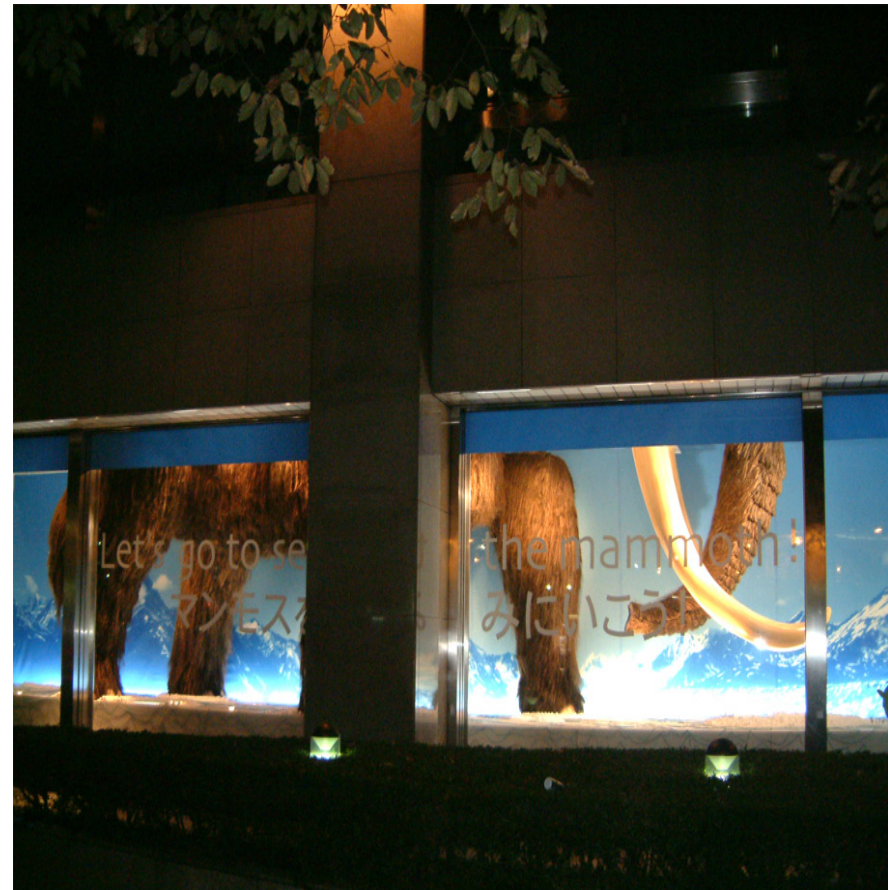


Innovation Marketing

(혁신 제품 마케팅)

Part I. Basics & Cases

Jaihak Chung (정재학)
Sogang University
(jaihak@sogang.ac.kr)



Quiz (OX)

- Who made this?
 - Air Conditioner
 - Digital Watch
 - Milk Pack
- Lessons

Chapter 1. Basics

Innovation?

Quiz (OX)

- Who made this?
 - Air Conditioner
 - Digital Watch
 - Milk Pack
- Lessons


시장의 경쟁 역사를 통해 시장의 진화를 이해하자.

- **시장 진화 4대 패턴**

1. How do markets evolve over time?
2. What triggers market evolution?
3. Why the Curse of Innovation?
4. Why do market leaders collapse?

New Paradigms in Marketing

- Why New Markets & Innovative Markets?



