

Impact Of Adopting Innovation Strategy In Competitive Business Environment: An Investigation

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Abstract

Purpose- The research intended to explore or evaluate its effect of innovation on market competition, technological inventions, process innovation

Methodology- Empirical analysis: Innovation was examined out of a strategic standpoint by thoroughly analyzing existing information gathered. Research approaches used statistical descriptive and ANOVA.

Findings- Business should navigate the transition, including the effects of globalization and evolving new technology, by understanding it as a potential to survive, develop and seek to compete in a challenging market and responding to transition with innovation. Innovation representing organizational reform viewpoint generates value by transition. In today's business climate, there are real resources which can handle the transformation cycle effectively. By this stage, a business needs to use innovation creatively to build value and preserve the sustainable competitive advantage.

Conclusion- A technological innovation viewpoint allows the company to reach beyond the product and method to entire network to generate value. Productive innovation organizations operate within a systemic and comprehensive manner through creating the completely integrated plan with purpose and priorities. Administrative innovations, technological innovation, process innovation, product innovation all have a huge effect on productivity. System innovation has greater control over all other innovation approaches in enhancing business competitiveness.

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I. INTRODUCTION

Today, extensive use of new technology including development is an essential part of life of markets that influence their productivity and thus the desire to maintain a higher living standard for people. Innovations occur primarily throughout the commercial domain due to the need of companies to succeed in the economic battle that ultimately relies on the need to manage and make effective use of advancement. They should appreciate companies' desire to produce not only new products, but also

those other similar manufacturing or selling operations. Development involves not only technical but also non-technological innovation, and multiple factors influence their use in private enterprises. Including ample professional workers and favorable market environmental conditions to develop and implement and use advancements. Massive successful companies typically have no issues with the innovation cycle due to ample recourse to accomplish them. However, in implementing creative methods, SMEs must tackle several

challenges that often keep them from understanding their creative ideas.

Therefore, in the field of innovation, special attention and state funding is required in small and medium-sized enterprises. Innovation is exciting for any versatile company. Innovation provides a new idea for the company to develop and dominate the business. Innovation can be characterized as the process of selling products and services. This was one of today's major business study concerns. Thus, creative concept can be the efficiency enhancing driver and slashing product and service costs. In certain meanings, innovation can carry every business paradigm shift. This may change existing trends or even create new, competitive markets. Without creativity, it will gradually lose revenue and profitability. Therefore, the company is very likely to be demolished by its rivals. Hence, concluded that creativity offers a crucial platform for global markets operating on the marketplace.

Indeed, innovation is really a large, interdisciplinary subject. Its numerous facets include advertising, performance & operations management, technological management, organizational behavior, product creation, strategic management, and economics.

And hence, innovation as a subject could be defined and examined in several extensive studies as well as an interdisciplinary analysis of such studies will gain from established comprehension and innovation analysis (Adhikari, 2011).

Creativity can be described as incorporating new ideas to produce a new product, process or service. Not only the development of a new concept, it's really "driving it to market, getting into effect or implementing it in a way that results to new goods, services or processes that contribute or improve

efficiency. It can support technical reform and administration. Innovations could only be achieved by going out-of-the-box to create new interest and bringing in meaningful social impact. Innovation would only be effective in the real context if company can consider the requirements of consumers and then produce the goods that meet those needs.

II. INNOVATION AND COMPETITIVE ADVANTAGES FOR THE MAINTENANCE OF BUSINESS

Innovation is one of strategic management's basic processes and is widely accepted as the key driver of strategic benefit for private businesses and for whole financial and social structures. Recognizing this reality isn't enough, though.

In reality, organizations should be contributors as well as understand how to facilitate tactical mechanisms which turn concepts or innovative strategies into initiatives and realistic solutions, viable and competitive in favor of new goods, production methods, organizational structures or new business models in reference to evolving societal and consumer demands.

Therefore, businesses seeking to achieve a competitive advantage must introduce fundamentally new products (goods, services or ideas) capable of transfiguring traditional business models (Adhikari, 2011).

III. CONCEPTUAL FRAMEWORK

The extremely competitive national economy has compelled several businesses, specifically manufacturing base, to be using creativity as resources and strategies to win

the contest. Sustained and continuous innovation leads to growth, change and new findings. The technique of innovation can be achieved across “administrative innovation, technological innovation, procedure innovation, and product innovation (Damanpour, 1991; Jungwoo, 2004). Innovation is among the solutions to winning rivalry on world markets”(Cottam et al., 2001).

