



MARKETING INNOVATION

CHAPTER 1: OVERVIEW MARKETING INNOVATION

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OBJECTIVES

- 1 Understanding of the definition and requirements of innovation
- 2 Understanding of the concepts of Marketing Innovation
- 3 Study the goals of Marketing Innovation
- 4 Know the factors affecting the Marketing Innovation



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- 1 Distinguish innovation and creativity

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**WHAT ARE THE DIFFERENCES
BETWEEN CREATIVITY AND
INNOVATION?**



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1 What is creativity?

Creativity is the use of **cognitive activities** by employees to come up with new ideas in the enterprise. These ideas are formed by employees through the process of studying, working and gaining experience during working at the enterprise (Schumpeter, 1934).



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1 What is innovation?

Innovation is **the process** by which an enterprise transforms the ideas of its employees into new products and processes to meet customer needs. In particular, the new ideas of employees are the starting point for the innovation process of enterprises (Nguyen, 2021).



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	Creativity	Innovation
Definition	The ability to create or think about something uncommon or unique	The process of creating and applying to create value for the business
Activity	Come up with unique ideas	Ideas materializes
Measurement	Hard to measure	Easy to measure




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	Creativity	Innovation
Legal Responsibility	Not related to Legal Responsibility	Related to legal Responsibility
Resource	No resources required	Resources required
Meaningful	Not all creativity leads to innovation	Every innovation is the result of creation




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2 Rethink Innovation

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**INNOVATION IS THE CREATION OF A
VIABLE NEW OFFERING**

(Pikkel et al., 2013, 5)



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Innovation Is not Invention

- Innovation may involve invention, but it requires many other things as well—including a deep understanding of whether customers need or desire that invention.

Think Beyond Products

- Innovations should be about more than products. They can encompass new ways of doing business and making money, new systems of products and services, and even new interactions and forms of engagement between your organization and your customers.

Innovations Have to Earn Their Keep

- Simply put: innovations have to return value to you or your enterprise if you want to have the privilege of making another one some day. We like to define viability with two criteria: the innovation must be able to sustain itself and return its weighted cost of capital.

Very Little Is Truly New in Innovation

- Biologist Francesco Redi established the maxim: “Every living thing comes from a living thing.” Too often, we fail to appreciate that most innovations are based on previous advances. Innovations don’t have to be new to the world—only to a market or industry.



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2 Rethink Innovation

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**INNOVATING REQUIRES
IDENTIFYING THE PROBLEMS
THAT MATTER AND MOVING
THROUGH THEM
SYSTEMATICALLY TO DELIVER
ELEGANT SOLUTIONS.**

(Pikkel et al., 2013, 7)



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3 Definition of Marketing Innovation

The implementation of a **new marketing methods** involves significant changes in the marketing mix: product design or packaging, distribution, communication, or pricing. Its aim is to give **value to the customers** and to improve **competitive advantage** (OECD, 2005, 169).



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4 Objectives of Marketing Innovation



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5 Factors affecting Marketing Innovation



Source: John P. Kotter (1996). *Leading change*, Harvard Business School Press

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THE END