Continuous Innovation

Discontinuous Innovation

Yogurts

Intel P4

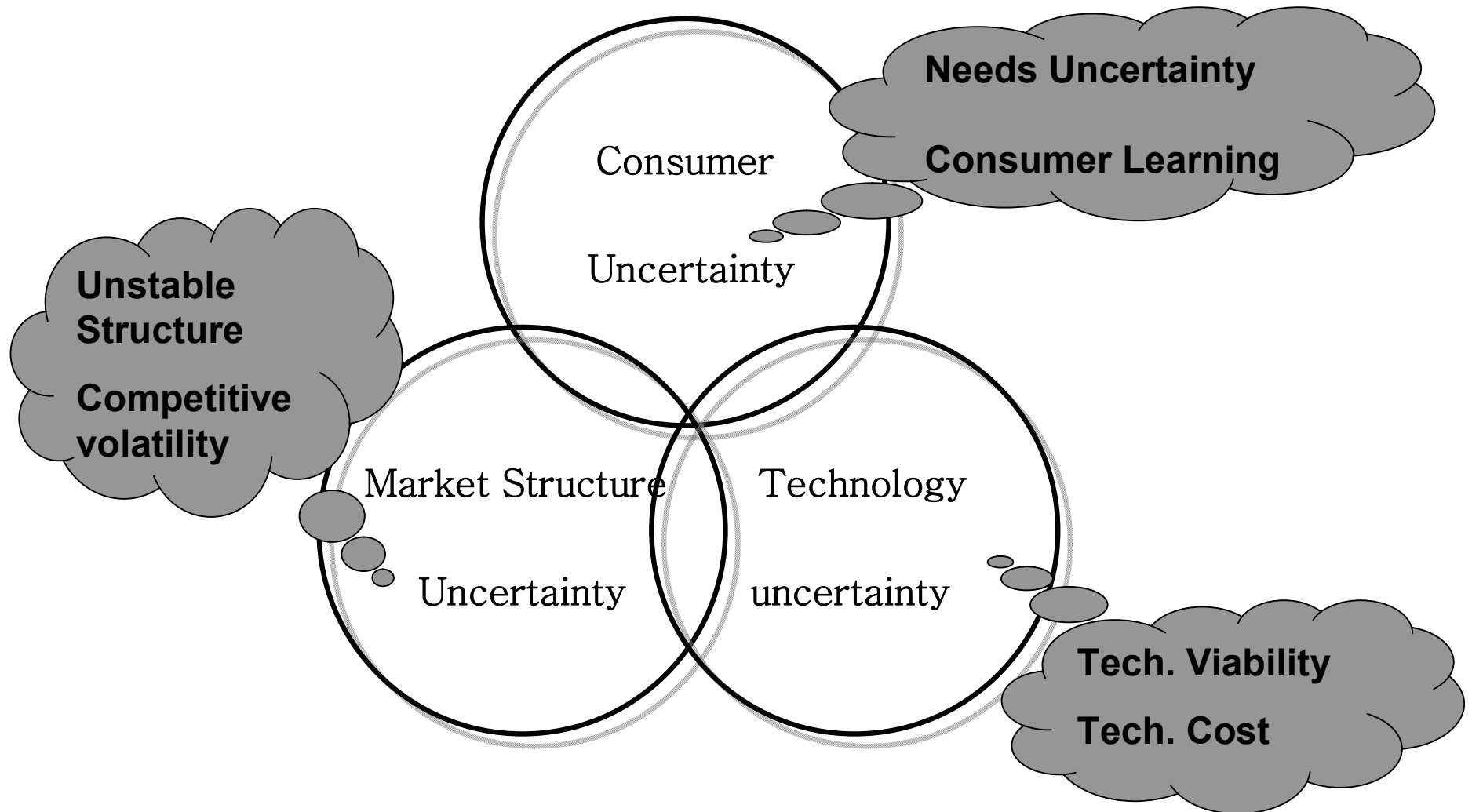
HSDPA
DMB
IPTV
WiBro

Innovation or High-tech Market?



**“Any market based on
RNPs with a significant
level of market
uncertainty”**

Uncertainty in Innovation Market?



What is Innovation Marketing?

Then, is Innovation Marketing different from standard marketing?

- Market Characteristics

Major Customers: Innovator, Early Adopter vs. Majority
Major Firms: Gorilla Market Vs. King

- Marketing Goal:

– Sales/Diffusion > Market Share > Profit

- Strategy: Premarketing,
Turbulence Marketing

- New Market Research

?

How can you create a new market?

혁신 제품의 탄생:
아담과 이브

Innovative Products?

“Any product which “can” create or change consumption cultures by providing novel benefits or by reducing consumption costs”

“소비자/사용자에게 기존에 제공하지 못하던 새로운 benefit을 제공하거나 (Really New Product) 기존 효용의 소비/획득에 필요한 핵심 획득 비용을 획기적으로 감소 또는 제거함으로써 궁극적으로는 소비/사용 패턴의 변화를 실질적으로 야기할 “수” 있는 모든 제품”(정재학 2004)

(e.g.) D.C./ Robot vacuum cleaner/beatbox music phone

How were they born? 혁신 제품 어떻게 만들어졌나?

A. Consumer needs:

B. By chance:

C. NPD Failure:

D. Technology:

Who creates new markets?

시장의 탄생

“In the beginning, God created the heavens and the earth.

.....”

A. Who creates markets?

Outsider Theory: iphone, Air Conditioner, Bendable straw, Jeans,
Insider Theory: wibro(wi-fi)

B. Why?

Outsider:

