

Business Innovation A New Way of Tactics

Abstract

Innovation is the process of making something new or doing something in a new way. In business, innovation also has to include the concept of improvement; to innovate in business is not just to do something differently, but to do or make something better. Business innovation involves developing new products or improving existing technologies, processes, designs and marketing to solve problems and reach new customers.

Keywords: Business Innovation, Strategy and Tactics.

Introduction

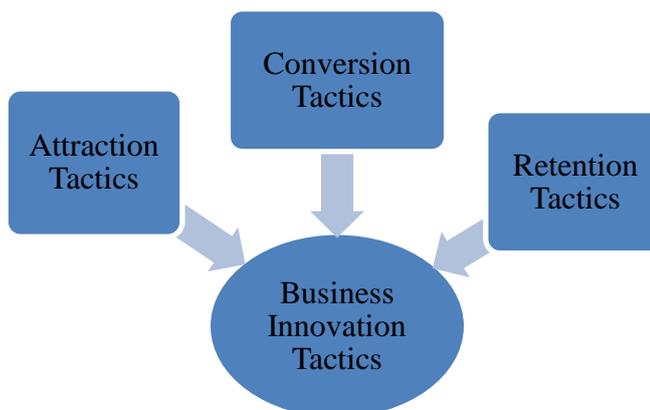
Strategy and tactics are two different things. When we formulate business strategy we choose tactics that will help to achieve “our strategic goals”. Strategy refers to the direction towards the goal. Tactics are actions taken to support that strategy. There are innumerable business opportunities but “Which one to choose?” is quite a big question. Of course, we need to analyze our personal experiences that can help us to decide the correct business to begin with. Since the competition is tough, to beat the competition just thinking about the start of business is not enough. Innovative business ideas help us to withstand the competition and win the race. Don’t do different things. Do the same thing but using different and innovative ideas.

There are three types of business innovation that every businessman should use to really make the marketing work magic.



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The first one is to use attraction plans to get you noticed, develop brand recognition, and increase familiarity. The second is conversion campaign to get people to take action, call, sign up or buy. The third is retention policy to keep you in touch with past customers, and ideally turn them into repeat customers and referral sources.

Factors such as market penetration, market share, profit margins, budgets, financial analysis, capital investment, government actions, demographic changes, emerging technology and cultural trends are also effective part of strategy marketing.

There are two basic promotion tactics for Business Innovation that is push and pull.

The Push Tactics

The Push Tactics maximizes the use of all available channels of distribution to push the offering into the marketplace. This usually requires generous discounts to achieve the objective of giving the channels incentive to promote the offering, thus minimizing your need for advertising.

The Pull Tactics

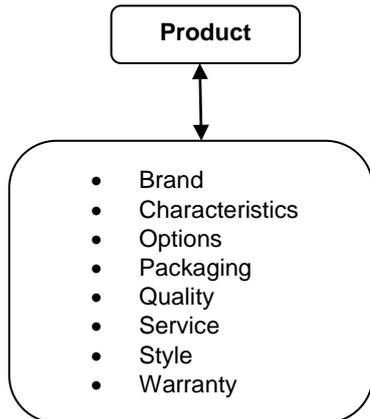
The Pull Tactics requires direct interface with the end user of the offering. Use of channels of distribution is minimized during the first stages

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of promotion and a major commitment to advertising is required. The objective is to pull the prospects into the various channel outlets, creating a demand the channels cannot ignore.

Having selected the promotion tactics for the overall interests of the enterprise, the next step is to choose a strategy for the offering that will be most effective in the market. Most business deals with three types of strategies. The plans used to achieve strategic goals are product, pricing, marketing strategies.

Product Strategy



Industry competition requires your company to constantly present new and better products and services to keep up with changes in consumer demand. Microsoft and Apple, both creators of computer operating systems, have been waging a tactical battle for consumer preferences ever since both companies came into existence. Microsoft's tactic was to be a software manufacturer and make its operating system available to computer manufacturers for use in their personal computer products, and then sell the owners of PCs software to run on that operating system. Apple's tactic was to keep its operating system proprietary and manufacture its own brand of computers. Both

companies have achieved their strategic goals of growing to become leaders in the Internet and computing industry but there are significant differences in their product strategies and tactics.

Pricing Strategy



Pricing strategy does not always mean employing low price tactics to gain industry dominance, but that is the obvious route. Some companies maintain high prices as a tactic, playing on our psychological tendencies to equate high quality with high prices. Other companies use low-price tactics presenting rebates, special sales and deep discounting. Other tactics that lower the price of purchase include inexpensive financing and delayed payment due dates from 30 days to as long as one year.

