

Rate of Adoption

Most new technologies require many years to become a new standard. Number of years it took for the following technologies to reach 25% of US households:

- Automobile = 56 years
- Electricity = 45 years
- Telephone = 36 years
- Microwave = 31 years
- Television = 26 years
- Internet = 23 years
- Cell phone = 14 years

Invention: The discovery of new ideas and methods

Innovation: An invention is commercialised by bringing it to market

Conditions required for Innovation

- Moderate environmental uncertainty
- Cohesive workgroups
- Exchange of information
- Moderate environmental uncertainty
- Cohesive workgroups
- Exchange of information

Product Development Process

1. New product strategy: clearly defined goals & objectives
2. Idea generation: brainstorm through internal & external sources
3. Screening: to reduce the number of workable ideas
4. Concept testing: to develop an idea into a detailed concept that would describe it to a consumer and test it among consumers
5. Business analysis: reviewing the cost and profit estimates to find out if they meet company objectives
6. Product development: developing the product through research and design stages
7. Market testing: trial run of the product where all aspects of the marketing mix are tested (e.g. simulated market test and test marketing)
8. Commercialisation: actual introduction of the product into the market commercially

Incremental Innovation: Making minor changes over time to sustain the growth of a company without making sweeping changes to product lines, services or markets in which competition currently exists (e.g. dyson hoovers and Becks alcohol-free)

“Television won’t be able to hold on to any market it captures, after the first 6 months. People will soon get tired of staring at a plywood box every night”