

# Innovation in the Field of Marketing

<sup>1</sup>Mrs.T.S. Veena & <sup>2</sup>S. Karthika

<sup>1</sup>Assistant Professor, Department: B.Com Cs & It, College: Vlb, Janakiammal College of Arts & Science (India)

<sup>2</sup>Student, Department Iii Year B.Com Cs, College, Vlb, Janakiammal College of Arts & Science (India)

## ARTICLE DETAILS

### Article History

Published Online: 29 Sep 2018

### Keywords

Green marketing, Digital marketing, Trends in marketing innovation, Sources of innovation

### Corresponding Author

Email: karthikasakthivel1899[at]gmail.com

veenusubbu0524[at]gmail.com

## ABSTRACT

In the present scenario innovation plays a vital role in the industry to sustain in the market. If the companies fail to adopt the new concepts may be they will lose the customers or market share. To survive in the market they have to focus on what is desirable to the users, what is viable in the market place and what is possible with technology. Organizational generally follow external and internal impetus as a sources of innovation. Management guru Peter Drucker 1909 has identified four internal and three external impetuses for innovation. Internal prompts include unexpected occurrences, incongruities, process needs, and industry or market changes.

Marketing innovations strategy play a very important role in launching a new product in the market competition of the competitors, various channels of distribution, customer segment in the market, network strategy of the distribution of the product etc. all these dimensions are required because it can affect to the purchase level of the customer and product share volume in the market.

## 1. Introduction

The term innovation derives from the Latin word innovates, which is the noun form of innovate "to renew or change," stemming from in-"into" + novus-"new". Although the term is broadly used, innovation generally refers to the creation of better or more effective products, processes, technologies, or ideas that affect markets, governments, and society. Innovation differs from invention or renovation in that innovation generally signifies a substantial change compared to entirely new or incremental changes. Marketing innovations are aimed at better addressing customer needs, opening up new markets, or newly positioning a firm's product on the market, with the objective of increasing the firm's sales. The distinguishing feature of a marketing innovation compared to other changes in a firm's marketing instruments is the implementation of a marketing method not previously used by the firm. It must be part of a new marketing concept or strategy that represents a significant departure from the firm's existing marketing methods. The new marketing method can either be developed by the innovating firm or adopted from other firms or organizations. New marketing methods can be implemented for both new and existing products.

## 2. Marketing Innovation

A Marketing innovation is the implementation of a new marketing method involving significant changes in product design or packaging product placement, product promotion or pricing.' Innovation marketing of products is about leveraging the marketing mix, namely, the four P's: Product (Design and Packaging), Price, Place, and Promotion in ways that has not been before by the organization implementing the innovations.

- FMCGs have come up with creams and soaps @Rs 5, hair oil and shampoo sachets @Rs 1 and small

coke @Rs 5. To develop a product to suit the rural scenario,

- Companies came up with special rural products, like Chic Shampoo sachets @Rs 1, Parle-G Tikki Packs @Rs2, customized TVs by LG, Shanti Amla oil by Marico. All these brought positive results for them.

## 3. Sources of Innovation

Innovation is occasionally the result of a stroke of genius. More often, though, it occurs in response to a problem or opportunity that arises either inside or outside of an organization.

Management guru Peter Drucker (1909) has identified four internal and three external impetuses for innovation. Internal prompts include unexpected occurrences, incongruities, process needs, and industry or market changes.

### 3.1. Internal Impetuses

**Unexpected occurrences** include mishaps, such as a failed product introduction. It is often through such unexpected failures (or successes) that new ideas are born from new information brought to light. For instance, Ford's failed Edsel gave the company new information about marketing that allowed it to achieve stellar gains with succeeding products.

**Incongruities** result from a difference in companies or industry's perception and reality. For example, although the demand for steel continued to grow between 1950 and 1970, profits in the steel industry fell. This incongruity caused some innovators to develop the steel minimill, a less expensive method of making steel that was also more conducive to changing market demands.