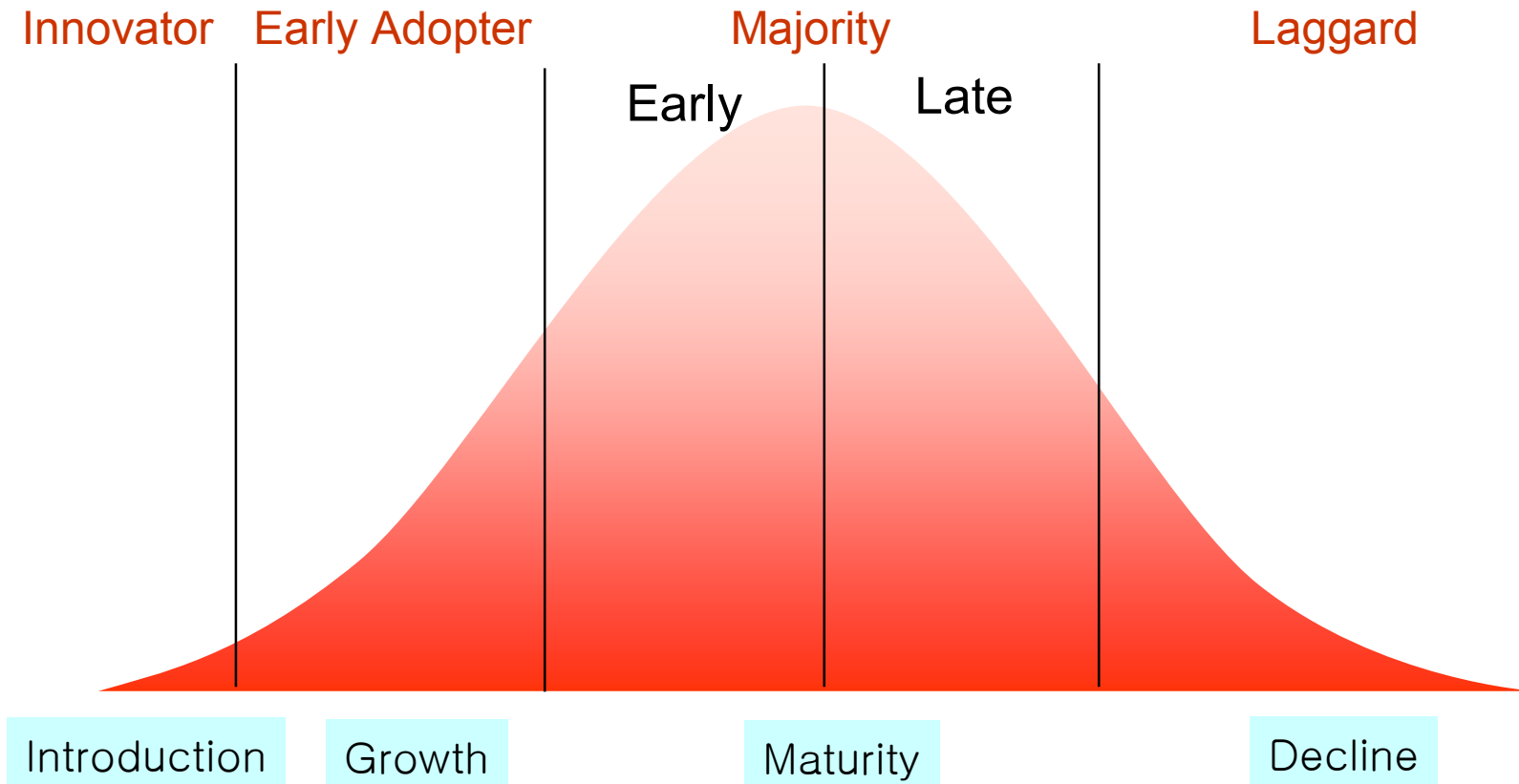
Insider: Leader

Challenger

The Characteristics of Innovative Products

- A. Disruptive tech:
- B. One-to-many relationship
- C. Slow introduction & Fast Growth
- D. New Consumption Culture
- E. Risk Sensitivity
- F. New Market Structure & Single Segmentation Approach
- G. Chasm

시장의 탄생, 성장 그리고 쇠퇴 (Market Life Cycle)

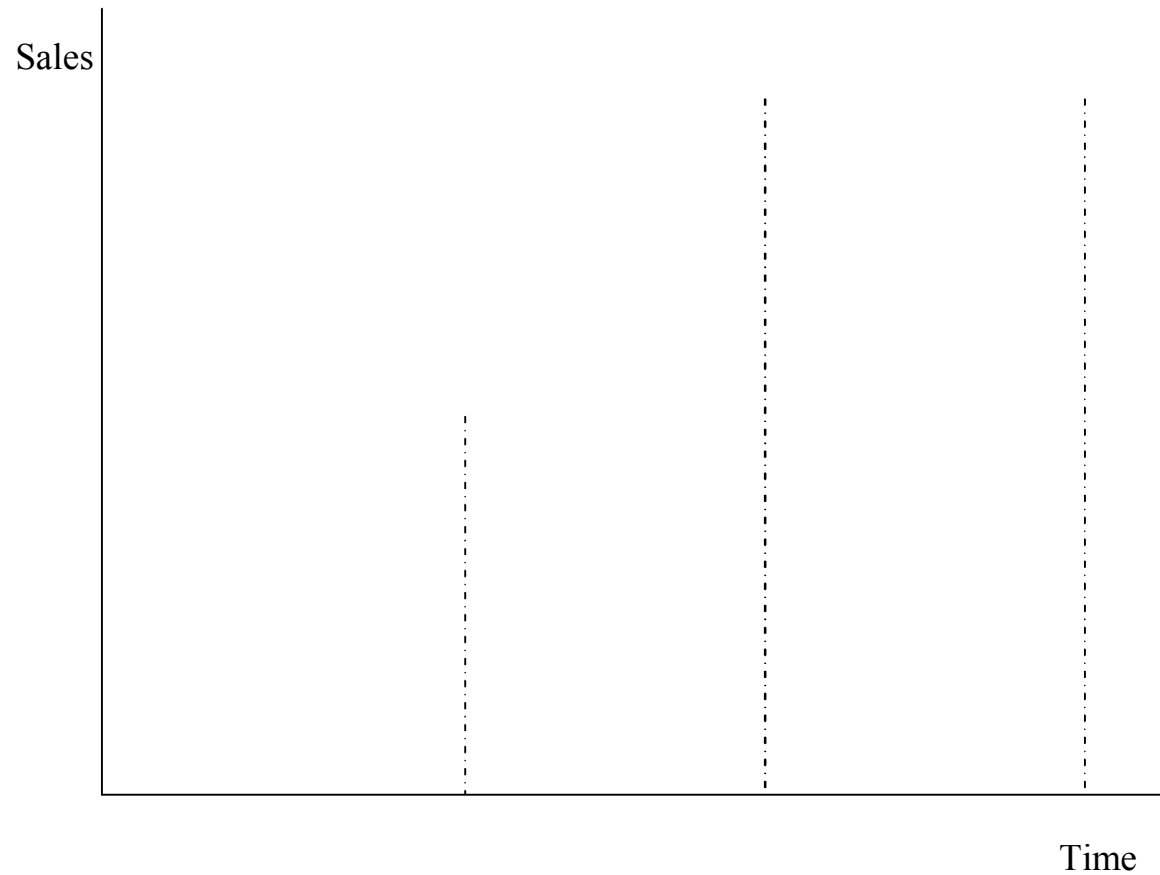


Where are the following products?

