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BBA SEM 4 CALICUT UNIVERSITY

Module III: Experimentation, Co-creation, and Entrepreneurial Thinking

14. Experimentation in Innovation Management- Importance of Experimentation in Business

Experimentation in Innovation Management

Experimentation in innovation management refers to the process of testing ideas, products, services, or business models before full-scale implementation. It allows organizations to learn from trials, gather feedback, and make improvements while reducing risks.

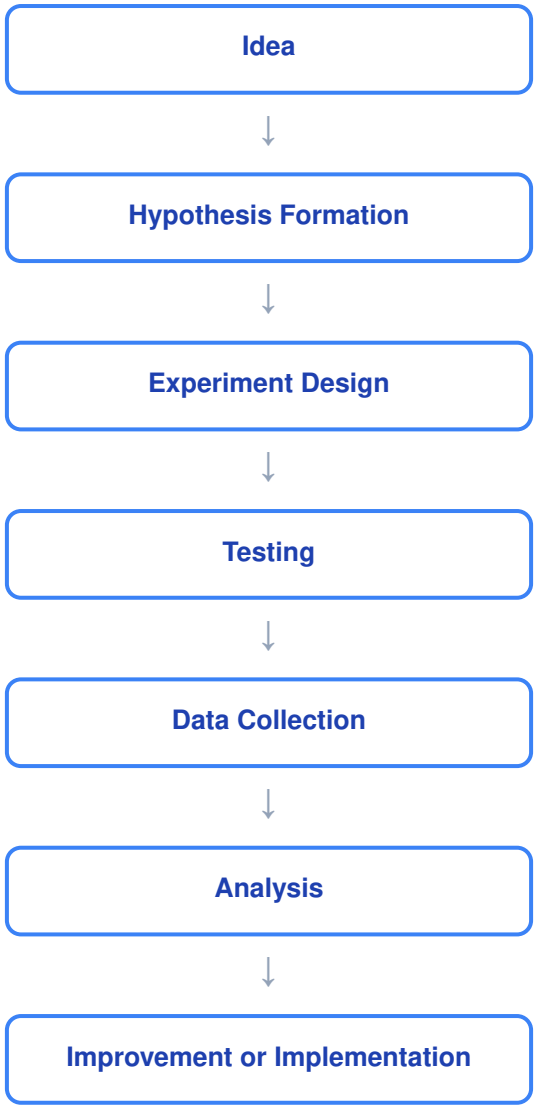
Instead of assuming that an idea will work, businesses conduct experiments to verify its effectiveness in real-world situations.

Experimentation helps organizations discover what customers actually want rather than relying solely on assumptions.

Key Features of Experimentation

- Testing ideas before large investments
- Learning through trial and error
- Collecting real-world feedback
- Reducing uncertainty
- Supporting continuous improvement

Stages of Experimentation



> **Example:** A company developing a new mobile app may release a beta version to a small group of users before launching it nationwide.

Importance of Experimentation in Business

Experimentation plays a vital role in helping businesses innovate successfully.

Reduces Risk

Testing ideas early helps identify potential failures before significant resources are invested.

Improves Decision Making

Business decisions become evidence-based rather than assumption-based.

Encourages Innovation

Employees become more willing to try new ideas when experimentation is encouraged.

Enhances Customer Satisfaction

Customer feedback obtained during experiments helps improve products and services.

Saves Time and Money

Problems can be detected and corrected before full-scale implementation.

Supports Continuous Learning

Organizations learn from both successes and failures.

> **Example:** Amazon continuously experiments with website layouts and features to improve customer experience and sales performance.

15. Idea Championship and Co-creation for Innovation

Idea Championship

Idea championship refers to the process where individuals actively promote, support, and drive innovative ideas within an organization.

The person who takes responsibility for advocating and pushing an idea forward is often called an Idea Champion.

Idea champions help innovative ideas survive organizational resistance and secure resources for implementation.

Characteristics of an Idea Champion

- Strong commitment to innovation
- Leadership ability
- Persuasive communication skills
- Risk-taking attitude
- Persistence despite obstacles

Roles of an Idea Champion

- Identifies opportunities
- Promotes innovative ideas
- Gains management support
- Secures resources
- Coordinates implementation

> **Example:** An employee proposing and continuously advocating for the adoption of AI-based customer support systems until management approves the project.