Marketing Strategy

Marketing strategy seeks to target specific consumers with messages that are most likely to draw their attention. It involves seasonal advertising and special promotions as tactics to achieve market dominance. Other tactics that affect market position for a company are acquiring competing companies, becoming the exclusive distributor for popular brands and using pricing tactics to attract customers.



Microsoft and Apple are, again, examples of marketing strategy and tactics. Microsoft dominated the market for word processing, spreadsheet, database and email software, making it the most useful to business needs. Apple dominated the graphic design market, which also gave Apple products an excellent reputation among the people who designed and produced graphic media, providing Apple products with an excellent word-of-mouth reputation. They also donated Apple computers and software to schools so children learned on Apple products and hopefully would buy them as adults.

Review of Literature

This part of the paper consists of various related literature and studies about marketing strategy. Marketing has evolved since the olden days when people used to trade with goods for goods. The theory of marketing explains how the market came into existence and the various means in which the marketers, the producers, the sellers and the consumers ensure total satisfaction. According to Dickson (1992) the process of creating marketing strategy is a higher order routine. In the "higher order routine", he has described how strategy-making excellence requires the ability to combine multiple organizational routines such as market analysis and experimentation which leads us to implementation stage of the marketing strategy. Slotegraaf et al., (2003) narrate that if the strategy-making process is more difficult to imitate, the firm's ability to implement its marketing strategy should be more likely to result in superior performance. Correspondingly, the paradox perspective proposes that the simultaneous use of multiple organizational processes that may be seemingly contradictory or competing can result in a more effective strategy-making process. (Ketchen ET al.2007). They all are of the opinion that customer performance through customer responsiveness is a strategic action which can lead to competitive advantage that ultimately leads to sales, customer, and financial performance. Vrontis and Thrassou, 2007 they both have reached on the conclusions that multinational companies should have to find out how they must adjust an entire marketing strategy and, including how they sell, distribute it, in order to fit new market demands. Moreover it is crucial for marketers to adjust the marketing mix and marketing strategy to suit local tastes, meet special market needs and consumers' non-identical requirements. Varadarajan

2010) has explained that marketing strategy is a significant driving force that distinguishes the success of many organizations not only by well-developed marketing strategies outlining where, when, and how the firm will compete but also by their ability to execute the marketing strategy decision and options. Jim Macnamara (2016) research shows that most businesses are jumping on the social media bandwagon. But many are not using social media effectively or wisely, exposing themselves to criticism and missing opportunities. Sam Ransbotham and David Kiron (2017) in his research Analytics as a source of business innovation found that the percentage of companies deriving competitive advantage from analytics increased for the first time in four years. The research is based, in analytics global survey, which includes responses from 2,602 business executives, managers, and analytics professionals from organizations located around the world. They have also found that companies increasing ability to innovate with analytics is driving a resurgence of strategic benefits from analytics across industries.

Objective of the Study

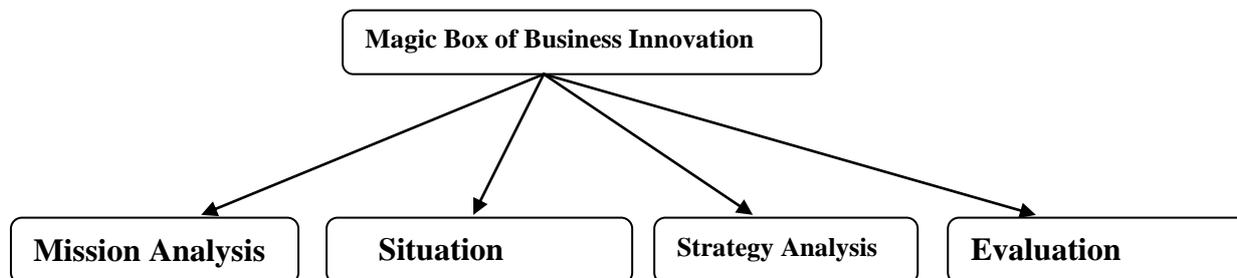
1. To start a new business, what should be the role of business tactics for price competition and attract customers too.
2. All effective decisions must be achievable within a fix period of time for enhancing their revenue, profit and sales.
3. To suggest various measures for business innovation in different fields for the development of economy in meeting the challenges of the new millennium.

Methodology

The study is based upon the secondary data collected from different sources mainly, Economic Survey of India, RBI Bulletin, reports of national sample survey organization of India etc. The data has been tabulated suitably. The results have been accordingly interpreted and on the basis of analysis and findings, measures have been suggested.

Results and Discussion

There are five steps in Business Innovation to make the strong foundation for achieving objectives. These brilliant decisions are correlated with Mission, Situation, Strategy and Evaluation of the business plan.



