

Understanding Innovation Marketing

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Abstract

This study aims to investigate the development of 'innovation marketing' defined as the implementation of new marketing practices involving significant changes in the design, distribution, promotion or pricing of a product or service. Innovation and marketing have frequently been viewed as the different sides of the coin. These two terms are like an inseparable couple because neither marketing nor innovation can achieve success without each other's help. It plays a major role in managing and upscaling any business. The job of innovation in marketing is to investigate **new business sectors** to build deals and productivity. However, if innovation marketing is not enforced and pursued with priority, there are many risks and dangers that must be avoided in an innovation project. Many startups and existing giants collapsed due to this negligence. This review will cover techniques related to innovation marketing such as social media marketing, word of mouth marketing, etc. In this paper, we will also discuss the failure of Kodak due to their unwillingness to innovate and how IKEA used this concept of innovation marketing for their growth.

Introduction

Innovation marketing is the combination of two of the important words: "Innovation" and "marketing". As the famed expert in management, Peter Drucker said that marketing and innovation are the basic functions to upscale any business. This is because, just as marketing requires innovation for product success, innovation requires marketing.

To put it another way, innovation is the process of turning an invention idea into a product or service that adds value or that

customers will pay for. Marketing, on the other hand, is the process through which



manufacturers communicate to consumers the qualities and benefits of their products and services (Lead Innovation).

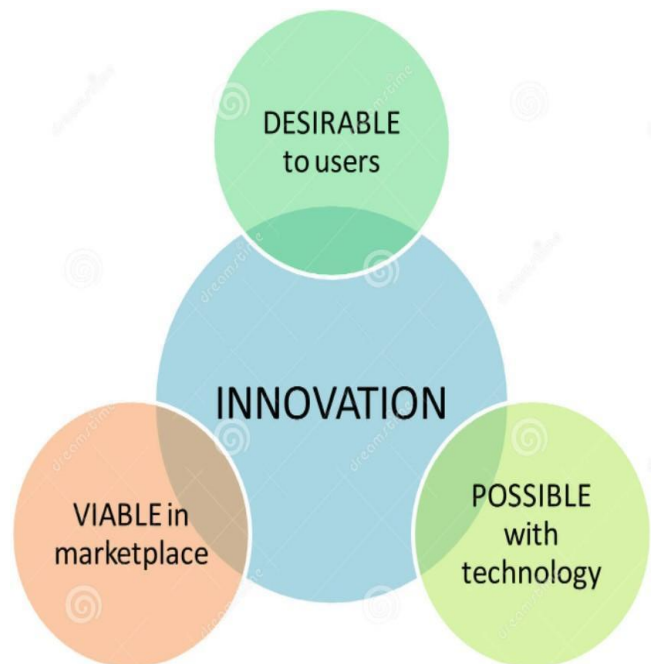
The strong focus on customers in innovation marketing generates practical insights, which is why it is particularly effective for new technology enterprises. A personalized marketing plan can be used to extend the product's lifespan by attentively listening to comments and keeping track of what's going on in the industry. When considering the complexity of technology products and services, a customer-centric approach is bound to have the largest market adoption.

Importance of Innovation Marketing

The simple depiction of the task and role of innovation marketing clarifies how significant the capacity in the innovation cycle is. Innovation marketing assumes a part in all stages and consequently guarantees client and market direction, a significant switch to stay away from the failure of an innovation.

Notwithstanding, on the off chance that innovation marketing isn't authorized and sought after with need, there are many dangers and risks that should be kept away from in an innovation project.

- Assuming that there is an absence of data about the market, clients, users and their necessities or then again in the event that they are insufficient (e. g. not agent or deficient), wrong choices are made as to the item or the objective market, which can drive an undertaking off course and, accordingly, drive it to the divider. For instance, the item is lost, some unacceptable objective market is picked or superfluous necessities are tended to.
- The product does not sell. This doesn't be guaranteed to imply that the item is terrible. There are unremarkable items that are showcased impeccably and are consequently more fruitful than those that are best in class yet are severely advertised. Marketing is subsequently a significant achievement factor, both inside and remotely.



These two focuses clarify that innovation marketing is a significant switch for the outcome of development. Around 60 to 80 percent of new items fall flat and a significant number of the reasons depend on an absence of client direction and marketing. That is the reason innovation managers and project managers need to manage innovation marketing and work intimately with advertising and deals.

Why marketers use Innovative Marketing

The job of innovation in marketing is to investigate **new business sectors** to build deals and productivity. Innovation marketing believes in the dynamics of the business world that are changing on a regular basis and so as the marketing strategies as well. Marketers know that conventional marketing techniques are not effective anymore and the businesses are surrounded by **advanced technology**. Innovative methodologies in advertising permit marketers to follow the presentation and modify the methodologies to better cater the clients' requirements.