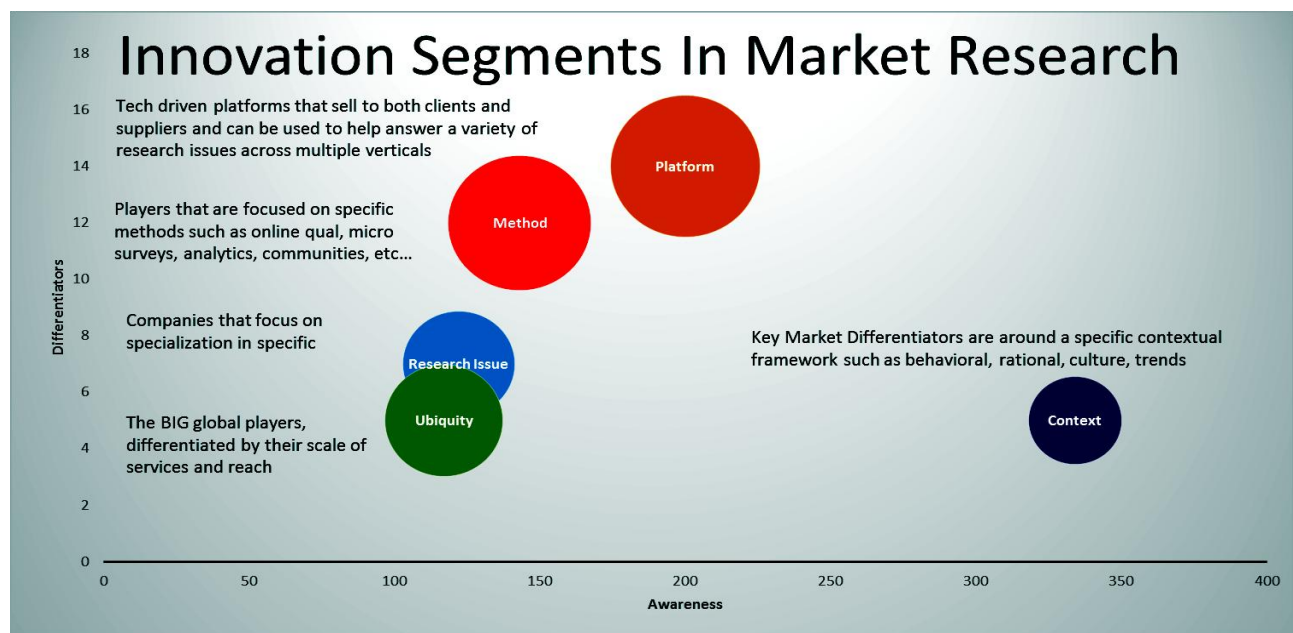
Innovations inspired by **process needs** are those created to support some other product or process. For example, advertising was introduced to make mass-produced newspapers possible. Newspaper publishers devised ads to cover the expense of printing the newspapers on the new equipment that made such printing possible.

**Industry and market changes**, the fourth internal impetus to innovate, often result in the rise (and decline) of successful innovators. For example, innovation and business savvy allowed International Business Machines Corp. (IBM) to effectively dominate the computer industry during the 1970s and early 1980s. It failed, however, to respond to a market switch during the 1980s from mainframes to smaller computer systems, particularly workstations and personal computer networks. As a result, IBM's share of the computer market plummeted and profits plunged as more innovative newcomers emerged.

### 3.2. External Impetuses

External impetuses to innovate include demographic changes, shifts in perception, and new knowledge.

## 4. Innovation Segments in Market Research



## 5. B 2 B Green Marketing

### 5.1. Design/methodology/approach

This conceptual paper provides a literature review of green marketing strategies and competitive advantage, and relates it to diffusion of innovation theory in a new way.

First, a brief overview is described of corporate social responsibility (CSR) theories related to green marketing, with this paper providing value by adding innovation theory to address the gap in the literature. Next, a discussion is provided on reactive and proactive.

B2B green marketing strategies, degrees of innovation, and diffusion theory research, and propositions are

**Demographic changes** affect all aspects of business. For instance, an influx of Asian and Mexican immigrants into the United States has created new market niches for companies. Likewise, an increase in the level of education of Americans has resulted in a dearth of qualified workers for some low paying jobs, causing many companies to develop new automation techniques.

**Changes in perception** also open the door to innovation. For example, despite the fact that health care in the United States has continually gotten better and more accessible, people have become increasingly concerned about their health and the need for better and more accessible care. This change in perception has generated a huge market for health magazines, vitamin supplements, and exercise equipment.

Finally, one of the strongest external impetuses for innovation is **new knowledge, or technology**. When a new technology emerges, innovative companies can profit by exploiting it in new applications and markets. For example, the invention of Kevlar, a synthetic material, has spawned thousands of new product innovations, ranging from improved canoes and bulletproof vests to better tires and luggage.

developed. Then, a new model is presented on B2B green marketing innovation strategies and competitive advantage. Next, a conceptual analysis is presented using a diffusion of innovation characteristics framework to show relationships of the innovation characteristics with proactive B2B green marketing strategies and competitive advantage.

### 5.2. Practical implications

This paper provides a diffusion of innovation characteristics framework to test the effectiveness of B2B green marketing strategies and to help generate competitive advantages in an ecologically-sustainable way. Managerial implications are discussed on how organisations can achieve successful competitive

advantage while contributing to environmental sustainability for the common good of society.

### 5.3. Originality/value

This study addresses a gap in the literature on environmental/green marketing by being the first study to expand the CSR category of instrumental theories to include diffusion of innovation theory. Diffusion of innovation theory is applicable to green marketing because it includes new innovations (products, services, processes, etc.). An application of diffusion of innovation characteristics and their relationship to proactive B2B green marketing strategies can help shed light on how to increase the rate of adoption for green products, services, and processes to create a competitive advantage, and at the same time, help move the world toward greater ecological sustainability.

