

Why startups need to keep up with innovation

[Business](#)



Globally, there are over 100 million new businesses, which are launched every year. Considering the statistics, it translates into roughly 11, 000 startups launched every hour! In this fast paced environment, it is essential for startups to keep innovating, if they want to survive.

With thousands of new companies being launched every day, startups can't afford to rest on their laurels and take the chance to not experiment or innovate. They need to keep their eyes and ears firmly on what is happening around them in the market and keep a check on what their competitors or new players are doing. Considering the pace at which technology gets obsolete today, one new or disruptive technology is all it could take to wipe out a complete business overnight, thus leading to a complete waste of all the resources, time and effort invested in building the business. So, there's little chance you can count on ' so-called' innovative product to keep your startup going, if you don't continue to make innovation your priority on a day-to-day basis.

Here are some of the biggest advantages any business can derive from innovation:

Gives you a competitive edge

Innovating gives startups an edge over their competition and helps them become and remain a market leader. Many companies have managed to grab a new market or niche by launching a totally disruptive or new technology, but failed to retain their edge later since they were unable to keep up with the pace of innovation in the market. Take for instance the case of Apple Inc., which has remained the industry leader since it's launch

nine years back, but is now witnessing a decline in revenues due to lack of innovation in its latest smartphones.

On the other hand, Uber, which completely disrupted the cab sharing industry, has managed to remain a market leader as it is constantly innovating. Right from ride sharing to premium cars, the company has grabbed a foothold in every market it operates in. To take things a notch higher, Uber is doing a pilot run with its autonomous cars in Pittsburg. The company is thinking ahead, and focusing on the latest technology and innovation to remain the industry leader.

Makes start-ups more efficient

If innovation is the lifeblood of your business, it makes it easier to solve problems as well as huge challenges. With every mind in the organization focused on bettering the end product or the process they are associated with, it will eventually witness greater efficiency with regard to systems, processes and products/services, which can be a huge advantage for the business.

Did you know, Google assigns a special hour or day in each office for people to experiment and innovate! Rather than looking outside for new companies, the Internet giant has created a monopoly in the online space by encouraging employees to innovate from within. It has also set up an in-house incubator to nurture ideas that have merit. Many of its innovative products like Hangout, Maps, etc. have all been a part of its in-house born ideas.

Creates entry barriers for competitors

Being an innovator or a disruptor is the best way to stay at the top and become an industry leader. However, one good idea leads to a thousand followers! And some of them may even be good. So if you want your company to remain the leader, it is ideal to keep thinking about the next step, the next level of innovation and experiment. This will ensure that you stay far ahead of your competitors.

Compete with larger well established companies

Big companies have more resources at their disposal and can easily implement and adopt new technologies. Large-scale companies have access to bigger platforms, which startups may take years to build. Big companies can out-innovate startups by adopting a systematic approach to innovation and learning. In order to compete with them, start-ups need to be a step ahead and adopt a culture of innovation.

Conclusion

95% of startups fail within their first year due to lack of any new ideas. So clearly, every startup needs to make innovation a part of its DNA, if it wants to get ahead of competitors and retain that position.

Innovators should be encouraged and rewarded, so that each and every individual in the organization is inclined to solve problems and experiment without having to worry about failing, since ultimately this will make the startup more efficient and give it an edge over others. When every single person on your team is focused on innovating, there is no way anyone can stop you from reaching the top and staying there.