IV. REVIEW OF LITERATURE

A new economic condition arose in the 90s dubbed "hyper-competition." Extreme competition is a system where the central competitive effectiveness variable is continuously creating new products, technologies and resources with growing consumer usability and efficiency. Companies often face rising technical constraints. It has been noted that some sectors now decreased their technology life spans in contrast with earlier period. Innovations provide an influential competitive affect, and technological improvements will affect business dynamics and approaches on businesses. Associations want more innovation and versatility in tactical development (Drejer, 2006). Simultaneously, an organization will aim to institutionalize development by developing appropriate traditions, frameworks, opportunities, procedures and procedures that will recognize innovation as part of daily work (Markides, 1997).

Innovation has historically concentrated on goods and applications, and then gained interest as an environment which can produce major innovation gains; nevertheless, the mixture of product, process and distribution has not represented ample capacity for organizational innovation. Nadler and Thusman said the effective organisations of the potential are

those who will establish remarkable capabilities to evolve in strategic growth and institutional layout. If the transformation pace was the most crucial aspect of the modern market world, the capacity to rapidly and dynamically create and execute new tactics and cooperative societies would be an significant ground of Sustainable distinction (Nadler and Thusman 1999). The changes observed over 20 years also affirm these views.

Martín-de Castro et al. (2013) say establishing profitable technical advances is important for developing as well as maintaining the significant advantage of an organization.

According to Zemplerová (2010), spending on study, growth and product launch are the deciding features of acquiring dominant market share.

“In their survey, Autant-Bernard, Fadaïro&Massard (2013) often emphasize the importance of the function of regional creativity and suggest that organizations should have originally approaches and promote information transfers from and to organizations. Noruzy et al. (2013) and Autant-Bernard (2001) endorse it”.

V. RESEARCH METHODOLOGY

It research emphasizes on the service sectors of India between SMEs as a community. Data was obtained by using a survey, and the participants have been the founder, director or manager of Indian SMEs or modern entrepreneurs with international operations knowledge. This research collected 180 valuable replies while declining 20 unserviceable questionnaires attributable to responded inadequate sections that are below manager level of the participants, collected data analyzing through the SPSS.

The questionnaire consists of four sections: managerial innovation, technological innovation, system innovation, product innovation and statistical context (profile of respondents and business profile). This study's populace frame is documented with Small and medium Organization India. This research was using a list of SME Company India businesses as it is a one-stop organization for overall SME policy formulation management and assessment of SME growth initiatives in all fields.

Table 1:- Frequency table of age of respondents

		Age			
		Freque ncy	Perc ent	Vali d Perc ent	Cumula tive Percent
Val id	18 – 25	30	16.7	16.7	16.7
	26 - 35	39	21.7	21.7	38.3
	36-45	57	31.7	31.7	70.0
	Abo ve 45	54	30.0	30.0	100.0
	Tot al	180	100.0	100.0	