Innovation Marketing VS. Innovative Marketing -

You might think there's no difference between these two terms at first glance. But don't be deceived by tiny spelling changes! How about we view it in more detail.

The promotion of a novel product or service is known as innovation marketing. In this context, innovation refers to a new product or service as well as the method of launching, bringing it to market, and growing and scaling it.

This is distinct from innovative marketing, which is the use of a novel marketing strategy that has never been used before.

To summarize, innovation marketing is the act of marketing new products/services, while innovative marketing is the act of marketing a new marketing strategy.

Failure to launch

According to Fortune, nine out of ten startups fail. Additionally, each year more than 30,000 new consumer products are launched with over 80% failing (Harvard Business Review). Here are some of the key reasons why:

Customer orientation: There is an absence of foundation examination and data available, industry, clients, clients, and their necessities.

Ineffective strategies: marketing direction or procedures that don't fit the organization, industry, item, administration and timing of the market.

Foresight: Assuming an organization is reluctant to change and advance and their true capacity becomes restricted or old.

With these high failure insights, innovation marketing is the method for beating the mass reception boundary. By zeroing in on the informing, situating, crowd ID and the de-jargoning of the specialized parts of new items/administrations will place the item or administration in a good position. Also, without a reasonable development plan, there will be stagnation of client reception.

Innovative Marketing Techniques

Marketing Managers require endless marketing efforts to increase **brand awareness** and visibility in such a way that has a positive impact on consumer's mind while trying to squeeze the marketing budgets. On the off chance that they can't convey they can lose a share of the market to another participant.

Following are some of the innovative marketing procedures that can assist marketers with drawing in more clients inside restricted showcasing spending plans.

Word of Mouth Marketing

This is maybe the most remarkable kind of promotion as it is finished by blissful and fulfilled clients. The fundamental goal of the organization is to convey a one of a kind client experience in such a manner to surpass clients' assumptions. A fulfilled client will continuously remain faithful to your image. Remember to plan your clients' excursion and make them stunned each time they associate with your image.

Social Media Marketing

In the present world, social platforms have democratized both marketing and customer engagements. This probably means that the person who has the best ideas and techniques that leads to client engagements will win a big market share rather than the one who spends a huge budget on **advertising**. Based upon the company's target market and demographics, social media platforms are the resources which can bridge the gaps between product and customer. However, customers are kings and they have the luxury to switch to a new entrant or existing quality brand. Here marketers are required to come up with an authentic and innovative idea to resolve customer problems effectively and efficiently.

Retain Your Existing Customers

Keep in mind, if you acquire new customers it is seven times more expensive than retaining the existing customers. You should guarantee that your current clients are held until the end of time. Ascertain client lifetime worth to an organization and afterward put more endeavors to hold them. Your whole organization ought to zero in on client assistance assuming you lose even one; continue to dig until you track down the reasons.

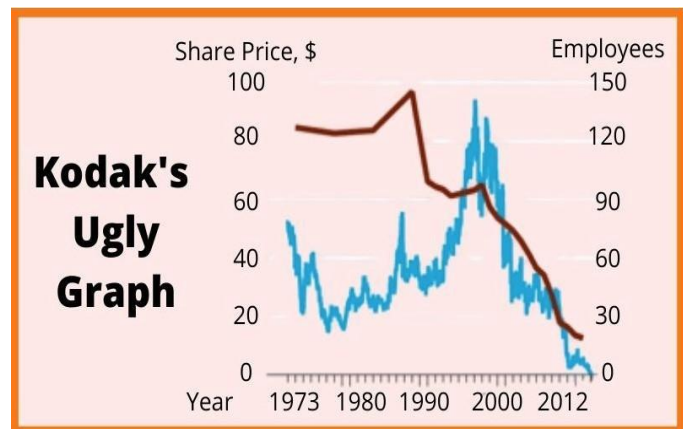
Brand Repositioning

When Hunter Hayes says "Now is the right time to reset, reevaluate, and reposition". At the point when your business is struggling, it is the perfect opportunity for the business to accept it as a test and reevaluate your methodology. Lead a **swot investigation** to figure out your business assets and shortcomings. What is your company's USP or upper hand over your rivals? Once you are able to answer these questions, do what you do better and dig deeper to fine tune how you can better serve your customers.

A Small brief on the failure of KODAK

Kodak is one organization that accomplished disappointment because of a reluctance to enhance. Steve Sasson, the organization's specialist, designed the main advanced camera in 1975. Notwithstanding, on the grounds that the camera was filmless and most of Kodak's income at the time was to sell film, Kodak's administration excused it totally (New York Times 2015). The organization might have been at the bleeding edge of advancement, yet rather was totally upset by the market as Kodak neglected to adjust to another commercial center and new purchaser perspectives and declared financial insolvency in 2012.

The marketing group at Kodak attempted to persuade the managers about the change required in the organization's center standards to make progress. However, Kodak's administration board of trustees kept on staying with its obsolete thought of depending on film cameras and asserted the columnist who said the proclamation in the magazine didn't have the information to back his suggestion.



