



ĐƠN GIẢN LÀ KHÁC BIỆT

# MARKETING INNOVATION

CHAPTER 2: MOTIVATION OF STRATEGIC INNOVATION

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1



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## OBJECTIVES

1

An understanding of the factors of the internal and external environment affecting the innovation decision of enterprises.

2

Evaluating the importance of each of those factors before the business makes an innovation decision.



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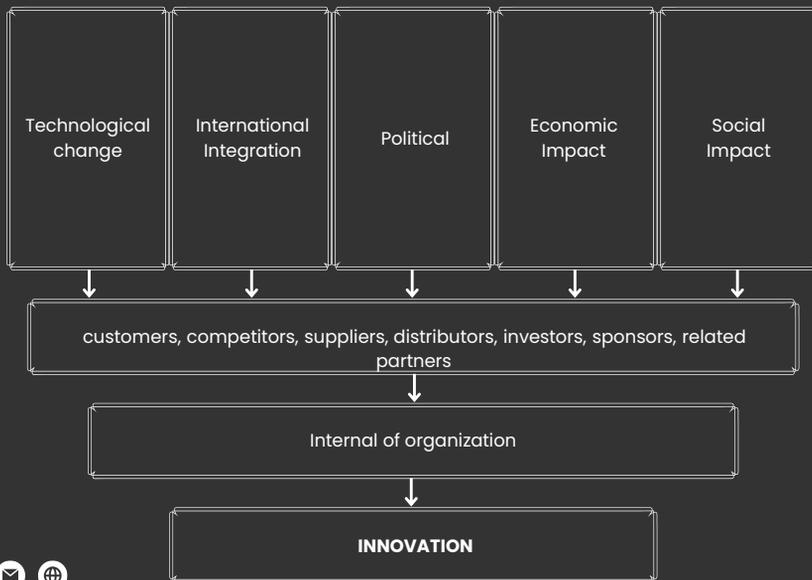
# TABLE OF CONTENTS

1 Macro-environmental factors

2 Micro-environmental factors

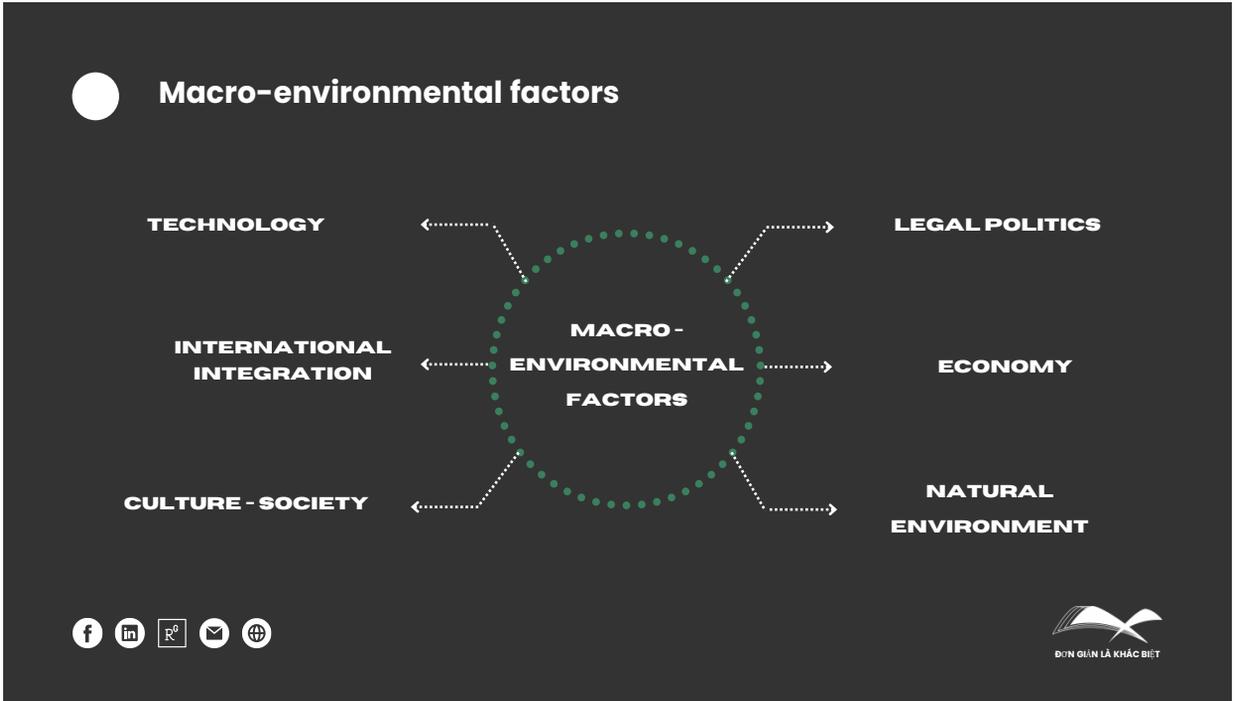


3



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

4



5

## TECHNOLOGY ENVIROMENT

The application of new technology helps businesses create new products. Technological development relies heavily on investment in research and development. It has been found that there is a strong relationship between research and development costs and profitability. This helps businesses increase their competitiveness in the market.