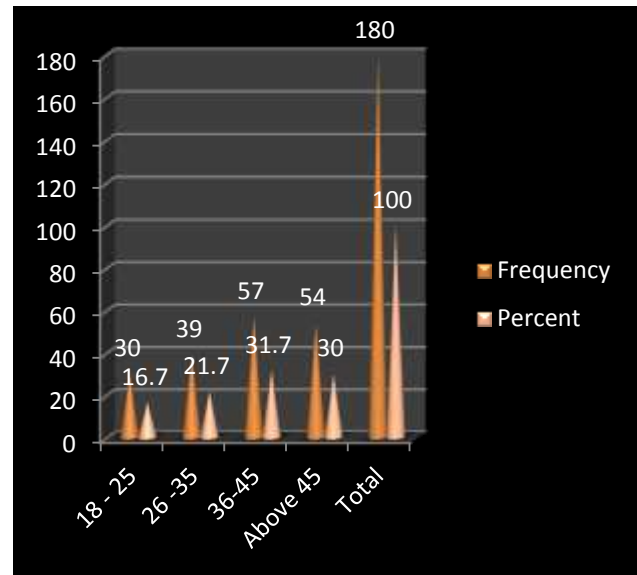


Fig.1 Frequency graph of age of respondents

According to the above table and graph 1 “Frequency graph of age of respondents” the data reveals that age group is divided into four categories that are 18 – 25, 26 -35, 36-45 and Above 45 here the analysis displayed that in age group 18-25 the frequency is 30 and cumulative percent is 16.7 after that in age group 26-35 the frequency is 39 and cumulative percent is 21.7 next age group is 36-45 in which frequency is 57 and cumulative percent is 31.7 and the last group of age under this analysis is above 45 and the frequency is 54 and cumulative percent is 30. Therefore it can clearly seen that the age group 36-45 has the highest frequency and cumulative frequency which shows that respondents within this age group has the maximum level of acceptance of innovation in competitive business environment. People in this age group are well experienced and they understand that innovation is necessary for the survival in competitive business environment.

Table 2:- Frequency table of gender class of respondents

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	91	50.6	50.6	50.6
	Female	89	49.4	49.4	100.0
	Total	180	100.0	100.0	

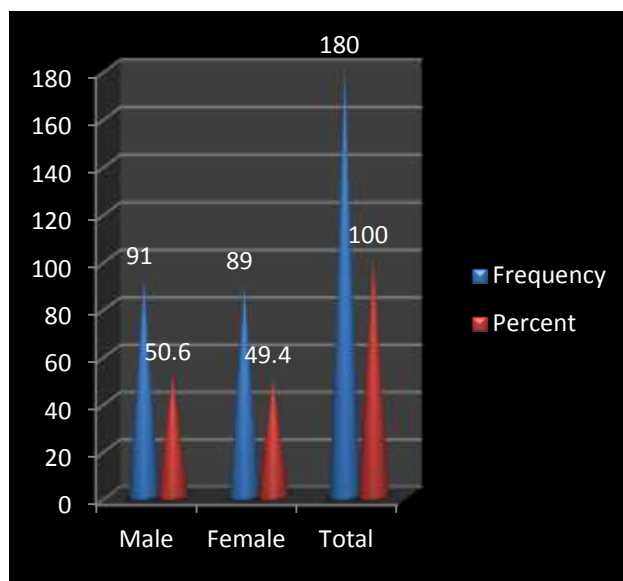


Fig 2: Frequency graph of gender class of respondents

The above table and graph 2 “Frequency table of gender class of respondents” the data depicts that two main categories are taken in the gender basis that are male and female. Under this classification of gender group male respondent’s frequency is 91 and

cumulative percent is 50.6 whereas in female gender basis the frequency is 89 and cumulative percent is 49.4, hence is very transparent that male respondents are more than female respondents and it is very much practical that the maximum number of working entrepreneurs are male as compared to female entrepreneurs, thus it is wisely known to their experience that innovation is as important to business as a heart in the body.

Table 3:- Frequency table of marital status of respondents

Marital status					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	159	88.3	88.3	88.3
	Unmarried	21	11.7	11.7	100.0
	Total	180	100.0	100.0	

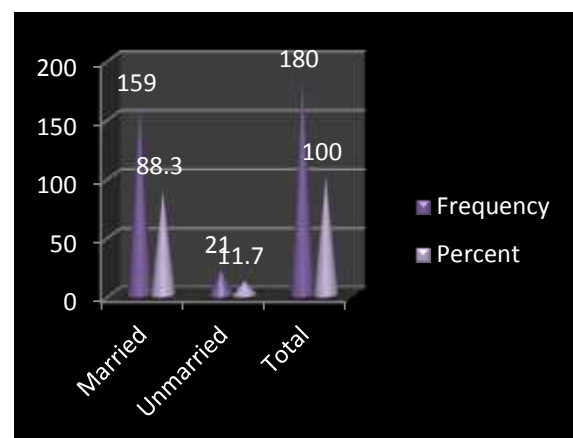


Fig 3: Frequency graph of marital status of respondents

According to the above table and graph 3 “Frequency graph of marital status of respondents” the marital status is divided into two sub parts that are married and unmarried and it is as transparent as the crystal is, the maximum number of respondents are married with the frequency rate is 159 and cumulative percent is 88.3 whereas for unmarried respondents the frequency rate is 21 and cumulative percent is 11.7. So this is very clear that the married respondents are in favour of innovation for the business to survive in complete environment which provides the rebirth to business again.

HYPOTHESIS

H1:- “There is a significant impact of administrative innovation on business competitiveness in a business environment”.

