



Outgrowing Your Market

Innovate to capture long-term growth



Arij van Berkel, Ph.D.
Chief Product Officer



Joshua Haslun, Ph.D.
Senior Research Director

This is the third webinar in a trilogy



3 Things Leaders Must Do in 2026



Marisa Kopec
President



Arij van Berkel, Ph.D.
Chief Product Officer

 © LUX RESEARCH, INC. | All rights reserved. | Lux Proprietary and Confidential

MARCH 17, 2026



Why Innovation Fails

A risk management problem



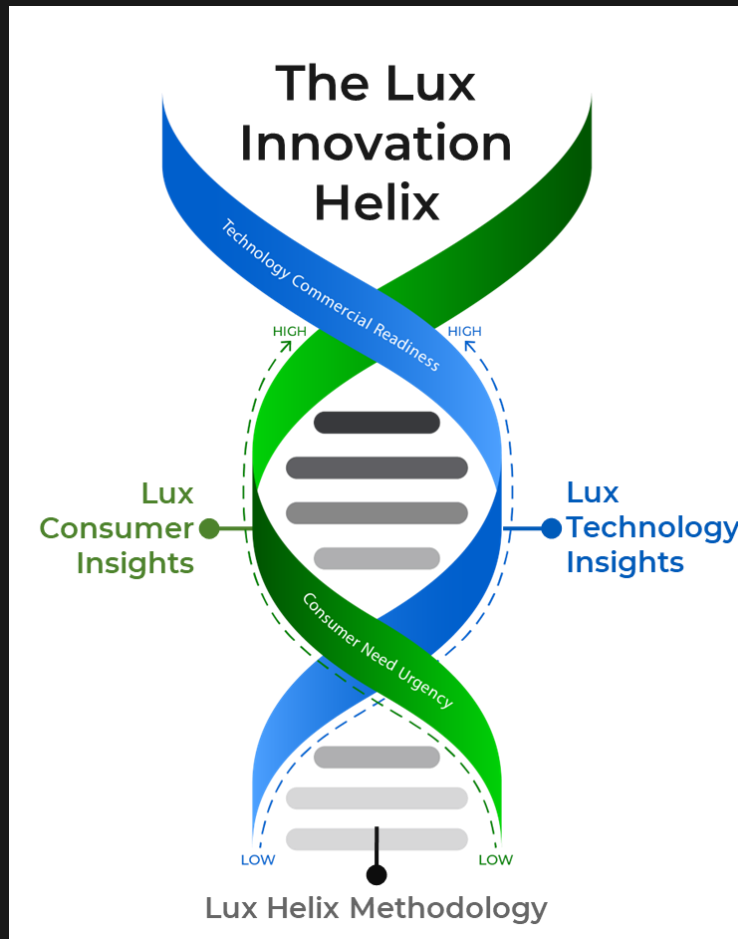
Arij van Berkel, Ph.D.
Chief Product Officer



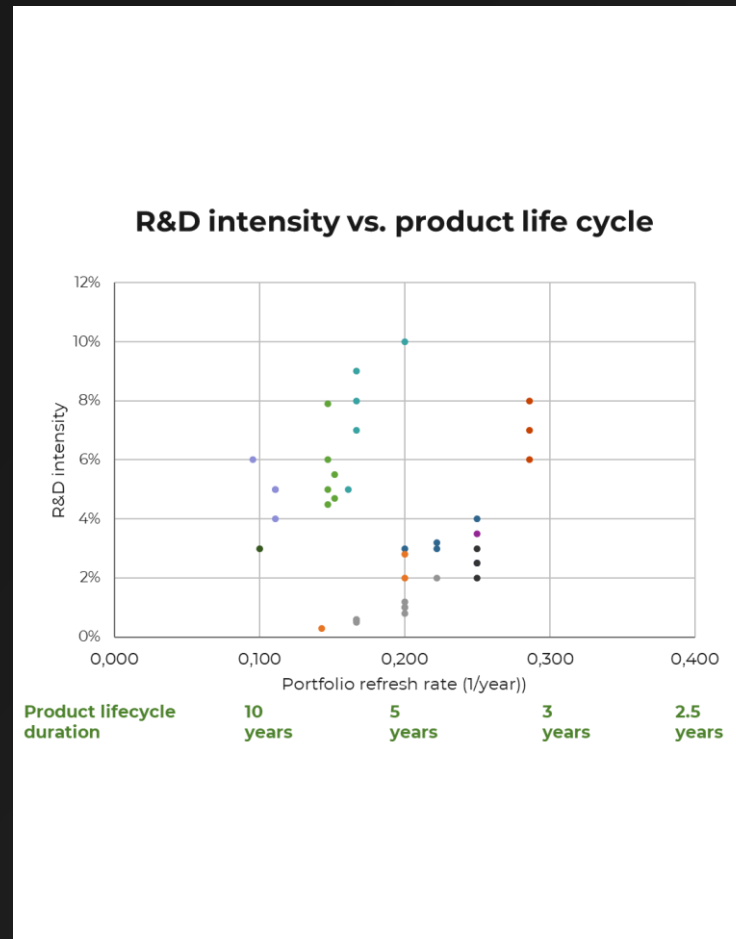
Joshua Haslun, Ph.D.
Senior Research Director