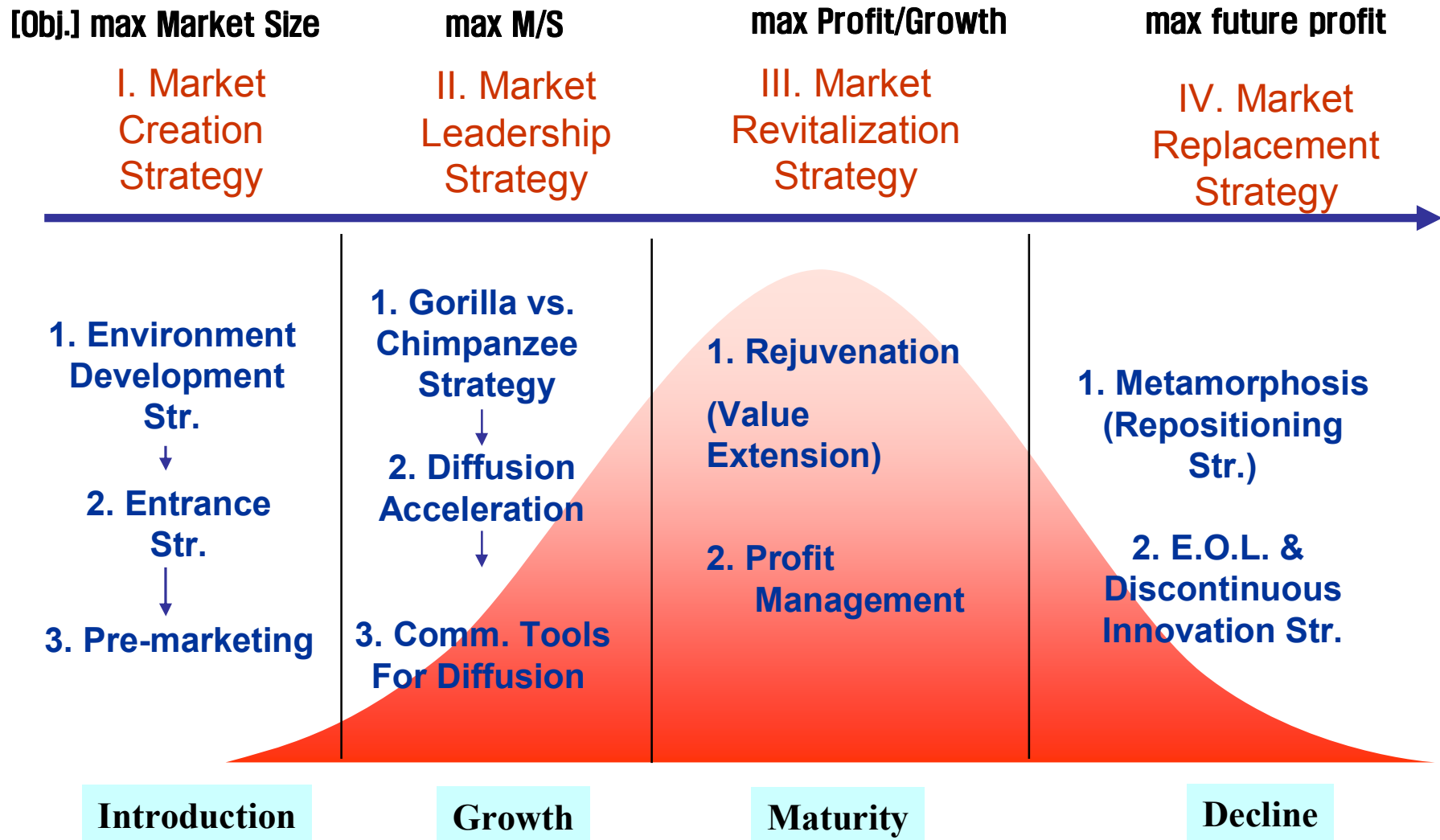
Typewriter/ MP3player/ floppy diskette/ PDA/ PC/ cellular phone ?