Co-creation for Innovation

Co-creation is a collaborative process in which organizations work together with customers, employees, suppliers, partners, and other stakeholders to develop innovative solutions.

Instead of innovating alone, businesses involve multiple participants in idea generation and problem-solving.

Benefits of Co-creation

- Better understanding of customer needs
- Improved innovation quality
- Faster problem-solving
- Stronger customer relationships
- Increased acceptance of new products

Participants in Co-creation

Participant	Contribution
Customers	Needs, preferences, feedback
Employees	Internal knowledge and ideas
Suppliers	Technical expertise and resources
Partners	Collaborative development
Communities	Social insights and support

Co-creation Process

> **Example:** LEGO invites customers to submit product ideas through its online platform, and successful ideas may become commercial products.

16. Intrapreneurship and Corporate Innovation-Metrics and Key Performance Indicators (KPIs) in Innovation

Intrapreneurship

Intrapreneurship refers to entrepreneurial activities carried out by employees within an existing organization.

An intrapreneur behaves like an entrepreneur but uses the organization's resources to develop innovative products, services, or processes.

Characteristics of Intrapreneurs

- Innovative thinking
- Initiative and self-motivation

- Problem-solving ability
- Leadership skills
- Willingness to take calculated risks

Benefits of Intrapreneurship

- Encourages innovation
- Improves employee engagement
- Creates new business opportunities
- Increases competitiveness
- Supports organizational growth

> **Example:** An employee at Google developing a new product idea that later becomes a successful company service.

Corporate Innovation

Corporate innovation refers to innovation activities undertaken by established organizations to improve products, services, processes, or business models.

Large organizations innovate to maintain competitiveness and adapt to changing market conditions.

Types of Corporate Innovation

Product Innovation

Development of new or improved products.

Process Innovation

Improvement of operational processes.

Business Model Innovation

Creation of new ways of delivering value and generating revenue.

Organizational Innovation

Changes in management structures and practices.

> **Example:** Netflix's shift from DVD rentals to streaming services is an example of business model innovation.

Metrics and Key Performance Indicators (KPIs) in Innovation

Innovation activities must be measured to evaluate their effectiveness.

Metrics and KPIs help organizations assess innovation performance and identify areas for improvement.

Why Measure Innovation?

- Track progress
- Improve decision-making
- Allocate resources effectively
- Evaluate innovation outcomes
- Support continuous improvement

Common Innovation KPIs

KPI	Purpose
Number of New Ideas Generated	Measures creativity levels
Number of Implemented Ideas	Measures execution success
R&D Investment	Measures innovation commitment
Revenue from New Products	Measures financial impact
Time to Market	Measures speed of innovation
Customer Satisfaction	Measures customer acceptance
Patent Applications	Measures innovative output

> **Example:** A company may track how much revenue is generated from products introduced within the last three years.

Factual Knowledge (F)

Factual knowledge refers to basic information, terminology, definitions, and specific details that students must remember.

Includes

- Facts
- Terminology
- Dates
- Names
- Basic information

Example: Knowing the definition of innovation or the meaning of a patent.

Conceptual Knowledge (C)

Conceptual knowledge involves understanding relationships among ideas, principles, theories, and classifications.

Includes

- Concepts
- Models
- Frameworks
- Principles
- Classifications

Example: Understanding how innovation contributes to business growth.

Procedural Knowledge (P)

Procedural knowledge refers to knowing how to perform activities, methods, techniques, or processes.

Includes

- Procedures
- Techniques
- Methods
- Steps involved in activities

Example: Knowing the stages involved in the innovation process.

Metacognitive Knowledge (M)

Metacognitive knowledge refers to awareness and understanding of one's own thinking and learning processes. It helps individuals evaluate, monitor, and improve their learning strategies.

Includes

- Self-awareness
- Self-evaluation
- Learning strategies
- Critical reflection

Example: A student assessing whether a study method is helping them understand innovation concepts effectively.

Comparison of Knowledge Types

Type	Focus
Factual Knowledge	Facts and information
Conceptual Knowledge	Understanding concepts and relationships
Procedural Knowledge	Knowing how to perform tasks
Metacognitive Knowledge	Understanding one's own learning process

17. IPR-Innovation and IPR-Types of IPR -Patents in India - Case studies

IPR-Innovation and IPR

Intellectual Property Rights (IPR)

Intellectual Property Rights are legal rights granted to creators and innovators to protect their inventions, creative works, designs, symbols, and innovations.

