

Aragon Research

Author: Jim Lundy

Topic: Innovation

Issue: Who are the innovation management providers and how will they evolve?

Mindjet Merges with Spigit, Moves Toward Social Business via Innovation Management

Summary: *Within two weeks of merging with Spigit, Mindjet rolled out a new version of its innovation management platform called Spigit Engage. The enlarged company, which can now manage the entire innovation lifecycle, is headed for market leadership and a possible IPO.*

Event: On September 16th, 2013, Mindjet announced the acquisition of Spigit for an undisclosed sum. On October 2nd, the company announced an update to the Spigit Engage platform.

Analysis

Rather than take additional investment, Spigit, a pioneer in the promising innovation management market, merged with Mindjet, a well-known and growing software firm in the mind mapping / project management space. By adding Spigit's structured innovation management, Mindjet, which was already solving the brainstorming and social planning part of the innovation process, becomes one of the leading firms ready to tackle innovation management from start to finish.

Innovation is still one of the biggest challenges facing enterprises, and often one of the least understood. The new Mindjet will be able to offer a complete innovation suite, and can push others to do the same. Based on our understanding of their respective customer bases, we believe the firm has ample opportunity to cross-sell Spigit into existing Mindjet accounts.

Spigit Engage is Personal and Social

One positive sign is the continued focus despite the merger. On October 2, Mindjet announced a new release of Spigit Engage that introduces the Personal Innovation Hub, which lets users see more of their activities in a unified dashboard.

Curating Ideas

Many of our clients who use Engage say that running innovation campaigns with it is easy to do. In the future, innovation management platforms like Engage will manage and track innovation using advanced analytics with predictive capabilities. Spigit attained predictive capabilities last year after acquiring Crowdcast.

Microsoft SharePoint Ecosystem

Both Mindjet and Spigit have been working to leverage the massive Microsoft SharePoint ecosystem. We still see many opportunities for synergy with SharePoint, mainly due to the fact that so many enterprises have SharePoint.

The Broader Innovation Management Market

The innovation management market is still fractured, and several product categories say that they do it. Project management and product lifecycle management both make claims about managing innovation that focuses on managing a project or product over its life cycle. Aragon feels that enterprises should look at innovation from a strategic perspective, and use full innovation management suites rather than best-of-breed offerings in isolated categories.

Climbing the Enterprise Hill

Mindjet will face some challenges, mainly in combining two approaches to the market: one selling shrink-wrapped software, the other selling a cloud-based service. Others, such as Microsoft, have demonstrated the ability to do this. The combined company will need to focus on the right levels of execution, but Aragon feels that if these are done well, they could propel Mindjet toward a possible IPO in the future.

Aragon Advisory

- Enterprises should take a holistic look at how they manage their overall approach to innovation.
- Mindjet customers should investigate how Spigit Engage fits into their workflow and consider pilot deployments.
- Enterprises looking for a comprehensive approach to innovation should evaluate Mindjet and Spigit.

Bottom Line

The merger with Spigit not only made Mindjet bigger, it also brought in some global brands as customers. The company will need to bridge the dualities of selling software to individuals as well as to large enterprises, but the time is ripe for innovation management to take off.

Related Aragon Research

- [Why CEOs Need Innovation Pipelines](#)
- [Spigit Makes Innovation Predictable with Crowdcaster Purchase](#)
- [Spigit Innovation Summit In Three Words: Innovate, Collaborate, Learn](#)
- [Spigit's FaceOff Makes Crowdsourcing Ideas Easy](#)
- [Siemens and The Journey Beyond UC: Social, Real-time and Business Processes Unite](#)