The Evolution of Market Competition

경쟁 방식의 진화

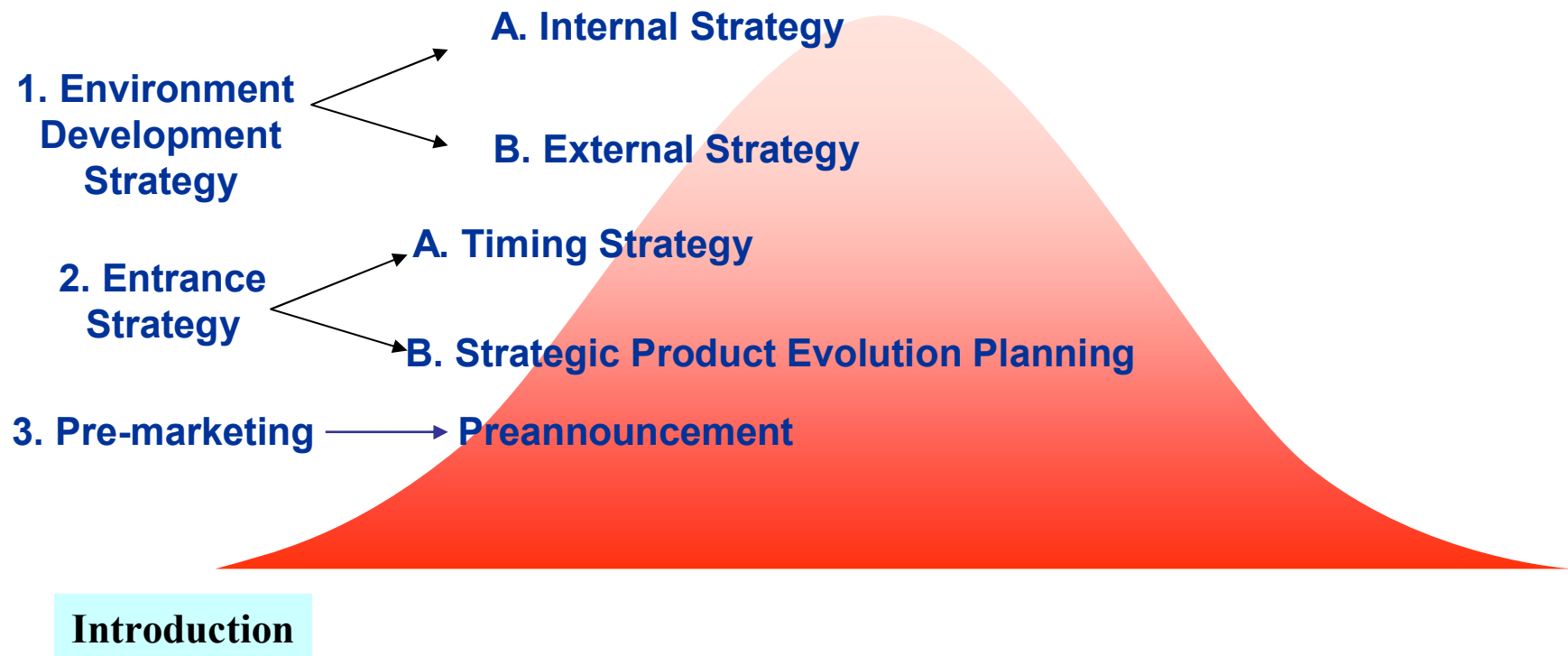


Strategy Menu: Key Strategic Decisions (Chung 2009)



Part I. Market Creation Strategy

- Strategic Question: How to create what kind of markets?
어떻게 시장을 만들어 낼 것인가?



Environments for Successful New Product Development

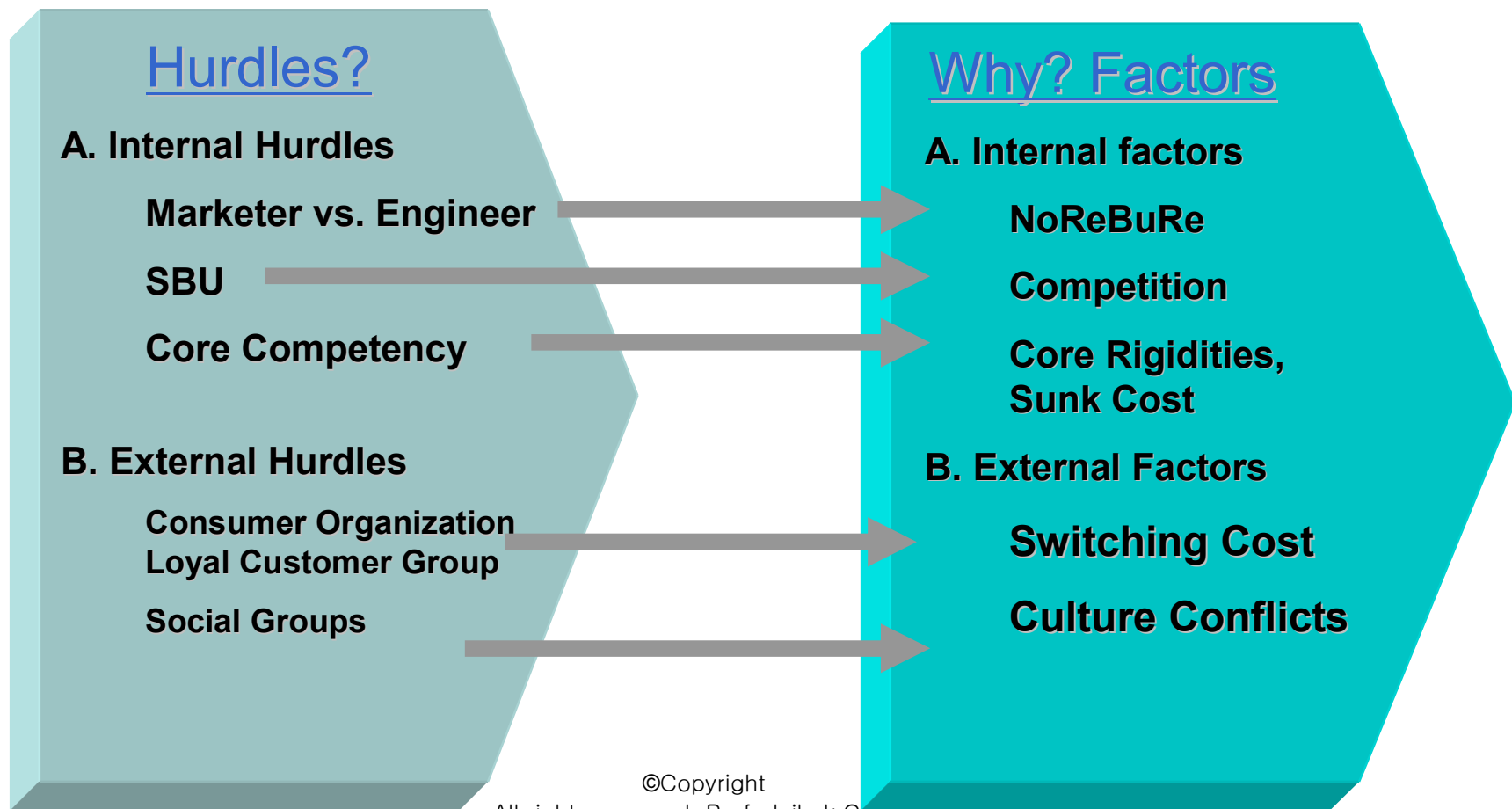
혁신적 신제품 개발이 가능한 조직 환경을 만들자.



