

Development of Insights on Product & Service Innovations in Organisations

Abstract

Launching successful products and services is one of the key objectives of any organization. In reality only one out of seven products that are launched in the market really succeeds, and even companies who are established in their fields, also show a similar trend (Cooper, 2004; Ettlie & Perotti, 2004). One way of minimising the chances of such failures is launching innovative products and services. In order to make the products and services fail-safe, the right kind of system of innovation need to be present in any organization. This system of innovation is more important in relatively large organisations who tend to become complacent and slow in capturing the changes happening in the market as compared to their small dynamic counterparts. Also large or established organisations start facing difficulties in giving growth year after year after a period of time. There comes a saturation point when unless innovative products and services are launched by a company, it starts losing market share to other players. In order to understand the system of product/services innovations in organisations based in India or global organisations operating in India, we need to know how these organisations innovate, what inputs of innovation, processes and outputs are generated by these organisations. To explore these issues, product and service innovations over the last two years in organisations either based in India or global organisations operating in India were studied to gain insights into the processes and finally arrive at a guideline for product and service innovations in organisations. For this purpose in-depth interviews of 100 experienced executives were conducted who belonged to 27 listed companies each having a turnover of over US \$200 million per annum and an employee base of over 1000. The interviews spanned across a number of industry sectors in India. Grounded theory methodology of qualitative research was used to analyse the responses and results were validated by triangulation and audit trail besides a comparative evaluation of the group of highly successful, successful and unsuccessful organisations. The guideline was validated with a sample study of 117 respondents.

Keywords: Product Innovation, Service Innovation, Grounded theory, Innovation systems, Qualitative research.