

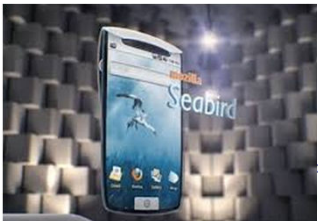
Innovation

The process of commercially pioneering new ideas and creations in the production process

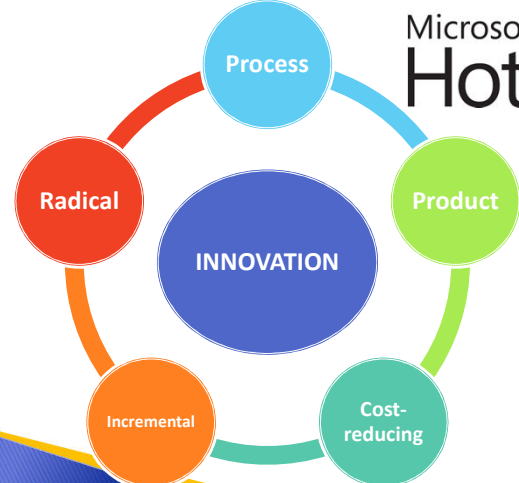
Ford and 'process Innovation'



Product innovation – Mozilla Seabird



Types of Innovation

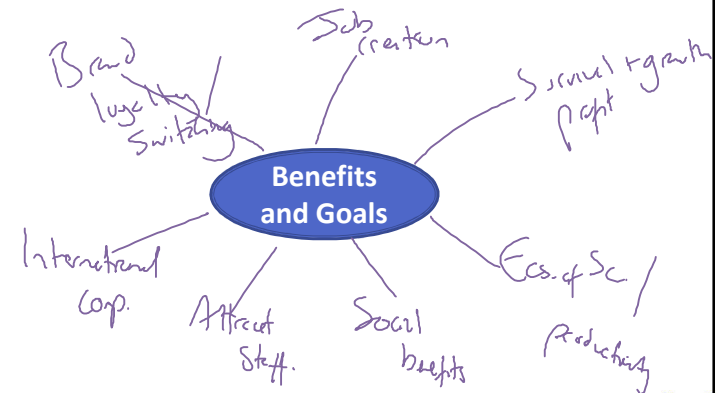


Costs, benefits, goals

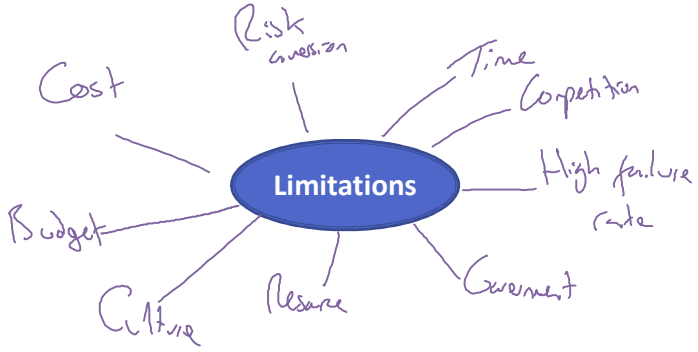
Businesses can't survive or grow just by cost-cutting – they need to take risks and innovate.



Costs, benefits, goals



Costs, benefits, goals



Research and Development

Researching the unknown, then developing products based on findings.

In business, a collaboration between marketing and operations (establishing the need, then meeting it)



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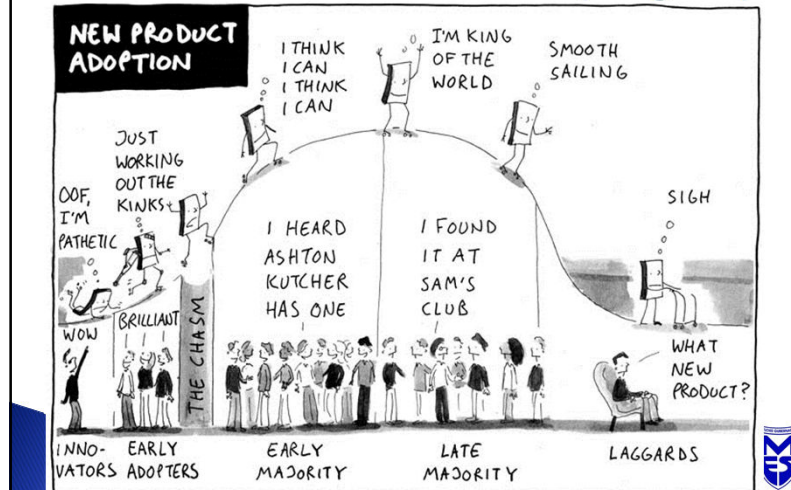
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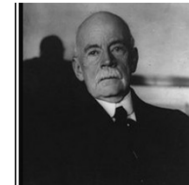
IPR Type	Explanation	Examples
Patents	The legal right to be the exclusive producer or user of a newly invented product/process for a finite time	
Copyright	Provide legal protection for artists and authors by preventing others from using published work without consent	
Trademark	A sign or logo that represents a business or product belonging to that business	



Diffusion of Innovation (Rogers)



Innovation and Business Strategy



Everything that can be invented has been invented.

(Charles H. Duell)

- Determines long-term survival (short term cost v long term gain)
- Shorter product life-cycles require it to be continuous
- Firms need to source and fund ideas (from staff as well as the market?)
- Governments can help finance/support

Drucker's 5 Principals of Innovation

Identify the opportunity

Analyse demand and feasibility

Make the innovation as simple and focused as possible

It must initially appeal to a small market with potential to grow

Aim for market leadership (first-mover advantage)