1. Environment Development Strategy

“왜 혁신은 내부적으로도 탄압을 받는가?”

Mega
Org. Culture & Policy



Working Solutions?

NoReBuRe,
부서 갈등과 견제, 단기 이윤 중심 고과
어떻게 극복할 것인가?

- Internal Enemies: Conflicts with other SBU
 - * Marketer vs. Engineer Conflicts: NoReBu
Product Championship
 - * SBU: Core Competency→Core Rigidities
Skunk works (IBM)
- Motivation Policy: Only profit-based evaluation?
 - * 3M: 30%/4 Rules & 15%/ Rules
 - * Failure Experience Party(실패 위로 파티)
- Systematic Innovation Process Management
 - 3M Acceleration
 - GE NPI Process
 - Crowd Sourcing (IBM Innovation Jam)



New Trends: Crowd sourcing

Crowd sourcing



- Jeff howe 가 2006년 wired 에서 첫 소개
- 프로페셔널이 제공하는 지식을 공유하여 아마추어와 함께 파괴적인 혁신을 이루는 경영 방법.

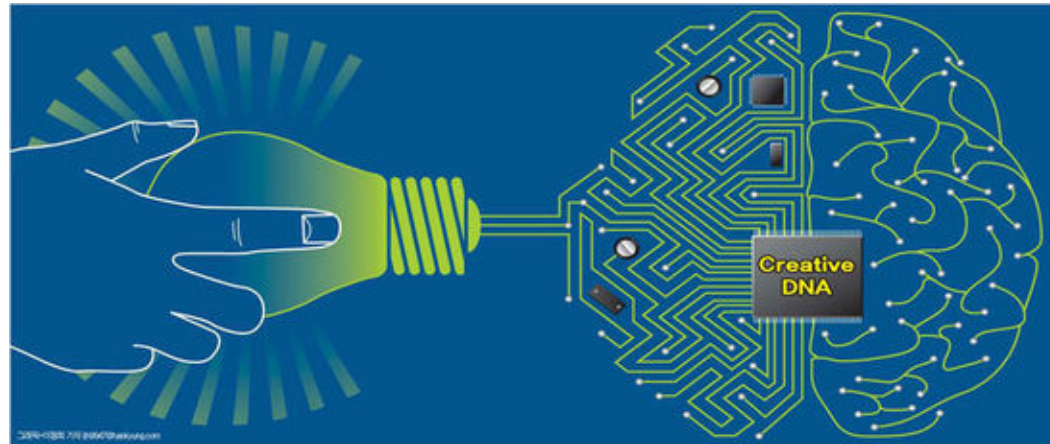
The Crowdsourcing Process *In Eight Steps*



Image by Darin C. Brabham | www.darincbrabham.com



(2) Open System



- Nexon: Hurdle system
- Pixar: Story Committee
- NHN: Online marketplace, 'IDO'
- P&G: (C&D:Connect+Development)

