in-company venture, virtual small company in the big company

Mechanism to do (or try) radical innovation in a big company context
But why?

- Growth! New business!
- New customers!
- New product category!
- New ways of working!
- New technologies!
Background

> 2012 company strategy: new growth from new product categories around core security
> From technology-driven to people-centric
> First build user base, then build revenue model
People protection
How many of your calls or messages concern where your family members are or they should be or where you are?

(Finland school survey, May 2013, n=85)

**Calls or messages to children**

- Majority of the calls or messages: 34%
- About half of the calls or messages: 28%
- Some of the calls or messages: 26%
- Hardly any of them: 12%

**Calls or messages to spouse**

- Majority of the calls or messages: 9%
- About half of the calls or messages: 20%
- Some of the calls or messages: 46%
- Hardly any of them: 25%

Over 60 percent of parents say that majority of calls and text messages with children concern whereabouts.
F-Secure Lokki
Your people, Your places, Your privacy

The personal location sharing app for friends and families

www.lok.ki
Concept “Ringo”
Design drivers

> A unique location sharing app that is engaging, fun and useful
> Nordic liberal approach to location sharing: opt-out for everyone, anytime
> Family AND friends
Groups of people!

People protection

Home security

Wristbands: health, safety, fitness

Flipchart prototyping

Design + technology + marketing

Release every other week

Ask users and listen to them! A/B testing

How to scale to 1M+ users? 10M?

Nobody wants to be tracked!

Pivot?!

Relevant or irrelevant?

Children, pets, bicycles

1: 10: 100

Home security

Children, pets, bicycles

1: 10: 100

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The big company

- Free benefits: Budget, legal team, localization team, country offices, business developers, existing products and code, design guidelines, IPR process, good coffee, smart people to help you for free, office facilities, brand, customers, monthly salary!

- Big company elements to slow you down: Dependencies with the functional organization, proprietary legacy software platforms, revenue expectations schedule, product or technology strategy or channel or go-to-market conflicts, release cycles, HR policy, brand guidelines, reporting process, broken telephones, cannibalization fears, no VC money, meetings, meetings, meetings, annual holidays!
How to organize?

> Independent multi-disciplinary vertical team with top management support and trust, minimum dependencies
> **Attitude** + design + technology + **business**
> If the person is not sitting in the same room, (s)he is not in the team (vs big company functional teams)
> Smaller team and smaller budget is often better
> Informal progress monitoring and reporting
> Share your learnings, both good and bad, across the organization. Everyone will learn, you will learn.
> Incentive systems are tricky to define
> If you don’t make anyone angry, you have not been effective!! ;-)
Product category

- Establishing a new category is hard!
  “Lokki is an unlike family tracker” ... hmmm
- “Family tracking” >>> “Family location sharing” >>>
  “Location sharing and messaging for family and friends” >>>
  “The easy and secure replacement for Google Latitude” >>> ?
- Private social networking app requires cross-platform device support

- Monetization options depend on the product category, target user segments and target markets
Technology choices

> Building a cross-platform mobile app with PhoneGap + AngularJS is learning by doing (and learning from others!)
> HTML5 speeds up cross-platform development but will not bring you the native look and feel (for free)
> Introducing new SDKs in a security software house involves some extra rounds of validation and approvals (and rejections!)
> Devops way of working!
Talk to the users!

- Unassumer for online surveys
- Focus groups with in-house moderation
- School survey for parents and children
- Company country offices for product name testing
- Company Facebook page for app icons testing
- Aalto University Service Design and Engineering course participants for field testing
- In-app feedback email link (yes, this will NOT scale!)
- Net Promoter Score — be careful with NPS!
- Lead user interviews
  + the normal α and β testing with internal people and their families
- + respond to user comments in Google Play!
Where are we today?

- F-Secure Lokki has thousands of users! And we are learning daily.
- November pivot: family >> friends, report 24/7 >> location-on-demand
- Several “internal startups” kicked off at F-Secure
- We are tweaking the process, learning what works and what doesn’t
THE RULES OF SUCCESSFUL F-SKUNK WORKS PROJECTS

Adapted from Lockheed Martin’s 143 day jet fighter prototype project in ’43

1. Independent project with full control over people+budget+process (laws and company values permitting)
2. Clear top-level target setting
3. Aligned targets with in-house stakeholder teams
4. Clear focus, no other obligations for teams and team leader
5. Somewhat unrealistic schedules & targets balanced with full authority
6. Physical co-location of the x-disciplinary team, led by product person
7. Team must take product/prototype to the market
9. Accept(expect/appreciate some people getting upset of broken rules
10. Continuous improvement and lessons learned

http://www.fastcompany.com/3001702/rules-successful-skunk-works-projects
Lokki release 3.0 launching in a couple of days | www.lok.ki
This presentation is in http://www.slideshare.net/kiljander

Thank you!
Protecting the irreplaceable