Identifying a Mission

The first step in strategic marketing is to articulate the reason why the enterprise exists and how it can benefit target consumers over the long term. In particular, this mission statement is intended to anticipate the future and describe an ongoing role for the organization's product, service or expertise. For example, the mission of an airline might be to provide continuing innovation in global transportation. A hospital could state a mission to take the lead in improving public health and education.

Situation Analysis

Organizations conduct a situation analysis, also known as a SWOT, to evaluate and prioritize their strengths, weaknesses, opportunities and threats of your business and reveal your company's position in respect to the market. This second step in the strategic marketing process helps managers understand the resources they can build on and the challenges they face. Strengths and weaknesses are internal factors, under the firm's control. For example, a good image in the fashion press would be a key strength for a dress manufacturer, while a poor relationship with clothing retailers would be a weakness. Opportunities and threats arise from the external environment, like a strong economy or new payroll tax. To maximize strengths and minimize weaknesses an organization must perform the following:

1. Analyze competitors
2. Research company's current and prospective customers
3. Assess company
4. Identifying trends in the company's industry

Once this analysis is complete the results should be used as a basis for developing the company's marketing plan, which should be measurable and attainable.

Strategic Analysis

The fourth step in strategic marketing is strategy development. This involves selecting a target market, a distinct group of consumers who are highly likely to buy the firm's product. Planners must also choose implementation tactics, specifically, effective ways to use the marketing mix tools of product, promotion, price and distribution to reach and influence prospective buyers.

Evaluation

The fifth step, evaluation, means specifying how, when and by whom these tactics are to be monitored and assessed over time. The evaluation phase is the checking phase. This process involves ensuring that the results of the program are in line with the goals set.

Innovative Business Ideas

When we think of some new business there are many innovative ideas around us. We may find many small sectors that have potential to be converted into innovative business .like

Craft business

Investment: Above 10,000

ROI: 3-4 months

If we don't have enough time or money, don't worry. A craft business can be an innovative business

idea for us. All we need to do is first determine what you want to make. Once we have the skills, we can use our free time to start making any kind of home based products. We can also make our own art into unique products. Handicraft items are famous worldwide and they have a huge demand in national and international markets.

The craft business may include following items like making dolls, toys, gift cards, artificial flowers, cups, basket, candles, kites etc.

1. Raw-materials may be plastic or wooden or clothes or paper products
2. Skills can be learned through the internet (YouTube, blogs, Google and so on) or through training institutes.
3. The products can be taken to market to sell. It will be even more profitable, if we can start up our own arts and crafts shop gradually.

Buy and sell

Investment: Above 10,000

ROI: 3-4 months

The general idea of every business is buying and selling the products, we can use the same concept to purchase and market others to earn profit.

This idea focus on following key aspects.

1. Buy from manufacturers and sell to wholesalers
2. Buy from wholesalers and sell to retailers
3. Buy from retailers and sell to final consumers
4. Products can be anything from livestock to tools and equipment. It can also be food, clothes, ornaments etc.

We can benefit highly if we can directly purchase from the main dealer, manufacturer or supplier and sell to final customers. Elimination of the middleman helps to get a higher profit margin and we can also offer lower prices. It helps us to win the price competition and attract customers too.

Use internet as Business

Investment: Above 50,000

ROI: 3-4 months

Internet is the most powerful tool today. In today's modern and busy world, it has become the element of survival for human life. It can be used for banking, business, communication, education, press, military, science and in almost every sector. Let's say we cannot imagine the world without internet today. Internet can be used as one of the innovative business ideas in the following ways.

1. Uploading YouTube content
2. Creating websites
3. Blogging, content writing
4. Working for SEO , Fiber, Freelancer
5. Trading in EBay and online markets
6. Doing other on-line jobs

The internet helps to win the competition today. Just having an internet connection and computer opens up unlimited online jobs. You can earn by sharing your innovative skills, ideas, thoughts and knowledge using various internet tools all while sitting in your home.

Training (Any kind of Coaching Institution as Business)

Investment: Above 10,000

ROI: 3-4 months

Do you possess any expertise or specialized skills? Simply by communicating your skills, you can earn a lot with little to no investment. The training you offer can consist of anything as follows.

1. Basic computer knowledge such as Word, Excel, PowerPoint
 2. Developing websites, creating Ad Sense accounts
 3. Training in software skills, Tally, graphics designing
 4. Sharing repairing and maintenance of mobile devices, computers, vehicles, or anything you know
 5. Conducting presentations on various topics
 6. Training for drivers, teachers, beauticians, tailor and so on
- Related Read: How to Start a Coaching Institute Business in India?

Second hand product (Use of by products)

Investment: Above 1, 00,000

ROI: 3-4 months

"Do you want to replace your I Phone 5?" Or, "are you intending to buy an I Phone 5?" The needs and demands of customers can vary according to their earnings. Used products can be sold to customers who are in need of items. The key ideas for this business are to buy used products and sell them at a profit. The following are some ideas.