This graph shows the decline in the share price of KODAK over the years

Kodak neglected to understand that its methodology which was compelling at one point was currently denying it progress. Quickly changing innovation and market needs discredited the technique. Kodak put its assets in procuring many little organizations, exhausting the cash it might have used to advance the deals of computerized cameras.

Whenever Kodak at last got it and began the deals and the creation of computerized cameras, it was past the point of no return. Many enormous organizations had

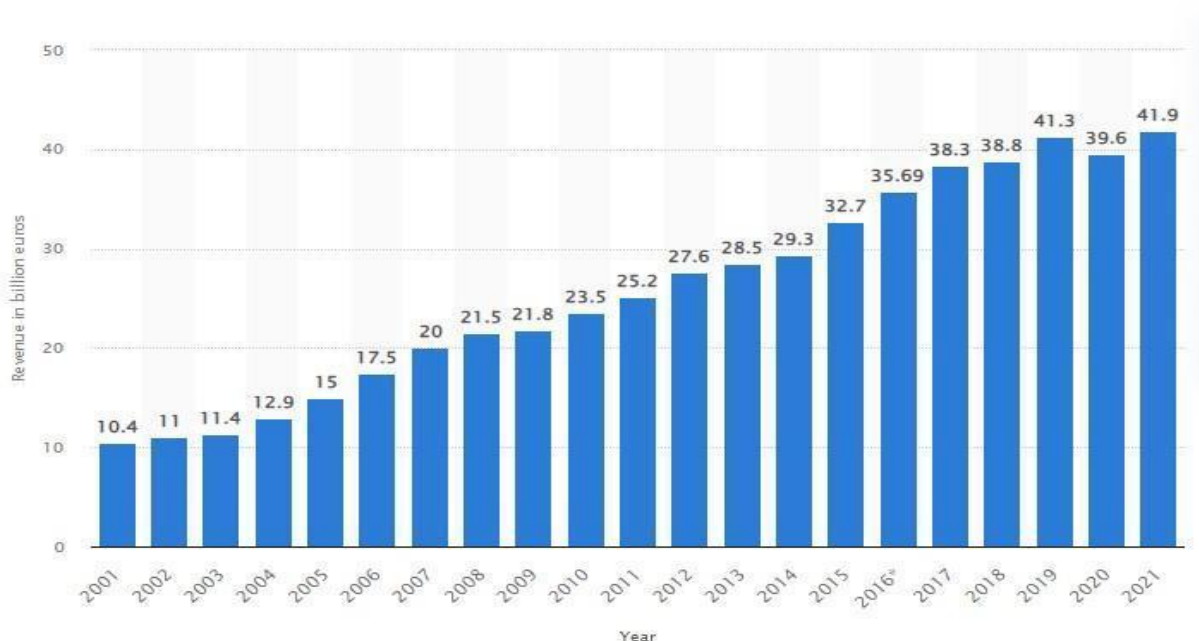
proactively set up a good foundation for themselves in the market by then and Kodak couldn't stay up with the big cheeses.

A Small brief on the success of IKEA

IKEA began in 1943 as a mail-request deals organization and has developed into a partnership that traverses 52 nations. It's had the option to remain applicable for such a long time on account of innovation marketing. In 2013, the organization sent off the Catalog application, which gives individuals admittance to the whole store stock. It likewise incorporates an expanded reality that allows individuals to perceive how pieces examine their own homes before buying. The organization doesn't simply improve with outward channels, possibly it gives development in stores as well. On location, IKEA has free looking after children play regions for kids, in-store eateries, and family participation plans.

The people who visit an IKEA store can anticipate various innovations intended to make phenomenal shopping encounters.

IKEA also makes efforts to cater for customers' post-purchase needs, even though it may have no direct revenue return for the brand. In previous years, for example, they introduced a platform that **helped customers sell their second-hand furniture**, even going as far as helping users take photos and opening up the brand's Facebook page to go about as an internet based commercial center.



This graph shows the growth of IKEA over the years.

Initiatives have been resolutely centered around further developing the total purchasing encounters of their clients, without falling into laid out ideal models or normal cycles. While many brands value that client experience is vital to an effective system, IKEA has figured out how to execute on a degree of detail where various others miss the mark.

Conclusion

Innovation marketing works in the front finish of the advancement interaction to investigate market possibilities and client needs, gets criticism from the client in the improvement cycle and markets the item at the back finish of the cycle. Innovation marketing thus guarantees that the new items and administrations are outfitted to the market and clients. This is one of the greatest achievement factors in advancing the board to increment income, open doors and wipe out flops and superfluous waste. Innovation marketing techniques helped many organizations like IKEA to expand their business. In this paper, We discussed the failure of kodak due to their unwillingness to innovate and how IKEA used this concept of innovation marketing for their growth.

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