 © LUX RESEARCH, INC. | All rights reserved. | Lux Proprietary and Confidential

Align innovation inputs



Benchmark



Manage risk and risk perception

Quantifiable risk

Risk = Probability × Impact

Non-quantifiable risk

Derisk = Option × Agility

Nurturing Growth Today

01

Innovation Assets

02

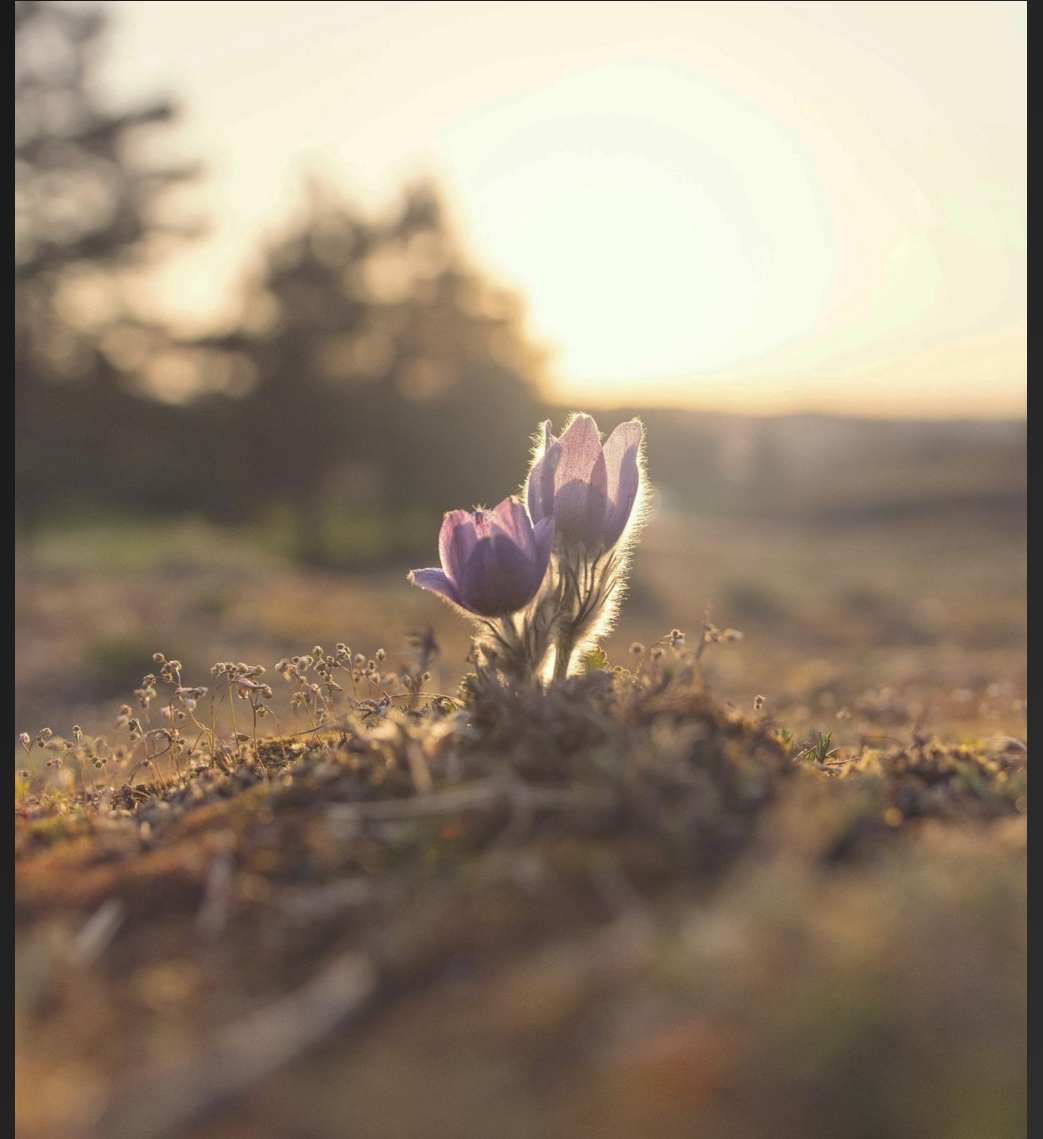
Ideas, lots of ideas

03

Dusting off your crystal ball

04

Rooting your growth



Innovation assets



ASML EUV development

Development started in 1999

First precommercial unit: 2013

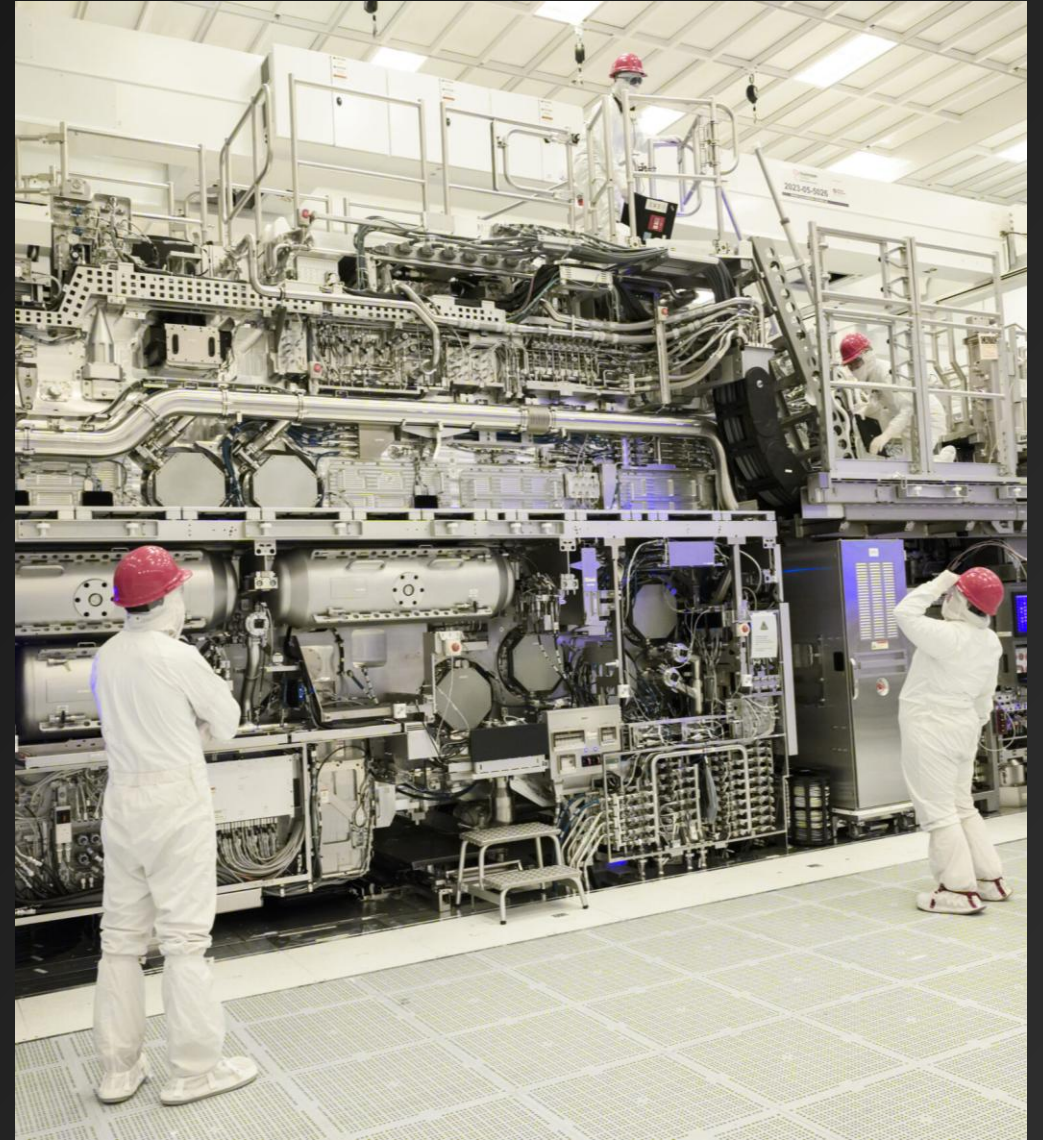
First production units: 2016

Total investment > €6 billion

ASML revenue in 2000: ~ €2 billion

ASML market cap CAGR: 15.2% over past five years

No market comparison: ASML is the market



Develop your innovation assets

Like production and sales, innovation has assets.

These assets allow you to beat competitors and innovate with confidence.

Developing these assets takes time and investment.

Lux recommends that you have a plan to invest in innovation assets.



Value chain partners



Innovation ecosystem



Company skills



Company facilities



Brand reputation



Knowledge partners

Ideas



Schneider Electric: hardware to system

EcoStruxure platform

Launched in current form: 2016

System integrating data and control for:

- Plant and machine
- Power distribution
- Power transmission
- Building management

Open architecture inviting others to develop apps today:

> 20,000 registered parties

> 75,000 users on the platform

Schneider Electric market cap CAGR 14.1%

Market average: 12 %



Organize for your kind of success

Devising your execution tactics involves compromising between:

Leverage

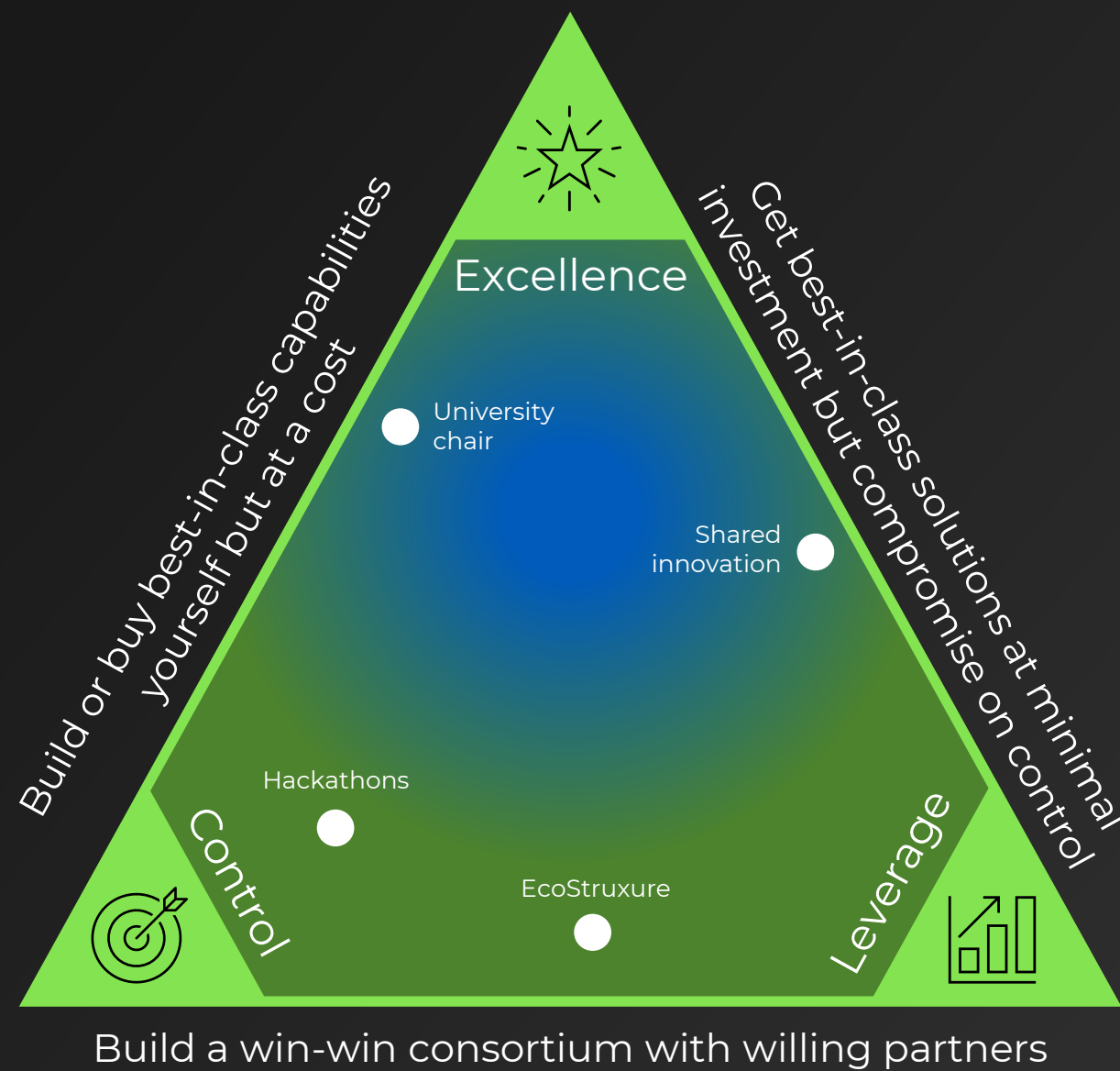
Derisk by getting additional funding

Control

Obtain IP rights and control of all decisions

Excellence

Have world-class solutions and experts



Dusting off your crystal ball



Linde: Positioning steadily for growth

Over the past five years:

Linde market cap growth rate: 7.6%

Main competitors: -1.8%–6.9%

The key to this result is a highly disciplined and consistent approach, derived from analysis:

- Focus on future markets (health, semiconductors, electronics, hydrogen)
- Long term contracts and customer intimacy
- Strong engineering brand reputation
- Strict ROIC thresholds for capex allocation
- Focus by divesting

