



Why Innovation is key to your company's continued success?

Innovation is defined as: "The creation, development and implementation of a new product, process or service, with the aim of improving efficiency, effectiveness or competitive advantage." This definition comes from the government of New Zealand. There are many definitions across different sources. This one in particular spells out the three main areas that are essential for a company's differentiation. "Product, Process and Service" encompasses all the key areas. Oftentimes, a company only focuses on "Product" in their definition of innovation. You should view "Innovation" in terms of internal (inside your organization) and external (to the marketplace) inclusive of all aspects — "Product, Process and Service". Innovation is "What Differentiates your company from everyone else?" This differentiation is key to your organization's success—Past, Present and in the Future.

The three main areas of differentiation from our perspective, that are key to continued success concentrate on the following:

1. Improving Operational Efficiency
2. Driving Continued Customer Interaction
3. Augmenting your current Product Offering to a Product + Service Offering

1. Improving Operational Efficiency

From an internal perspective, innovation that confronts the basic and persistent "Waste" within an organization provides the fuel needed for the company's current and continued success. Tackling this allows for resources — human and investment, to have the needed capacity to work on the other aspects of your business' innovation initiatives. The concept of being able to compete with any nation, any cost structure, any technology, in our competitive global economy is essential in delivering stable footing for your company. Innovations that:

- Deliver efficient process and data flows to drive real-time decision making
- Adding artificial intelligence to get to a predictive working environment from the current reactive environment
- Working on establishing and embedding enterprise process KPIs and Metrics that drive efficient cross-functional operational execution are all essential in developing the company of tomorrow.

2. Driving Continued Customer Interaction

From a customer and marketplace perspective, innovation that focuses your company's approach on being "Customer" centric is key for a multitude of reasons. Think about "how" to best incorporate your end customers into the process of defining your new product and service offerings. How to then be able to walk them through the "Customer Journey" from them being interested in your product to providing them an integrated path to purchase. This would be essential for your organization not only to think about, but also decide what and how to market your new innovation in a sequential operational process that most times currently loses its message from "What" the customer wanted to the final delivery of the "Product".

3. Augmenting your current Product Offering to a Product + Service Offering

In today's world of "Connectivity", the need to incorporate this thought process on building and keeping your relationship with your customers, is key to customer loyalty. The thought of not only selling a product, but augmenting the product with additional features and services, make your product, a "Product +" offering. The concept of being able to add additional functionality via "Over the Air" (OTA) updates, incorporating a Mobile APP user interface, providing product performance and notices for "Replenishing" consumables or "Need for Service" are all product offerings that engage, build and enhance the customer relationship.

These **three** concepts will not only make your organization current operations more efficient, but will drive short-term and long-term success. Never forget, "Innovation" is the "lifeline" to your organization's continued success.

If you would like to talk to us about these concepts please reach out to us via email or give us a call.

Next Month: How to build an efficient and integrated Data and System Enterprise Architecture