## 6. Trends in Marketing Innovation

### 6.1. Authenticity:

Authenticity, honesty, 'realness' should have been at the top of this list for the past 10 years – but it seems as if it is actually breaking through now. Too many great examples of how companies enhanced their image and standing with either the general public or a relevant group of advocates have emanated recently – Scobleizer has probably generated billion worth of goodwill for Microsoft..

### 6.2 Net Promoter Scores:

Sell your shares in market research agencies – their extensive research methods will go the way of the dinosaurs. Turns out, it all comes down to one question: "On a scale of 0 to 10, how likely are you to recommend brand/product X to someone else?" As the results of this research can be directly tied to revenue growth, instead of intangible (and not-boardroom safe) fuzzies like brand recognition, watch the corporate world being taken by storm by NPS, following the likes of GE and Philips.

### 6.3. Buzz Tracking:

What's being said about me? Why is nobody talking about me? These are becoming core issues for every company. With the advent of ever better tracking tools for online conversations, it's becoming indispensable to listen into those conversations, be it to monitor bad things happening out there so you can jump in and call corporate 911, or to find out that nobody really cares about you (which is actually even worse).

### 6.4. From segmentation to insights:

Hey Cathy, I know you have a long distance relationship and are working only part-time to care for your newborn baby (which by the way has done it for your disposable income, for good), but I will still treat you the same as two years ago, when you were a job-starting, free-spending party animal. After all, you are still a 25-29 year old highly educated urban single female, aren't you?

### 6.5. Green:

It may be a cynical choice by many companies, but green awareness is the trend-du-jour. If even Wal-Mart is starting to promote eco-friendliness, where will it stop? As there is a lot of

revenue waiting in this market – be it from selling eco-friendly goods at marked-up margins, or actually providing eco technology, this one won't go away.

### 6.6. Grey:

Marketers the world over are waking up to the fact that the older demographic is a major opportunity – and needs to be addressed in a different way than the 18-34 year olds. Mind you, different doesn't mean being patronizing and playing on old age. We're talking people who went to Woodstock and did all kinds of naughty things in their youth – don't talk to them as if they are senile.

### 6.7. Co-creation:

The lazy developers dream – let your customers come up with your products for you. The power of harnessing your customers' insights is amazing. Once again you are connecting directly to the insights, wishes and beliefs of your customers, ensuring that you will hit a home-run with the rest of the world too.

### 6.8. Experimental Budgets:

Following the leaders like Unilever, P&G and Heineken, marketers realize that they will have to set a portion of their marketing budgets aside for well structured experiments. Developments in the digital domain are so fast and furious it's not always possible to wait for full understanding. By experimenting in a controlled way companies can get insights at very attractive cost – and sometimes even strike gold.

### 6.9 The Return of the Soap:

As the consumer's aversion to traditional 30" spots is starting to hurt, TV channels and advertisers alike have to look for different models. Product placement and branded entertainment are starting to take up a serious position in their portfolios. A major advantage is that the convergence of TV and online is almost built into this model, as there are far less objections to the re-distribution of branded content throughout the internet than with traditional advertising-funded models.

### 6.9 More CGA:

Not only developers have their lazy-dream, marketers too: Consumer Generated Advertising. Let your customers not only be your Promoters, but actually make your advertising for you. As this advertising will always be based on what they REALLY love about you, it's sure to strike home with other consumers.

## 7. Digital Marketing

**Digital Marketing Strategists** are responsible for achieving the client's strategic brand and business objectives by working with clients to provide them with guidance and working with the internal team to achieve execution of strategies.

## 8. Conclusion

For those companies that are struggling with their innovation efforts concludes by suggesting three key things they should consider doing right away:

- Diagnose their innovation efforts: take a step back and see where innovation efforts are strong and weak.
- Research five similar-sized firms: go completely

outside of the industry and look for successful innovators that are the same size as their organization. What are they doing successfully that can be adopted.

- Get a meeting with those that matter: begin talking

about “strategy” and “process” with the relevant people in the organization. The conversation about the important things in innovation can start from anywhere, but ownership must finally come from the top.

## References

1. Marketing Innovation\_, Yongmin Chen, Department of Economics, University of Colorado at Boulder.
2. Marketing Capabilities for Innovation Based Competitive Advantage in the Slovenian market, Innovative Issues and Approaches in Social Sciences, Vol. 6, No. 1
3. Allen R. Kathleen, Bringing new technology to market, 1st reprint edition, Prentice hall Publication, 2005.
4. Dogra, B. and K. ghuman. 2008. Rural Marketing: Concept and Practices. New Delhi: Tata McGraw- Hill.
5. <http://theinnovationenterprise.com>