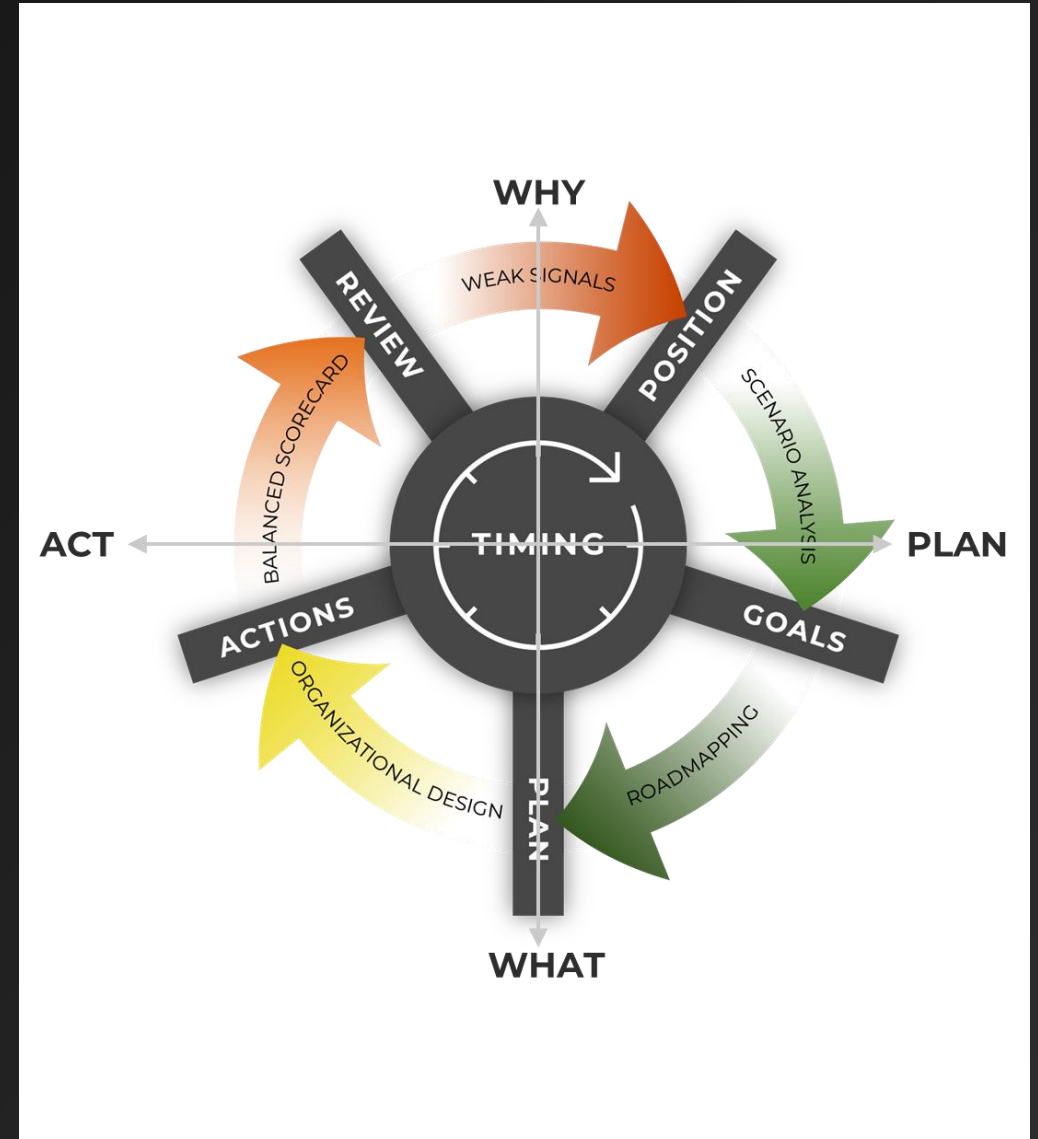


Play the innovation game

Define a clear question and align your actions with it — you set the rules your team follows.

Using a strategy process with a strong analysis to address:

- What markets are in and out of scope?
- What is your (desired) edge in those markets?
- What are the milestones you need to reach?
- What are your conditions for allocation resources?



Rooting your growth



Ecolab: Full-service model

Ecolab has been steadily compounding value market cap CAGR 13.2% over the past 15 years.

Peers in the space have mostly been stagnant or shown negative growth.

Ecolab realized the value is not in the consumables; it is in the full-service model with a guarantee on the results.

