

Business Innovations

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Innovations in Business – Products

Innovations in business can happen through products:

1. Reconfiguring an existing product or service.
E.g. Jaipur Foot: hand sculptured with low cost materials.
2. Combining two or more products or services.
E.g. Makemytrip: Online sale of combination airline tickets.
3. Creating a new way of selling existing products.
E.g. Maruti: “True value” quality second hand car sales.
4. Creating a new product or service of higher value.
E.g. DimDim: A free web conference system for all.

So that value is created and can be charged if required.

DimDim: Web Conferencing for All

- *WebEx* is the leading web conferencing software - but is time consuming to setup and difficult to use.
- Very expensive to purchase, business users who buy it seem to use it only when it is absolutely essential!
- Latent need: a user friendly, low priced/free internet video conferencing product that anyone can access and use with one click on an email invitation.
- New entrant *DimDim* has now built a free and easier to use web conference tool for everyone to use – it has created new users like school tutors and priests.

Innovations in Business - Process

Innovations in business also happens through process:

1. Linking products and buyers in new ways
E.g. Big Apple sells 3 year old monitors from US in India.
 2. Adding speed to a process that is currently slow.
E.g. E-choupal gives farmers market data before crop sales
 3. Automating a cumbersome process for customers.
E.g. Pothi.com automated self-publishing books by authors.
 4. Combining multiple components of diff. suppliers.
E.g. Shimano combined components into a gear system.
- So that value is created and can be charged if required.

Shimano: Optimizing a System

- Bicycle components a fragmented industry.
- Shimano introduced the click shift system.
- Shimano integrated the click shift system into an optimized set with rails, crank and brakes.
- User needs on gears were homogeneous and comfortable about buying the optimized set.
- Wide brand recognition and high quality made Shimano the dominant gear design.
- In 1997 Shimano had 86-98% market share.

Innovations in Business - People

Innovations in business also happens through people:

1. From standard to unique expertise combination
E.g. Wsol: From designer to image/wardrobe consulting.
 2. Creation of teams that offer unique solutions.
E.g. CraftmyGift: Templating customized gifting solutions.
 3. Designing processes to maximally utilize an icon.
E.g. Mithun Chakraborty's low budget films shot in Ooty.
 4. Designing a culture that encourages participation.
E.g. Pagalguy: an online forum moderated by volunteers.
- So that value is created and can be charged if required.

Pagalguy: Creating a Positive Culture

- *Pagalguy* is the leading free web forum for MBA aspirants – with exponentially growing membership.
- Its user oriented features creates value for aspirants.
- Aspirants help each other even as they compete.
- Successful aspirants vouch for the support they got.
- Volunteer moderators help create a positive culture.
- Moderators actively discourage defeatist attitudes.
- Online participants meet on weekends across cities.
- Site has created an alumni like feel among aspirants.