

## Module 8

# Innovation and Diffusion of Innovation



## LEARNING OBJECTIVES

- Understand the concept of demand-first innovation and growth.
- Know a framework for demand-first innovation and growth.
- Understand the demand-landscape process and output.
- Know how marketers can take steps to make demand-first innovation and growth successful within their companies.



# Ampere Vehicles

<https://www.youtube.com/watch?v=FCTyPF-rgeY>

LEARNING OBJECTIVE 1

# DEMAND-FIRST INNOVATION AND GROWTH



## GROWTH THROUGH INNOVATION

Driving growth through innovation requires an unrelenting focus on the customer because in order for new products, features, and services to be successful, they have to solve consumer unmet needs, alleviate frustrations, or appeal to passion points.



## LIMITS OF RESEARCH

Research alone won't enable product managers and marketers to drive real innovation.

Why?

Because it won't get to the heart of their target consumers' purchase decisions — their unmet needs, pain and passion points, frustrations, fears, culture, and context.



# DEFINITION

What is demand-first innovation and growth?

A framework that provides companies with insight into the consumers' perspective of a market category so game-changing innovation can be developed with that consumer perspective in mind.



## THREE CORE SETS OF ACTIVITIES:

1. First, marketers must focus on understanding the consumer they're trying to serve as individuals interacting with and experiencing a product category, not simply as consumers of their company's products and services.





## THREE CORE SETS OF ACTIVITIES:

2. Second, a marketer needs to go beyond the company's current product offerings and competencies to understand how they can truly positively influence a consumer's world.

[https://www.youtube.com/watch?v=Q\\_0XGQ20R4g](https://www.youtube.com/watch?v=Q_0XGQ20R4g) (Dupont-Packaging innovation)



## THREE CORE SETS OF ACTIVITIES:

3. Third, marketers should seek to see their company, products, and services as consumers do – from the outside, not, as many marketers make the mistake of doing, from their own perspective inside the company.



LEARNING OBJECTIVE 2

# FRAMEWORK FOR DEMAND-FIRST INNOVATION AND GROWTH



## INNOVATION

All innovation *should* be focused on consumer unmet needs but the reality of working in the corporate world sometimes limits a marketer's ability to deliver on this.



## UNDERSTANDING CUSTOMERS

There are a few reasons that marketers struggle to understand their core customers in a holistic way:

- The way a company is organized can sometimes limit a marketer's holistic or piecemeal understanding of their customer base.



## UNDERSTANDING CUSTOMERS

There are a few reasons that marketers struggle to understand their core customers in a holistic way:

- People are naturally resistant to change and innovation is all about driving change.



## UNDERSTANDING CUSTOMERS

There are a few reasons that marketers struggle to understand their core customers in a holistic way:

- Often, companies are limited to creating only incremental changes, and true, whole-scale innovation is difficult given the regulatory environment that they play in.



## DRIVING VALUE

How can companies pursue demand-first innovation to make sure they are truly driving value for customers?

By pursuing a 3-part framework laid out by Erich Joachimsthaler:

- Create a demand landscape
- Reframe the opportunity space
- Formulate a strategic blueprint





LEARNING OBJECTIVE 3

# DEMAND-LANDSCAPE PROCESS AND OUTPUT



## CREATING A DEMAND LANDSCAPE

What do marketers try to understand as they create a demand landscape?

- Goals, Activities, and Priorities
- Layering in Context
- Passions and Pain Points



# Examples of Demand first innovation-BoP /Rural marketing driven innovation

<https://www.youtube.com/watch?v=DLU78616Wdk>

<https://www.youtube.com/watch?v=ne3eSOdA9U0>

<https://www.youtube.com/watch?v=ryvRQV68NnY>