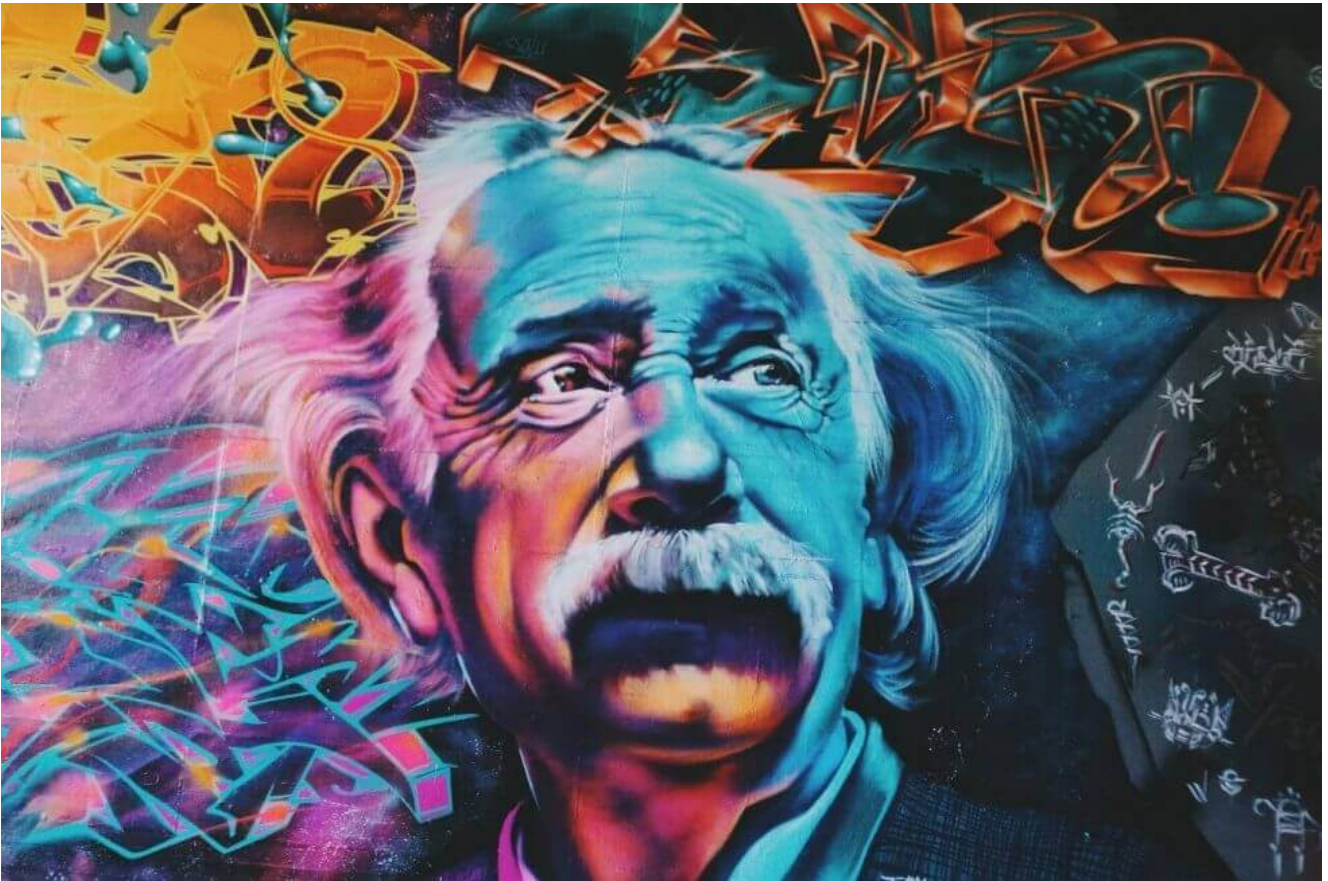


Benefits and Drawbacks of New Innovation



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I'm not sure if you heard, but new product innovation is a big deal. Especially if you want to turn a stagnant company around. As technology constantly evolves, adapting to these changes is more important than ever. Additionally, as competition grows, so have the number of mistakes entrepreneurs make, especially when it comes to trying to innovate their businesses.

