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Importance of Innovation in Business

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ABSTRACT: Innovation involves the creation and execution of innovations that complement or achieve the way things are done. New products or services may contribute to creativity, new or enhanced business processes, and improvements in the marketing of your products or the implementation of new technologies. By improving quality and performance, creativity will help the organization expand. The willingness of the employee to innovate allows your company to stay competitive and adapt to changes. Market creativity includes businesses introducing innovative methods, concepts, goods or services in order to improve their efficiency. This will lead to innovative and better goods or services (which can lead to higher revenues), efficiency of an ongoing process or the solution to a current market issue (both of which cut down on costs and save time). It stimulates sales for the company, which is the core factor in innovation.

KEYWORDS: Innovation, Business growth, New product development, Revenue generation.

I. INTRODUCTION

Innovation is one of the most critical topics currently in business analysis, introducing new technologies and services to the market. Innovation can increase quality and decrease costs for goods and services which have significantly changed the lives of customers. Innovation eliminates existing markets, changes old markets or generates new ones by seeking new solutions to problems. It can lead giant incumbents into dominant positions while pushing small outside people[1]. Sales and profitability steadily decreases without creativity as rivals evolve in the past. Innovation forms a crucial foundation for the success of world economies on the global market.

Innovation is a wide field and a number of fields discuss diverse areas of innovation including marketing, quality control and management of transactions, technology management. Innovation research has been undertaken in many academic sectors with insufficient ties between them. Study on industry pioneering, for example, usually does not apply to breakthrough dissemination or new innovative product creation[2]. Marketing overall is well-positioned to engage in the understanding and management of creativity within industries and economies, as new or amended goods for increased profitability are the primary objective of the innovation initiative. Revenue is a required aspect of sustainability, and revenue relies more (or more efficiently) on consumer expectations than rivals are willing to fulfill those needs. Marketing analysis is essentially focused on consumers and rivals and is thus best positioned to investigate how a company could best direct progress towards achieving its sustainability objectives[3].

Innovation would first be effective, once client demands are understood then products that fulfill those criteria are created. Therefore, our literature review begins with our awareness of customers and their reaction to creativity and acceptance. Since we are interested in how businesses prosper from innovation, the report discusses operational problems relevant to active innovation and the way companies implement innovations[4]. The perception of consumers and the corporate environment are the foundations for effective innovation. Before continuing, you must be in position. The following three parts follow the flow of innovation: from the first approach to plan growth, through the

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prescriptions in the literature to move the concept from architecture to the market and conclude with the advantages to innovators and to protect against others[5].

II. LITERATURE REVIEW

1. Innovation:

The principle of creativity is the process pursued by a person or an organization to conceptualize new goods, processes and ideas or address current products, processes and ideas in new ways. In the corporate setting, an organization can follow several different kinds of creativity. These are also specifically related to particular goods, organizational systems or workflows. In an efforts to pursue success when adjusting to an ever evolving environment, some businesses also provide all three. Apple is a perfect example of a company that successfully promotes creativity throughout its lifespan at many critical stages[6]. The company was at the brink of bankruptcy, for example, in the 90s, but managed to stabilize it by its alliance with Microsoft — a long-standing rival. This move effectively influenced the broader culture of Apple and led to the launch of iMac as a turning point for the company in general[7]. However this was only the beginning for Apple, the partnership with Microsoft kick-started an era of innovative risk-taking, which led to the invention of tech products many consider staples of their lives today—including iPods, iPhones, Macbooks, Apple Watches, iPads, and more—alongside the invention of iTunes, which effectively reshaped the music industry as a whole.

2. Importance of innovation of Organizational success:

2.1 Innovation helps company to grow:

There are a few approaches to accomplish this aim if everyone wishes to expand his company to be more competitive and profitable. While it is slow to go, you can continue to follow your current direction and expand gradually as your established goods and business models are mastered. You could, however, prefer a much quicker, but still usually a much more costly avenue for growth by combining or purchasing others[8]. Alternatively, people might try to adapt from the ground up by rethinking your product or business model, which is a method that can lead to rapid growth and helps you to rapidly scale up your business. In a new study carried out by the Boston Advisory Company, 79 per cent of surveyed leaders say that innovation was one of their top three market strategies — the highest number since the survey started almost ten years ago[9]. This growth opportunity is likely to result in innovation. The BCG also states that in the annual "Top 50 most innovative companies," organizations regularly receive high rankings all have a shared emphasis on research, technology and growth. They continue to develop while keeping one step ahead of competition as they recognize the positive effects of creativity.

2.2 Innovation keeps organizations relevant:

The world around us is constantly changing, and in order for your business to remain relevant and profitable, it will eventually need to adapt in order to meet these new realities.

Technology continually proves to be a driving factor in the need for change. To quantify the recent impact, look at the facts:

- 90 percent of the world's data has been created in the last couple of years.
- More than 570 new websites are created every minute.
- 8 billion devices will be connected to the Internet by 2020.

These developments have led to a whole new wave of disruption across business models and markets, which have allowed new firms to enter the industry and to seriously disrupt workers. Indeed, managers now assume that 40% of Fortune 500 firms in the next decade will be ruined because of this degree of automated interruption. Much as a start-up

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often innovates to enter into a market, existing companies must reinvent to compete and remain important to this changing world.

2.3 Innovation Helps Organizations Differentiate Themselves:

At the heart of creativity is anything different from anyone in the field. If the company for instance uses creativity in its products, the purpose is, before nothing like that on the market, to improve or upgrade the products. This is how you save time, money or other capital if the company uses creativity on its operations and offers themselves a strategic edge over other organizations who are trapped with their schemes. In either scenario, your organization is taking the time to try something new because sticking to the status quo simply isn't working[10].

Although the natural growth that can be rewarding for many organizations, it would be a failure to ignore another main advantage: creativity allows a company to separate itself and its goods from the competitive marketplace, which in an overcrowded industry or competition can be especially strong. Although value for your customers can always be a priority of your organization, it can become an essential part of your brand identity and business philosophy in a way that is remembered and distinct from anyone else.

2.4 How to embrace innovation:

Company leaders must be able to think dynamically and integrate creativity into their business models to accelerate business success, remain competitive in times change and be distinct from competition. However, this doesn't mean that an imaginative willingness is the only aspect of success: leaders still need to have a clear sense of how creativity can be brought to life.

One way to do this is through an experience working on interesting, demanding and creative ventures, so that you become a catalyst of creativity in your business. An innovation master's degree is meant not only as a way of perfecting these particular competencies but also for giving you realistic opportunities in real life that make you a successful innovator.

III. CONCLUSION

For customers, businesses and nations, innovation is of critical significance. Innovation analysis has been conducted in a variety of various fields. Some research fields are prescriptive, whereas others are analytical and some have been developed scientifically, but not empirically validated. Some of them are mature; some are new. Some fit into marketing; others were not considered 'commercialization' subjects. Anything can be illuminated or a publicity view can be illumined. And businesses must develop their innovative capacities only to maintain in terms of efficiency, as analytical evidence has shown.

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