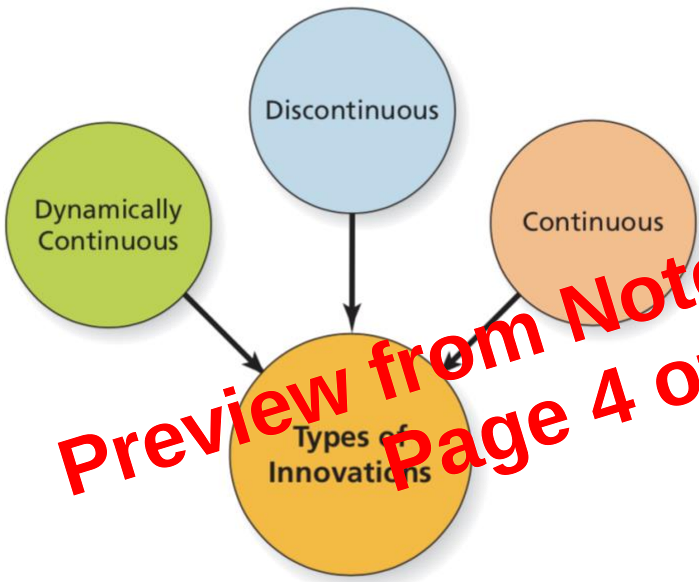
The Process of Innovation

innovation: a product that consumers perceive to be new and different from existing products
creativity: a phenomenon whereby something new and valuable is created

Types of Innovations

- differ in their degree of newness - helps to determine how quickly the target market will adopt them
- more novel innovations require us to exert more effort to figure out how to use them, slower to spread throughout a population than new products that are similar to what is already available



Continuous Innovations

: a modification of an existing product that sets one brand apart from its competitors

- relatively easy to convince consumers to adopt this kind of new products
    - consumers don't have to learn anything new
- knockoff: a new product that copies, with slight modification, the design of an original product
    - firms deliberately create knockoffs of clothing and jewelry, often with the intent to sell to a larger or different market
    - difficult to legally protect a design

Dynamically Continuous Innovations

: a change in an existing product that requires a moderate amount of learning or behavior change

Discontinuous Innovations

: a totally new product that creates major changes in the way we live

- consumers have to learn a great deal to effectively use
    - no similar product has ever been on the market