What is the meaning of innovation?

It is simply the act or process of introducing new ideas, devices, or methods. It is also, the introduction of better, faster, or better solutions that meet new requirements, unarticulated needs, or existing market needs.

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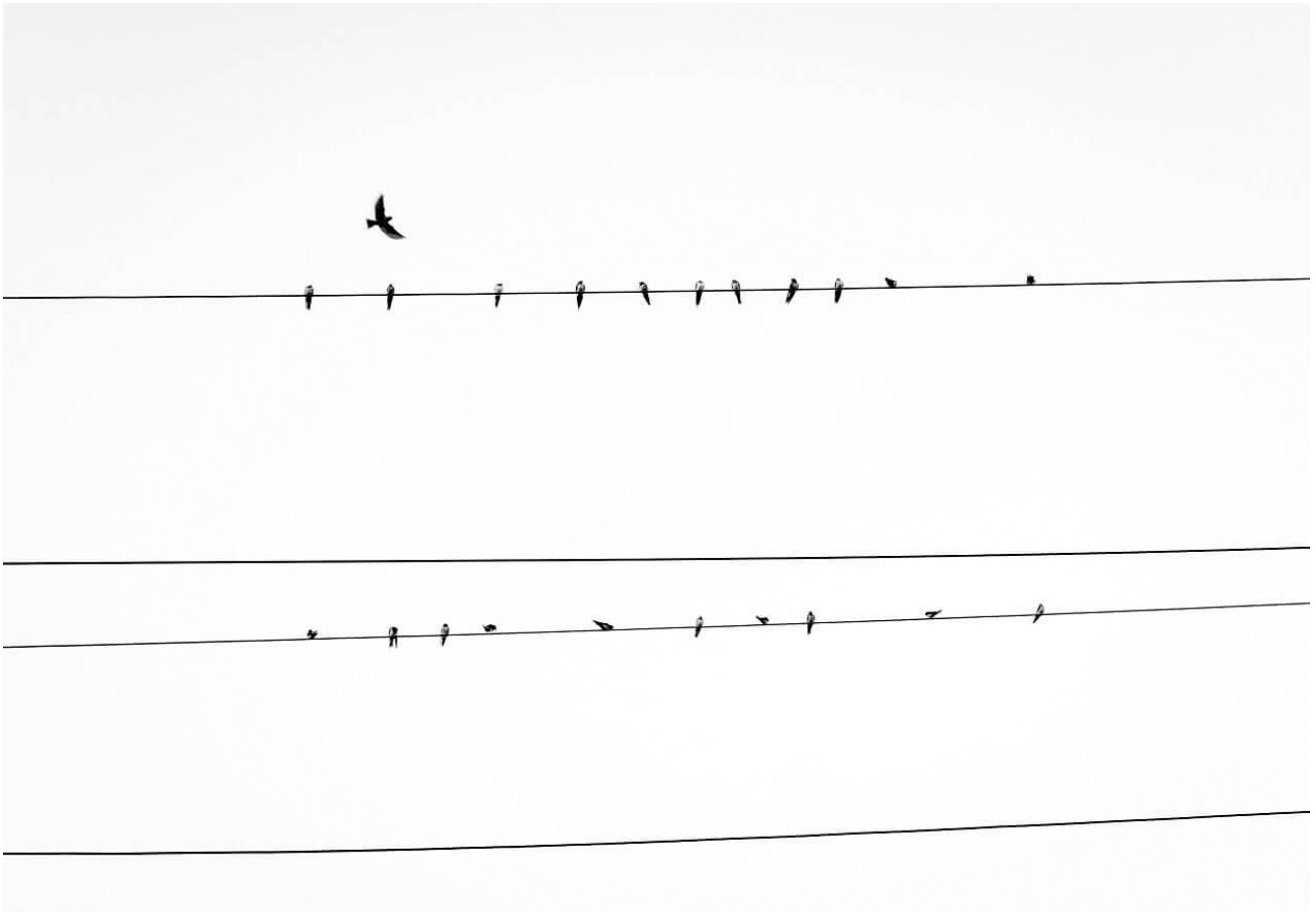
Ok, so now that you understand its meaning, I'm going to share the top 10 benefits and drawbacks of [innovation](#). I've purposely kept them industry-neutral, since tomorrow there will be something new and by next week something will die out. These apply to technology, business modeling, business ideas, and whatever pops up later today. Although you should always aim to create an innovation culture and if possible implement innovation training systems in your organization.