H2:- “There is a significant impact of technical innovation on business competitiveness in a business environment”.

H3:- “There is a significant impact of process innovation on business competitiveness in a business environment”.

H4:- “There is a significant impact of product innovation on business competitiveness in a business environment”.

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Administrative innovation	Between Groups	6.534	4	1.633	1.605	.017
	Within Groups	178.044	175	1.017		
	Total	184.578	179			
Technical innovation	Between Groups	2.685	4	.671	.582	.042
	Within Groups	201.865	175	1.154		
	Total	204.550	179			
Process innovation	Between Groups	1.283	4	.321	.247	.041
	Within Groups	226.917	175	1.297		
	Total	228.200	179			
Product innovation	Between Groups	4.865	4	1.216	1.169	.032
	Within Groups	182.113	175	1.041		
	Total	186.978	179			

Dependent variable: - Business competitiveness

Independent variable: - Administrative innovation, technical innovation, process innovation, product innovation

According to above table 4 of ANOVA test for four major hypothesis under the four main independent variables that are administrative innovation, technical

innovation, process innovation, product innovation under this statistical analysis the significant value and as we can see that the data shows about administrative innovation the mean square of between groups = 1.633 and within groups = 1.017 and the significant value is (.017) which is smaller than P Value (0.05) and then the alternative hypothesis “H1:- There is a significant impact of administrative innovation on

business competitiveness in a ambitious environment” is accepted and thus rejected the null hypothesis. Majority of the respondents are think that administrative innovation is important for the strong performance of the business.

The second independent variable is technical innovation by which a company can use new and updated technology for the improvement and development of the business, in this part of analysis it is shown that the mean square of between groups = .671 and within groups = 1.154 and the significant value is (.042) which is smaller than P Value (0.05) and then the alternate hypothesis “H2:- There is a significant impact of technical innovation on business competitiveness in a cutthroat environment” is accepted and thus reject the null hypothesis.

The third independent variable is process innovation, which is also very important according to the respondents, as the working process needs to be updated as required timely because this gives a competitive advantage and other better opportunities in the market for the business. In this part of analysis, it is shown that, the mean square of between groups = .321 and within groups = 1.297 and the significant value is (.041) which is smaller than P Value (0.05) and then the alternate hypothesis “H3:- There is a significant impact of process innovation on business competitiveness” is accepted and thus reject the null hypothesis.

The fourth and last independent variable is product innovation which is must as per the respondents because as per their opinion the customer is a king of the market and to win the king a business should serves new creativity and innovation in the product as a product should always be ready to rebirth with some innovation like a telephone transforms into smartphones. So in this part of analysis it is shown that the mean square

of between groups = 1.216 and within groups = 1.041 and the significant value is (.032) which is smaller than P Value (0.05) and then the alternate hypothesis “H4:- There is a significant impact of product innovation on business competitiveness in a cut-throat environment” is accepted and thus reject the null hypothesis.

VI. CONCLUSION

Innovation is really the dominant influence in competitiveness, growth, productivity and value-sustainability. While it might possibly have been placed in the classification of product or technology growth, this is a major task for the overall company and, as just that, it has to be a consistent operation. At the very same time, creativity has been one of the biggest possibilities for business professionals to create their impact on the organisation, to pursue profound activities centered on a deep knowledge of the possibilities posed by the market and the needs of consumers, to transcend the strategic task and to work with all the personnel of the business to meet the competitive challenge. Fisk P. (2008)

Currently, the fast changing business landscape is becoming a factor that inspires innovative ideas while lowering the appeal of conventional strategic principles. A organization will seek to institutionalize innovation by developing acceptable environment, organization, structures and processes that allow innovation to succeed. Businesses will concentrate too much on strategic innovation, combining all innovation parameters to maintain profitability, enduring benefit, cutthroatbenefit, and diversifying. A tactical viewpoint on innovation will direct the company to look throughout product and process to the entire system, ensure ability to create improvements that promote

engagement, strategy, and value-creating, and are the key to sustained competitive edge for businesses. In this article author studied, the ANOVA test between four independent variable: “administrative innovation, technical innovation, process innovation, and product innovation” among all the variables the significant values are greater than P value which signifies that all the respondents are in favour of adopting innovation strategy in competitive business environment so that the business could gain competitive advantage over its rivalry for long term survival as a leader in the market.

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