



Innovations for Small Industries

Innovation in business is nothing but coming up with new creative ways to promote business growth. Execution of new ideas will help your business grow consistently in the marketplace. Innovations **need not always be disruptive** or big scale. Small changes in improving your business model or better techniques for problem-solving are highly beneficial too. In this article, we take you through the kinds of innovations that you should encourage in your business and how to use them to your benefit.

Have a look at the kinds of innovations that you can foster in your business:

- **Service innovation** - Service innovation is usually intangible. It can be an improvement of a particular way of customer service, which will lead to better revenues for your organization. The way a customer is served makes all the difference to businesses. Encourage ideas for improving the same and make sure your customers feel valued. Implement new

service-driven business models

and have your workforce come up with ideas for the same. One of the most crucial ways of knowing if you need to get creative with your services is to get constant feedback from your clients. Make it a point to analyse the feedback very carefully and see what could be changed and what is financially feasible. Data is king when it comes to service innovation.

- **Product innovation** - Product innovation involves improving an existing product or creating a new product or service. Your product has to evolve according to consumer needs and the current trends of the market. It is similar to service innovation in that you take feedback from your consumers to better the product according to their needs. The ideas generated for product innovation have to be discussed, researched, analysed and finalized at the highest management level. Out of the box thinking is important and has to be encouraged. Before releasing the actual changes into the product, you need to test them by creating prototypes, similar to what you would have done at the beginning of product creation.

Another important aspect of product innovation is ***protecting it on commercialization***. Make sure your intellectual property rights are protected and include IP clauses in all your contracts.

- **Business model innovation** - A business model is essentially the collection of decisions that define the business and its core goals for profit making.

Business model innovation

is changing an existing business model or creating a new one to improve the delivery of customer needs. It involves changing your core resources, supply chain strategies and target markets. Changing your business while keeping the business objective unchanged and without disrupting revenue streams can be quite the task. But with proper planning, it can become much simpler. The goal of changing your business model should be to implement better strategies to connect with your customers, investors and distributors.

- **Organizational innovation** - This particular type of innovation involves innovations that lead to changes in organizations of the workplace, business practice changes and changes in dealing with external relations. The three most important aspects of this type of innovation are

talent, process and environment

. Create an open-minded environment where your employees are free to question and suggest ideas for improving the way the certain processes in the organization. You should ask questions

like 'How can I improve this business practice to get a better ROI' or 'how can this process be changed in order to make it inclusive to my diverse customer base'. It doesn't matter if your business is small or large, consistent improvement and changes are the only way to remain relevant in the local/global market today.

Here are a few strategies to keep in mind for implementing innovations at your company:

- **Making a solid start** - Have the objective (change(s) that you want to bring in) and create and maintain portfolios for the same. Make timelines and adhere to them. At the same time, be sure not to side-line your core business goal, because, at the end of the day, you don't know if the changes you intend to make will have a positive outcome or not.

- **Recognize and award good ideas** - Provide recognition and financial incentives to your employees for coming up with and executing ideas. Foster a culture where it is beneficial for people to think out of the box.

- **Take failures positively** - Minor failures are essential to business growth. Therefore, don't let the fear of failure prevent you from taking risks. This way, there is learning, and more people will come forward with ideas.

- **Open environment and communication** - Make sure it is established in your company that ideas for change are always welcome. Pay heed to them and make them feel valued. Since yours is a small industry business, it is all the more easy for higher level executives to interact personally with employees.

Small industries are hotbeds for innovation since there are relatively fewer hurdles as compared to big ones. So, be innovative take calculated risks and watch your business bloom.