Scientific and technical progress affects the market in many ways such as:

- 01 Make radical changes or completely remove existing products.
- 02 Initiating new industries such as computers and network services.
- 03 Product life cycle is shortened.
- 04 Changes in the budget for R&D activities at companies.

6

## INTERNATIONAL INTEGRATION

Innovation has become more challenging due to increased globalization.



### 01

It's a challenge if your innovation is broad enough to adapt to globalization

▪

### 02

An opportunity because globalization helps make the most of resources

▪



7

## CULTURE - SOCIETY

Culture influences customer behavior and attitudes. Each country also has different subcultures, often based on beliefs and religions. Each subculture will indicate different market segments



### 01.

Specific cultural values.

### 02.

Small cultural groups.

### 03.

Cultural diversity



8

## POLITICS

Legal provisions, policies promulgated by the government or social organizations such as the constitution, civil law, company law, commercial law, tax law, foreign investment law and other policies. specific to each area.



## LAW

- Political influence of major countries
- Privatization development
- State administrative reform



9

## ECONOMY ENVIROMENT

Include factors affecting the ability to spending ability of customers and create different types of consumption.



**01.** GNP & GDP

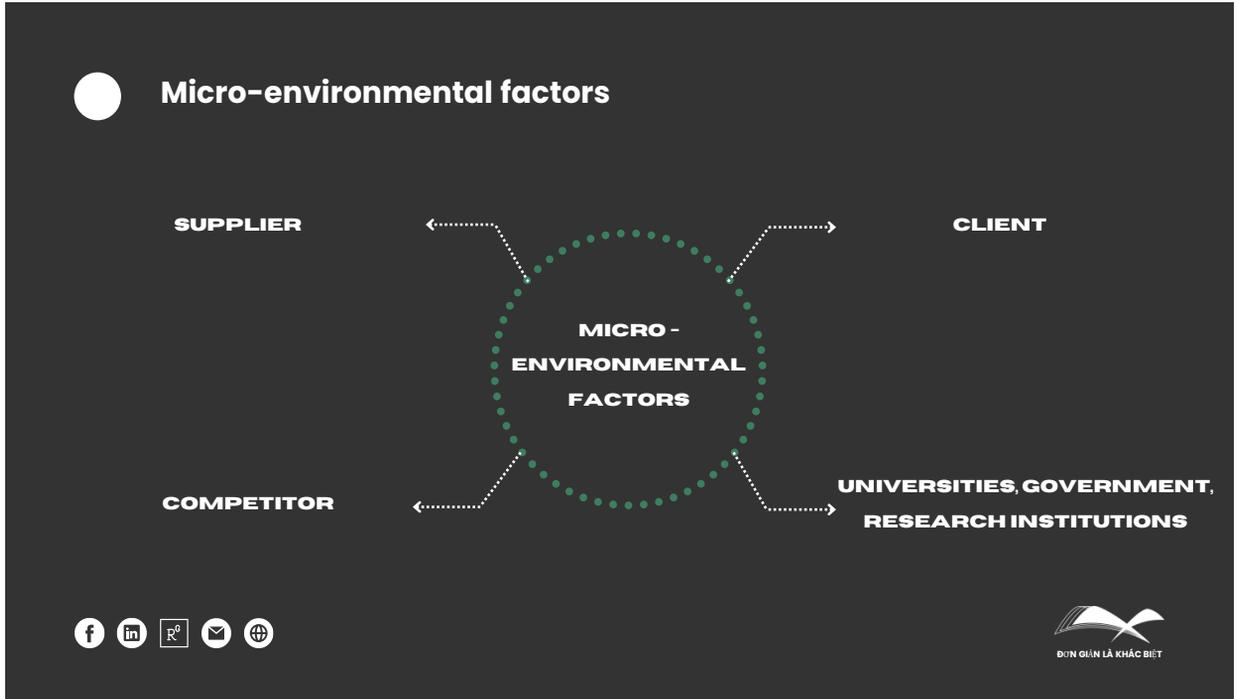
**02.** Demand and Price

**03.** Inflation situation

**04.** Gross income, Disposable income and Discretionary income



10



11

# SUPPLIER

A supplier can be an individual or organization that is committed to providing support for input factors for the business's production and business activities such as raw materials, components, equipment, etc.

The relationship between suppliers and enterprises is a two-way relationship, the two parties depend on each other for coexistence and development. It is important to identify the right supplier that meets the requirements of the business.

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12

## CLIENT

Including customers who have used products/services at the business or potential customers that the business targets.

The main goal of most business organizations is to satisfy the needs and desires of all customers to the benefit of the company.



13

## COMPETITOR

In the field of marketing, competitors increasingly show their power to choose strategies for businesses, for example:

- 01.** Target market selection
- 02.** Selection of partners, suppliers
- 03.** Recommend price
- 04.** Promotions, Personal Selling,...



14

# UNIVERSITIES, GOVERNMENT, RESEARCH INSTITUTIONS

Basic scientific research is often done to obtain scientific knowledge, for purely scientific purposes, and not aimed at any particular product or service, but they can also be the source of innovation that firms can commercialize. Basic scientific research is carried out by universities and government research agencies.



15



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# THE END



16