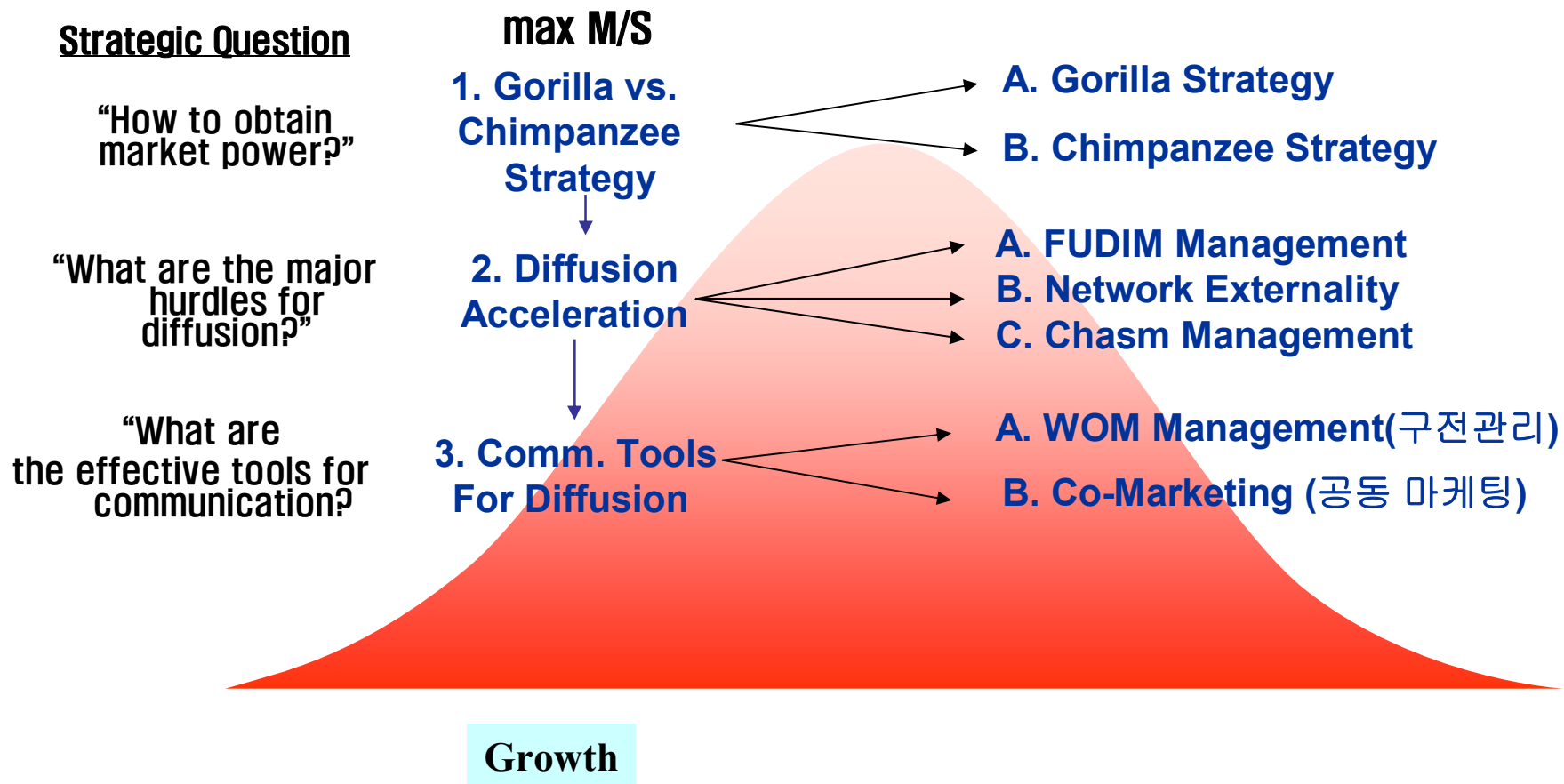
Lego Mindstorm

- LEGO Mindstorms is a line of [Lego](#) sets combining programmable bricks with [electric motors](#), [sensors](#), [Lego](#) bricks, and [Lego Technic](#) pieces (such as [gears](#), [axles](#), and [beams](#)).
- Mindstorms originated from the programmable sensor blocks used in the line of educational toys.
- The first retail version of Lego Mindstorms was released in 1998 and marketed commercially as the Robotics Invention System (RIS). The current version was released in 2006 as [Lego Mindstorms NXT](#).
- http://en.wikipedia.org/wiki/Lego_Mindstorms
- The FIRST Lego League (also known by the acronym FLL) is an international competition [\[1\]](#) for elementary and middle school students (ages 9–14 in the [USA](#) and [Canada](#), 9–16 elsewhere). [\[1\]](#) It is arranged by the [FIRST](#) organization.



