

# [Strategic to have built up considerable amounts](https://assignbuster.com/strategic-to-have-built-up-considerable-amounts/)

Strategic innovation involves the creationof growth strategies, new product categories or business models that change thegame and generate significant new value for consumers and the corporation. Radical innovation establishes a new dominant design , and hence a new set ofcore design concepts embodied in components that arelinked together  in a new architecture(Henderson, 1990).

Incremental innovation is a change that builds on a firm’sexpertise in component technology within an established architecture(Christensen, 1997). This type of innovation improves and refines an existingdesign through improvements in the components. Firmsthat innovate incrementally tend to do so just a little bit at a time. Think ofincremental innovation as cost cutting or feature improvements in existing productsor services (Leifer, 2000). Incremental innovation is more popular thanradical innovation not only  because ithas reduced risk but also once a company has a product up and running it tendsto have built up considerable amounts of human capital and competencies so thefirm may as well devote time to making it better or reducing costs. Radicalinnovation should be considered in changing the landscape of the organizationthereby paving way for long term growth.

Push and Pull innovation strategiesidentify two solutions, which are presented as alternatives. A push strategyrefers to the development of processes that emanate from the company and gotowards the market meaning that supply is sustained by the company while a pullstrategy refers to processes that start from the market and go towards thecompany. The two strategies are alternatives since they are founded ondifferent market assumptions that require different capabilities.

Push strategyrequires knowledge of the market so as to plan in advance the corporateactivities necessary to perform all the processes while push strategies basetheir competiveness on accumulated experience. On the flipside, in pullstrategies, the company does not have comprehensive knowledge of the market andits players due to the dynamism and changeability of their needs and actions. In order to minimise the cost of corporate activities in today’s competitivemarket while maximizing the competitive advantage of each activity, companiesshould identify how to combine the push and pull strategies e. g. in a clothingcompany. The combination allows for the advantages of the two strategies to becombined. Push strategy is applied to activities that can be reiterated whilepull strategies is applied to activities that make the company reactive andflexible.             Any organization that is interestedin sustained revenue and profitability growth over time should invest in bothinnovation strategies, but most companies are drawn by the immediate payback ofpush innovation thus pursue it only.

Meanwhile, pull marketing helps grow theclient base which is fundamental in the long run. Smart companies, entrepreneurswho intend to succeed in the long run, need to invest in both push and pullmarketing strategies in order to keep their sales pipeline full both for nowand for the future. Pull strategy is important for entrepreneurs since thereare often few ready customers early on to orient push marketing towards, so thefocus should be on using effective pull marketing at the beginning to grow thenumbers of future potential customers, and to learn as you go what some of thesuccessful elements of your pull marketing are that you might want to reinforceor utilize in your push marketing later on.             Works CitedKimand Mauborgne. (2005). Blue Ocean Strategy. Boston: Harvard Press. Leifer.

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