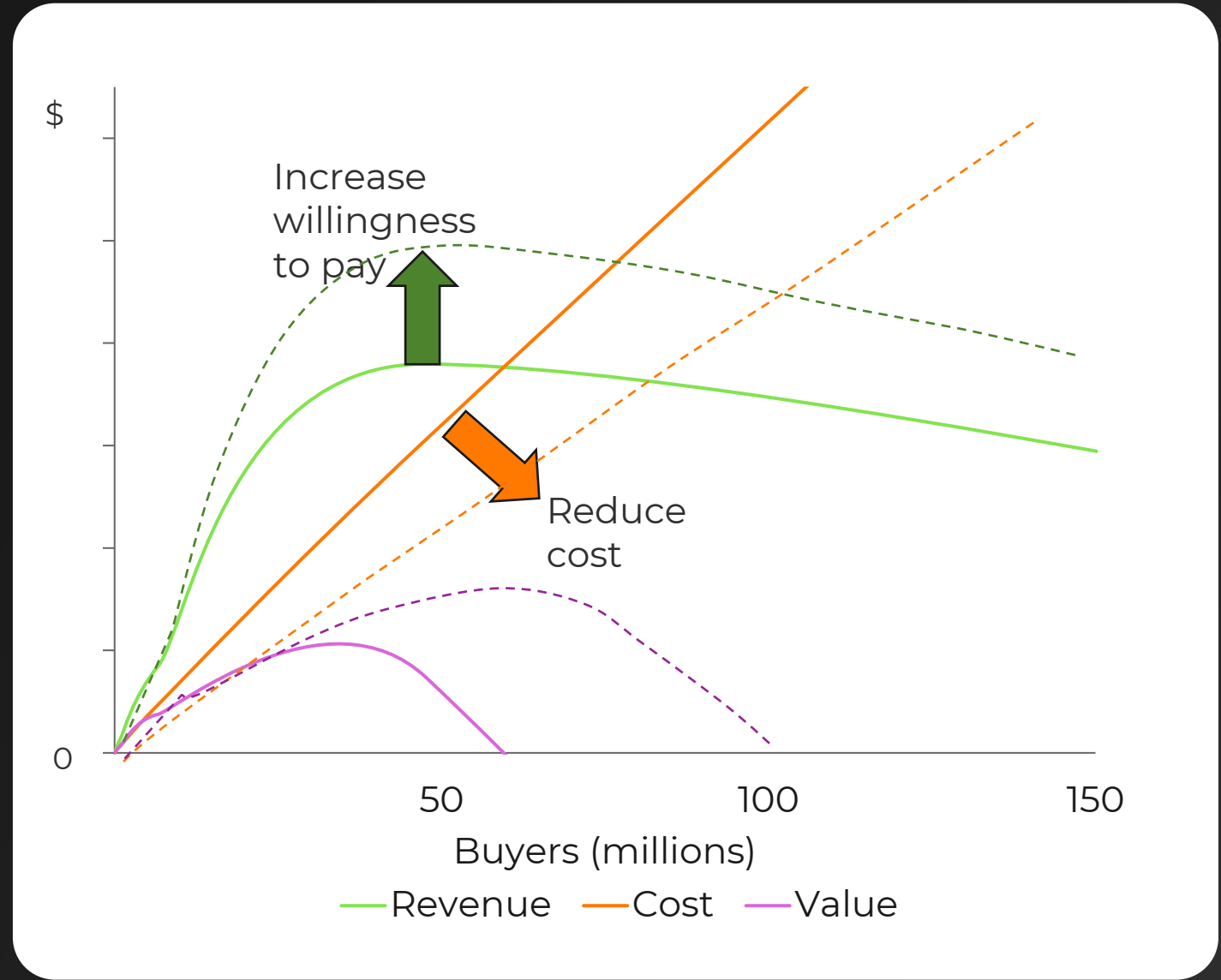
Solenis will likely use its acquisition of Diversey to replicate Ecolab's full-service, results-driven model.



Creating value

Increasing willingness to pay boosts revenue by raising prices and expanding the attainable group of buyers.

Reducing cost expands the attainable group of buyers and increases the value.



Out-innovating your market takes discipline

1

Innovation assets are key.

Focus innovation spending beyond tangible outputs. Build innovation assets just as you build production assets. These assets increase agility, strengthen impact, and support sustained long-term innovation.

2

Strong ideas needs strong selection.

The innovation game needs rules and a referee. If you have clear rules and stick to them, you get the ideas and answers you deserve.

Your crystal ball is made of crystal-clear rules!

3

Value capture is rooted in vision.

To capture value, you need to build a strong position, which only happens through a shared vision.

Don't stick to your vision dogmatically but also don't let it go opportunistically.



Thank you



READ

<http://www.luxresearchinc.com/blog/>



VISIT

www.luxresearchinc.com



EMAIL

questions@luxresearchinc.com



CONNECT

[LuxResearch](#)

About Lux

Lux Research fuels innovators to not only imagine what's possible in the future but also operationalize innovation success in the near term. We deliver research and advisory services to inspire, illuminate, and ignite innovative thinking that reshapes and grows businesses. Using quality data derived from primary research, fact-based analysis, and opinions that challenge traditional thinking, our experts focus on finding truly disruptive innovations that are also realistic and make good business sense.

The “Lux Take” is trusted by innovation leaders around the world, many of whom seek our advice directly before placing a bet on a startup or partner — our clients rely on Lux insights to make decisions that generate fantastic business outcomes. We pride ourselves on taking a rigorous, scientific approach to avoid the hype and generate unique perspectives and insights that innovation leaders can't live without.

VISIT

www.luxresearchinc.com

FOLLOW

[@LuxResearch](https://twitter.com/LuxResearch)

CONNECT

[LuxResearch](https://www.luxresearchinc.com)

READ

<http://www.luxresearchinc.com/blog/>

EMAIL

questions@luxresearchinc.com