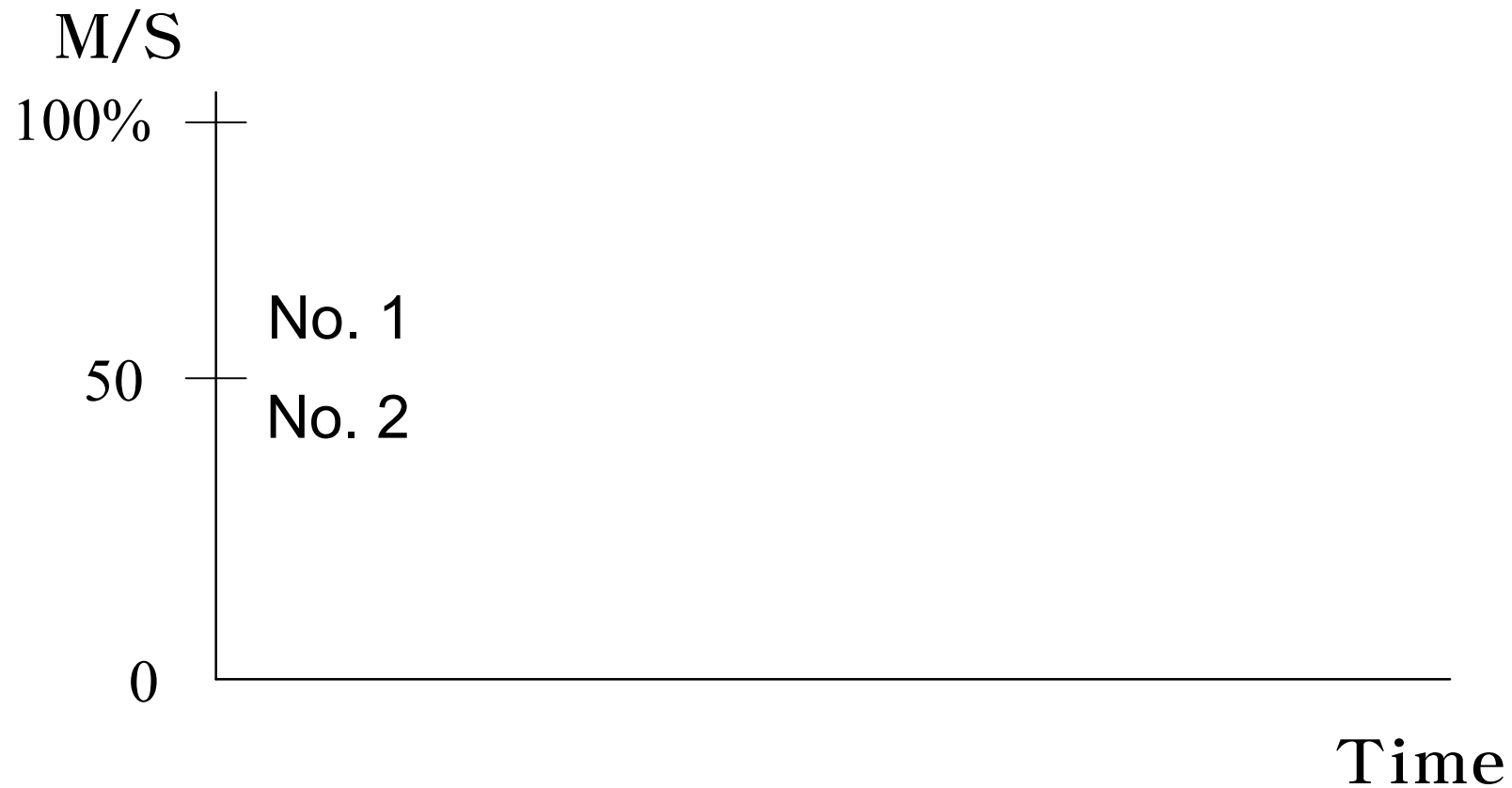
Part II. Market Leadership Strategy

- Strategic Question:
“How to dominate the market and
How to accelerate product diffusion ?
어떻게 시장 확산을 가속화시키고, 시장을 주도할 것인가?



1. Gorilla vs. Chimpanzee Strategy

To Reduce Market Chaos/Uncertainty
To Reduce Market Risk (Current & Future)

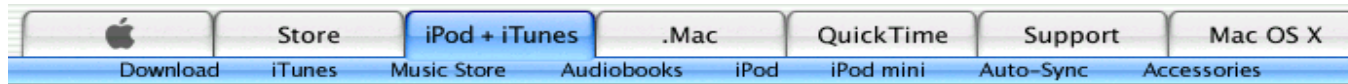


Consumers want Gorilla!

- Gorilla?
 - The leading company
(Jeff Tarter)
- Why do consumers want Gorilla?
 - To Reduce Market Chaos/Uncertainty
 - To Reduce Market Risk (Current & Future)
- (예) Microsoft, IBM

Co-Marketing Case: iTunes + Pepsi Cola

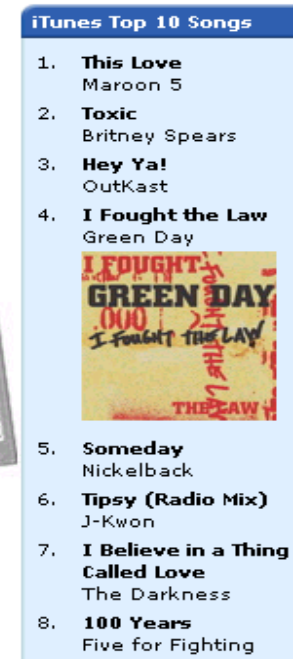
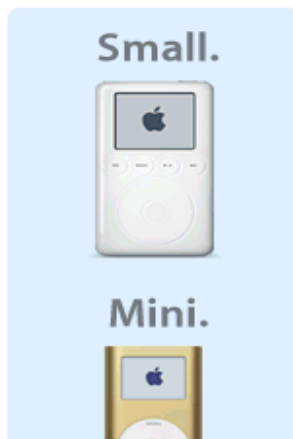
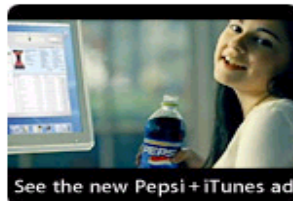
‘I Fought the law’



100 million free songs. 1 in 3 wins.

[Click here to start](#)

Welcome to the digital music revolution.



B. Chimpanzee Strategy?

- Two Options: Wait ? Or Kill the Gorilla?
- Key Marketing Tools: Co-marketing
 - A. Bundling: Piggyback Strategy
 - B. Product Standardization



Summary

끊임없이 변화하는 시장 속에서
우리가 필요로 하는 마케팅 신 경쟁력은 무엇인가?

1. Consumer Insight? No, Consumer Instinct!

2. Innovation-friendly Company

3. Market driven strategy? No Market-driving Strategy!



마지막 한 마디...

“좋은 아이디어가 아무리 많아도
이를 촉진하고 관리해주는 제도적 장치와 조직
문화가 없다면 아무 의미가 없다.”