1. Collect or buy used products, tools or equipment
2. Use online markets to place products for sale
3. Create contact with buyers or sellers
4. You can also resell your own used products

Be aware! Don't forget to check the usability of the product. Do not accept damaged products.

Gardening

Investment: Above 30,000

ROI: 2-3 years

Are you interested in farming or gardening? If you have an area to work like fields, a terrace or garden, you can use your skills to earn through your passion. There is good demand for different types of flower and plants. This can be quite time consuming work since planting, growth and outcome needs time, possibly weeks or months. Some ideas for this business are mentioned below.

1. Get training for plantation
2. Plants different types of flowers, vegetables or fruits
3. Sell them in market for money
4. You may use internet for marketing

Create online jobs:

Investment: Above 80,000

ROI: 3-4 months

After working as an employer online, you can create employment opportunities through your experience. All you need is an internet connection and computer access to get started as one can apply for different online jobs. In the same way, we can also create online job opportunities. Follow the rules below to create an online job.

1. Create websites
2. Advertise the vacancy using internet (i.e. Facebook, blogs, Twitter)
3. Select interested candidate

4. Collect articles
5. Post on your websites or forward to your clients

Recycling as Business

Investment: Above 10,000

ROI: 3-4 months

What waste products do you have in your home? What do you do with it? Even waste products can earn money if you see it from a perspective of recycling and reusing. Many waste products can be recycled or reused. On one hand, it helps to maintain the environment. On the other hand, the waste and unused products can help us to earn income. Basic ideas may be as follows.

1. Hiring staff to collect waste and unused products from houses
2. Waste products may be electronic items, plastic bottles, used copies and paper
3. Such products can be taken for recycling to produce new products

In a developing country like India, recycling might just be the best innovative business idea.

Sell your services

Investment: Above 10,000

ROI: 3-4 months

Are you an expert in any subject? If yes, don't do it free of charge. You can sell your ideas, knowledge and skills to generate income. It's as simple as sharing your knowledge for a fee. Selling services may include following.

1. Investors can help clients in portfolio management, investment selection or security decisions
2. Home based tuition can be started
3. Language classes can be conducted
4. we may teach people to play music, singing, dancing

Recruitment agencies

Investment: Above 10,000

ROI: 2-4 month

Unemployment is a burning issue worldwide. Many people are frustrated and seeking jobs, yet cannot find suitable employment. This problem can be converted into a business opportunity by starting a recruitment service. For this, follow the following guidelines.

1. Collect CV and detailed information of people seeking jobs
2. Send them to different job places
3. Get fees or commission for the job placement
4. Put them in contact with different sectors and in different places
5. Sectors may be banks, trading companies, airlines, or others

It's a great way to earn extra money. After finding jobs you can also get a certain percentage of their salary as your commission every month. It is quick, simple and easy with no investment at all.

Conclusions and Guidelines for Business Innovation

When we think of some business there are many innovative ideas around us. There are lots of small and minor business opportunities that may be there but we may not have realized yet. We may find the many small sectors that have potential to be

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converted into innovative business ideas. We may be searching for one but there are innumerable business ideas around our home, surrounding areas or country. Good strategic planning should be simplified, not simplistic. And it should also answer the questions: what are we selling, to whom and how do we beat the competition? Identify objectives and determine mission. A well thought out plan for offering value and solutions to your target market.

1. Allows the company to discover the needs of the targeted customers and fulfill those needs in a cost effective and timely fashion.
2. Set measurable, achievable goals by ensuring they are clear, structured and measurable it will be easier to accomplish your purpose.
3. Evaluate and modify- measure how close or far you are from objectives, track what works and change, what doesn't require to accomplishing a simple, effective strategic plan.
4. Use simple, clear and precise plans to detail what benefits you will offer your clients and how. Customers are driven by needs and desires so a clear plan will target those to gain customer loyalty.
5. Have a feasible plan by using research to decide the best way to connect with and engage your ideal customers and then implement a plan your company can afford and carry to fulfillment to do so.
6. Ensure control and flexibility by customizing your business plans and goals to match the needs of the customers, as they determine the success or failure of your company.

To beat the competition in marketing, placement, brand awareness , loyalty, respond to trends, Analyze competition and adjust, Innovation, Emotional branding , enhanced distribution systems and Excellent customer service by incorporating these

practices into our company's marketing program and ensuring to follow through consistently, our company will be rewarded and recognized for its efforts. Moreover approach customers with a personalized warm welcome, probe politely to understand all the customer's needs, present a solution for the customer to take home today, listen for and resolve any issues or concerns and end with a fond farewell and an invitation to return.

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