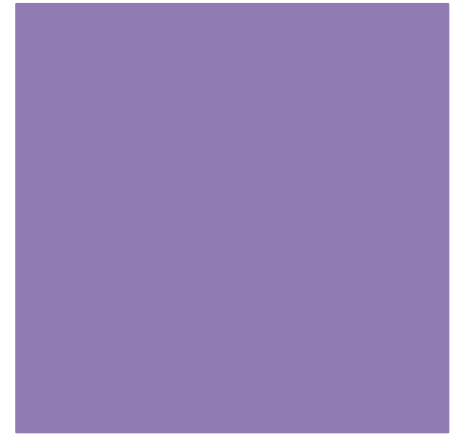




Creativity

Unit 1.3: Innovation types and levels



+ Innovation types and levels

This unit presents the practical application of creativity i.e. innovation; its different types and levels.

Aims:

- Show different points of view on innovation

Learning Outcomes:

- The learner should be able to present different levels and types of innovation
- The learner should be able to choose the right type of innovation
- The learner should be able to apply different levels of innovation to the problem faced

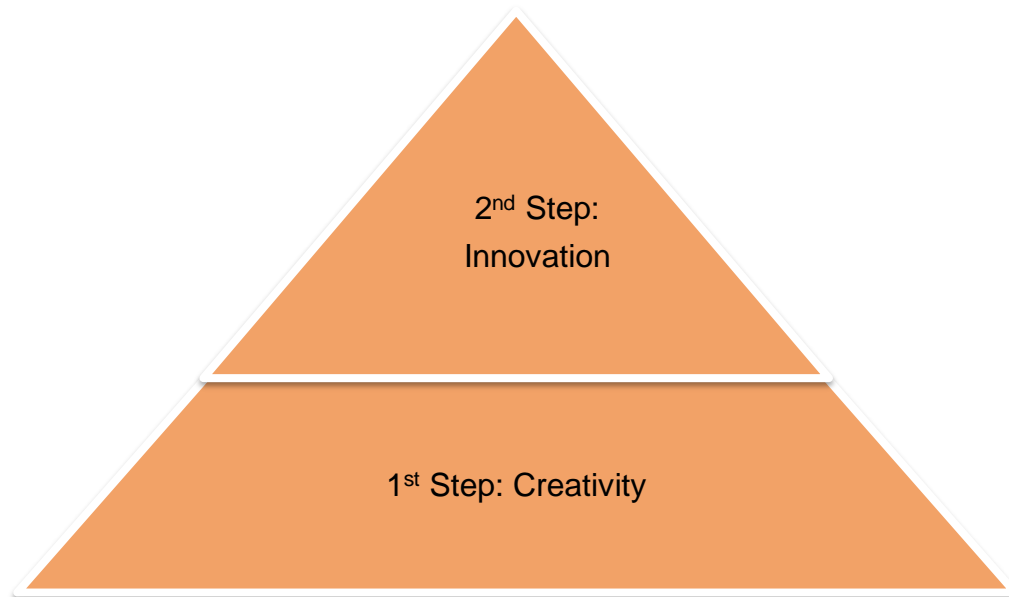




Innovation types and levels

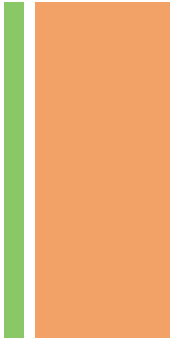
Links between creativity and innovation - reminder

- ➔ Creativity – ability to generate ideas, overcome schemes and straight – forward way of thinking. It is willingness to find a solution or an answer to a problem.
- ➔ Innovation – is a next step after creativity and is based on a change, something new, unconventional solution. **Implementation of creative ideas.**





Innovation types and levels



Types of innovation



Why should you know the types of innovation?



Innovation management, the types of innovation and thus the classification of innovation have a strategic and process-related significance



It determines **where** an organization wants to innovate.

As a next step, it allows you to set **innovation strategy**

It impacts the **innovation process**, since the different types of innovation have different requirements.



Innovation types and levels

Types of innovation

Classification BY THE OBJECT of innovation

- ➔ Product innovation – creation of new or significantly improved goods or services – it strictly leads to differentiate from competition and to customer satisfaction
- ➔ Process innovation – development of a new significantly improved production or supply process
- ➔ Marketing innovation – implementation of new marketing methods that bring significant changes in the design of the product or its advertising
- ➔ Organisational innovation – implementation of new methods in the daily business practices, in work organisation



Can you think of an example of each area of innovation in your company?



Innovation and creativity mentality
advancement in SMEs



Erasmus+



Innovation types and levels

Types of innovation

Classification BY THE DEGREE of innovation

- ➔ for a company,
- ➔ for a market or industry, or
- ➔ for the whole world.





Innovation types and levels

Types of innovation

Innovation is, at its core, about solving problems –there are as many ways to innovate as types of problems to solve. There is no one 'true' path to innovation.



1. Imagine you need to identify strategy to prepare an innovative method of selling your product
2. Imagine you need to identify strategy to prepare a new treatment for a rare type of cancer.



5 minutes

For finding the strategy, answer two questions:

How well can you define the problem?

How well can you define the skill domain(s) needed to solve it?



Innovation types and levels

Types of innovation – innovation matrix

How well is the problem defined?	WELL	RADICAL (BREAKTHROUGH) INNOVATION e.g. Maverics Open innovation/Nobel prizes	SUSTAINING (INCREMENTAL) INNOVATION e.g. Roadmapping Design thinking
	NOT WELL	BASIC RESEARCH e.g. Research divisions Journals and conferences	DISRUPTIVE INNOVATION e.g. Innovation labs
		NOT WELL	WELL

How well is the problem defined?

How well is the domain defined?

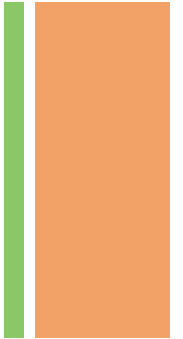


Innovation types and levels

Innovation levels

- ➔ **Incremental (sustaining) innovation**
 - seek to get better at what you are doing already
 - know the problems that exist
 - know what skills you need to solve them
 - usually **small steps** not a giant leap.

- ➔ **Radical (breakthrough) innovation**
 - completely new technology
 - makes current way of thinking obsolete
 - can be a breakthrough
 - may take some time for the market to digest it
 - Is a **huge leap** not a small step.





Innovation types and levels

Innovation levels

- ➔ **Disruptive innovation** - innovation as a step towards the changing needs of the customers/ market over time. It is more into innovating the business model and not the product. Watch the movie to learn more (2 minutes).



<https://hbr.org/video/2688242135001/the-explainer-disruptive-innovation>

- ➔ **Basic research** – needed to discover new things, phenomenon. Used in big companies like Procter & Gamble or Google where they invest in labs, academic research.



What type of innovation do you think would be most useful in your organisation?

+ Learning Aids

- Christensen C., 'The innovator's dilemma', Harvard Business Review, 2016
- Satell G. Mapping Innovation: A Playbook for Navigating a Disruptive Age, 2017
- Tom Kelley's videos - available at YouTube
- Guy Kawasaki - speech „The Art Of Innovation” – available on YouTube.

Topic Review

This topic describes the types of innovation.

It explains the way innovations can be seen from different perspectives

It shows the correlation between the type of the problem you are facing in your business and possible ways to innovate