

# Innovation Spark

## What's Innovation

**Innovation:** The process of translating an idea or invention into a good or service that creates value or for which customers will pay.

**Technological Innovation:** Is doing something that creates value with technology Ex: Wireless charging , crypto currencies , chatbots

**Innovation Management:** Is the systematic promotion of innovations in organizations and includes tasks of planning, organization, management and control. Ex: Future management, Dealing with patents and protective rights.

## Invention vs. Innovation

**Invention:** Is the creation of a product or introduction of a process for the first time. The focus is not on commercial value or economic reward but rather on **novelty**

**Innovation** Is a process of improving on or making a significant contribution to something that has already been invented to solve a specific problem or challenge and results in **commercial value**

## What causes innovation to fail

- **Our short-term mindset rules.** Your company focuses on getting results next quarter, as your shareholders demand profits today. In this way money and resources are dedicated to sales & marketing, instead of innovation.
- **We cannot change our habits.** Your company lacks the ability to invoke change, the ability to change their mindset. “My colleagues don’t think beyond what made our company successful thus far”.
- **We fear failure.** Your past innovations were not successful and have cost a lot of money. “Managers were fired because their launches of new products failed”.
- **Our innovation process is chaos.** When you lack a process and structure it’s really hard to get tangible results as it takes 18 -36 months on average to get an new idea to the market.
- **Customers reject our new products and services.** A lot of our new products failed because customers did not wanted them. “We struggle to get inside the head of potential purchasers of the product or service”.

## Innovation Self-Discovery

### The Importance of Innovation

Each day, innovators in the business world create new products, methods, and ideas. They manage to look at problems differently and come up with solutions others cannot, and they provide an endless stream of value to their companies. In fact, innovation just might be the most important component of a successful company because it helps you:

#### Grow in Leaps and Bounds

Sixty-six percent of respondents in The Deloitte Innovation Survey 2015 stated innovation is important for growth. Businesses that innovate are able to scale up and add more employees. That allows them to take on more customers and grab a bigger share of the market.

Innovation makes it easier to grow, regardless of the size of the business. You might have a small startup, but if you innovate, you can grow your business. The same is true for a fortune 500 company. It might be a huge corporation, but it can take even more of the market share if it manages to innovate. It's easy for innovative companies to grow.

#### Stand Out from Competitors

Your company fits inside of a specific niche or industry, and it's far from alone. Let's say, for example, you manufacture light bulbs. Tons of companies also manufacture light bulbs, and you need to stand out in some way. You can do that through innovation.

The right innovation will allow you to offer something unique to your customers. For instance, what if you managed to create a light bulb that automatically turned off when people left the room? That's a crazy example, but that's how some of the best innovations work. Top innovators take popular products and make them even better. That makes brands stand out in the market and makes it easy for companies to increase revenue.

#### Meet Customer Needs

Customer needs are constantly changing. One day, your customers might need exactly what you have to offer, and the next day, they might need something else. Innovators predict changes in the market and provide solutions before people even realize they need them. You cannot meet your customers' needs on a long-term basis unless you are willing to innovate. If you remain stagnant, your business will eventually flounder. You have to come up with new ideas that excite your customers and meet their needs if you want to have staying power.

#### Attract the Best Talent

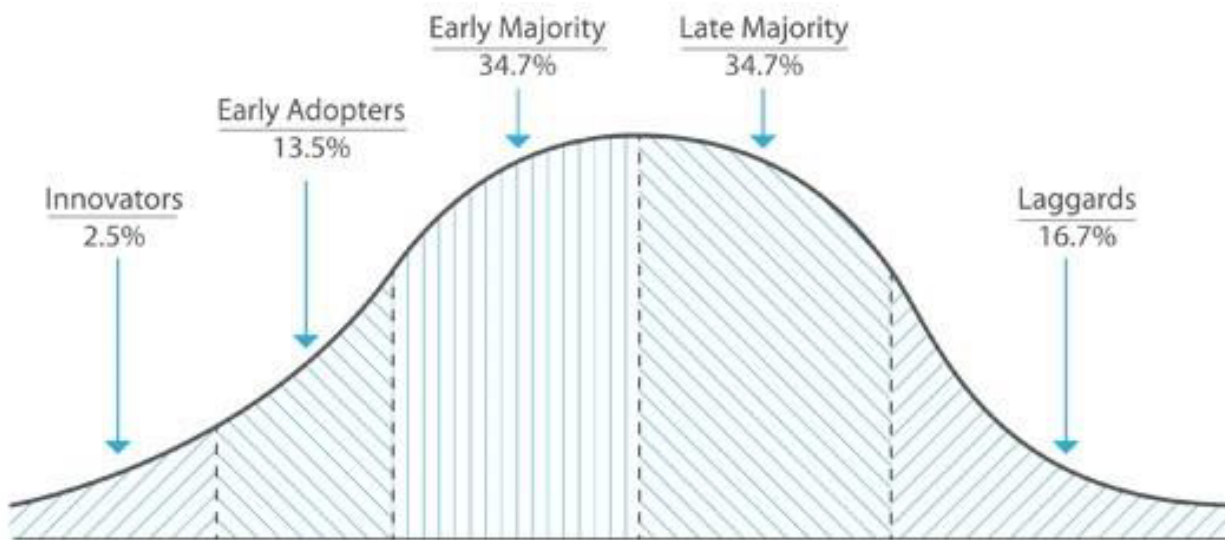
Talented, innovative people want to work for innovative companies. You aren't going to attract someone who is going to create the next big thing unless your company has a history of creating. Innovators want to be challenged and encouraged to create on a regular basis, so you need a culture of innovation to recruit that talent. Make a name for your company by being innovative and then watch the resumes pile in. Innovators from all over will want to work with you, and then something magical will happen. Your company will become even more innovative. You will experience more

growth, stand out from competition even more, and meet your customers' needs in ways you never imagined. That's when your company will reach an entirely new level.

It's normal to want to maintain the status quo. You assume that since it's worked for you in the past, it will work for you in the future. In reality, the status quo only works for so long. If you're going to keep your doors open, you have to innovate. You need to take the risks that come with innovation so you can enjoy all of the rewards.

### Diffusion of innovations (Simon Sinek Law of Diffusion of Innovation)

A model that classifies adopters of innovations based on their level of readiness to accept new ideas. Innovative adoption characteristics are assigned to groups to show that all innovations go through a predictable process before becoming widely adopted.



## References

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