Let's start. First the Benefits of New Innovation:

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1. **New Innovation Benefit Number one:** New innovation is no longer confined to product development. It is also a matter of creating new services, business models, partnerships, and customer experiences. The market has handsomely rewarded those companies that can innovate multiple dimensions simultaneously
2. **New Innovation Benefit Number two:** New innovation ideas do not just pop-up during a two-day off-site workshop. Good innovation is the result of a rigorous thinking process, in-depth data mining, analytical feedback and a significant base of insights into customer needs, company capabilities, and changes in the competitive landscape. Therefore, companies that invest time understanding their data and their customers will have a greater chance of success.
3. **New Innovation Benefit Number three:** Organizations need time to reflect and absorb the opportunities and options. Companies who are engaged with their customers are more likely to come up with more successful innovations and create brand evangelists in the process.
4. **New Innovation Benefit Number four:** New innovations almost always start with the customer's pain. If you understand your customer, listen to them and understand their pain, developing new innovations will be a much easier (*and a more successful*) endeavour. The end result will be an increased company value by the time of exit.
5. **New Innovation Benefit Number five:** The right positioning of your product or service can greatly cut down the risk of failure. By [positioning your business](#) for the right customer, at the right time, with the right product, you increase your chances of success and profitability. Therefore, try becoming an innovative company. Make it your goal to constantly test and validate new ideas.

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Now, the Drawbacks of New Innovation:

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1. **New Innovation Drawback Number one:** Rushing through the new innovation process can have dire consequences for your organization. Not understanding thoroughly if there will be a market for your business idea, can backfire on you. This is by far, the number one mistake made by rookie entrepreneurs. Always test and validate your idea first to make sure there will be a buyer's market for whatever it is that you are trying to sell.
2. **New Innovation Drawback Number two:** Trying to guess what product or service to come up with- *without hard data or professional help* – can actually make you waste time and resources on the wrong innovations.
3. **New Innovation Drawback Number three:** Just “*thinking*” it's a good idea, may not be enough to have a successful product or service. This is probably one of the biggest mistakes business owners make. They launch a product or service without really understanding if there is a market willing to pay for them.
4. **New Innovation Drawback Number four:** If you create products that are “*vitamins*” rather than “*pain killers*,” they can create a huge dent on your cash flow. In other words, if your products or services are “*good to have*” but they are not “*essential*,” buyers may take their sweet time to buy whatever it is that you have to offer since they will not be urgent, or important to have right now.
5. **New Innovation Drawback Number five:** You may be missing a big chunk of the market if your product is wrongly positioned. Right now, new innovations in technology are the most sought after. Even if you have a great product in a different industry, and you offer it to the wrong market, then again, no one will buy it. Therefore, remember to always test, and validate before scaling your offer.

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New Innovation: Wrapping It Up

The key takeaway from all of this is that new innovation is a powerful tool to use to turn your company around, as long as you do it correctly.

It's a tool you must use, but you must use it properly. Therefore, first and foremost, always find out the best way to define your market, your product positioning, the highest ROI products you should be selling and finally determine what the heck you are selling!

Question: What's the biggest mistake you've made or seem to have made when coming up with [new innovations](#)? You can leave a comment [here](#)!

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