IPR encourages innovation by ensuring that creators receive recognition and economic benefits from their work.

Relationship Between Innovation and IPR

Innovation often involves creating something new and valuable. IPR protects these innovations from unauthorized use, copying, or exploitation.

Without IPR protection, innovators may lose incentives to invest time and resources in developing new ideas.

Importance of IPR

- Protects innovation
- Encourages creativity
- Provides competitive advantage
- Generates revenue through licensing
- Promotes research and development

> **Example:** A pharmaceutical company obtaining patent protection for a newly developed medicine.

Types of IPR

Patent

Protects inventions and technological innovations.

Copyright

Protects literary, artistic, musical, and creative works.

Trademark

Protects brand names, logos, and symbols.

Industrial Design

Protects the visual appearance of products.

Geographical Indication (GI)

Protects products associated with a particular geographical location.

Trade Secret

Protects confidential business information.

Types of IPR at a Glance

Type	Protects
Patent	Inventions
Copyright	Creative works
Trademark	Brand identity
Industrial Design	Product appearance
Geographical Indication	Region-specific products
Trade Secret	Confidential information

> **Example:** Darjeeling Tea is protected through Geographical Indication status.

Patents in India

A patent is an exclusive legal right granted to an inventor for an invention.

In India, patents are governed by the Indian Patents Act, 1970.

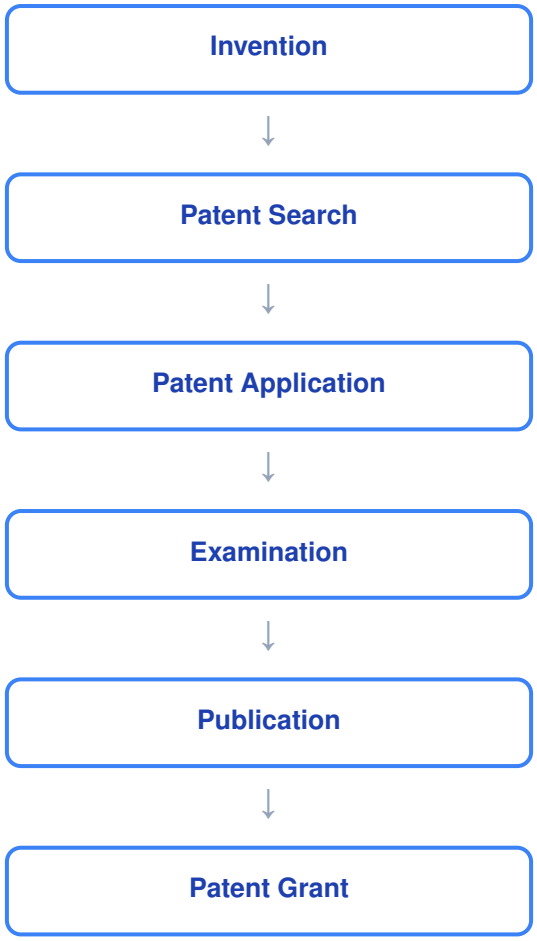
A patent holder receives exclusive rights to make, use, sell, and license the invention for a specific period.

Conditions for Patentability

An invention must satisfy three important requirements:

- **Novelty:** The invention must be new.
- **Inventive Step:** The invention should not be obvious to experts in the field.
- **Industrial Applicability:** The invention must be capable of practical use.

Patent Application Process in India



Duration of Patent Protection

In India, patent protection generally lasts for 20 years from the filing date.

> **Example:** A company developing a unique battery technology can apply for patent protection to prevent competitors from copying the invention.

Case Studies

Case Study 1: Dyson Vacuum Cleaner

Dyson developed innovative vacuum cleaner technology and protected it through patents.

Result

Patents helped Dyson maintain a competitive advantage and prevent imitation.

Case Study 2: Pharmaceutical Industry in India

Indian pharmaceutical companies frequently use patent systems to protect drug innovations.

Result

Patent protection encourages investment in medical research and development.

Case Study 3: Apple's Design and Technology Patents

Apple holds numerous patents covering product design and technological features.

Result

Patents help Apple protect innovations and strengthen market position.

Key Takeaway: Innovation creates new ideas, while IPR protects those ideas. Together, they encourage creativity, business growth, technological advancement, and economic development.