

10 Types of Innovation: What Is It, Examples, and How To Use It



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Innovation is key to the success of any business. But what is innovation, exactly? And how can you use it to propel your business forward?

Doblin's Ten Types of Innovation Framework provides a great answer to these questions.

This framework breaks down innovation into ten specific types, which we will discuss in this blog post.

We will also provide examples of each type of innovation and explain how you can use it in your business.

What is Doblin's Ten Types of Innovation Framework?

Doblin is a global innovation agency founded in 1981 by Jay Doblin and Larry Keeley.

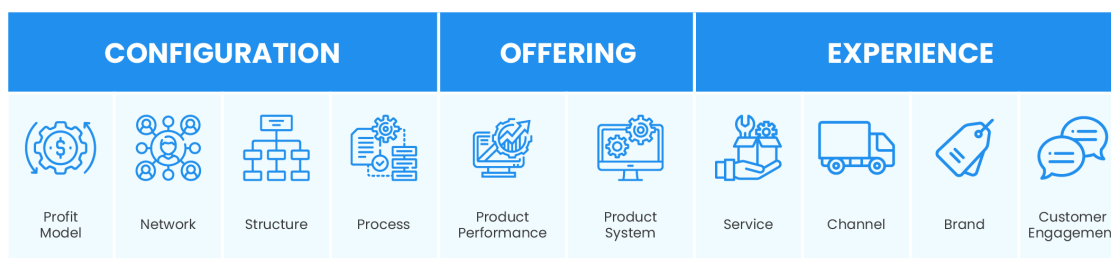
The agency of innovation consultants developed the framework of different types of innovation to help companies drive more innovation across all areas of business.

The framework can be divided into three main categories: Configuration, Offering, and Experience.

- **Configuration:** This category is all about the physical product. How can we change how it looks, how it's put together, or what materials it's made of?
- **Offering:** The offering category is all about the service that accompanies the product. How can we make our service more convenient, personalized, or affordable?
- **Experience:** The experience category is about how consumers interact with our product or service. How can we make it more engaging, memorable, or easy to use?

Doblin's framework is a great tool for brainstorming new ideas and identifying areas of opportunity for your business.

Doblin's Ten Types of Innovation Framework



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Innovation comes in several forms - and the most successful businesses don't

limit themselves to one or the other. They leave themselves open to possibilities and explore opportunities.

Configuration

• Profit Model

Unsurprisingly, profit model innovation is about finding new ways to make money. This could manifest itself in many ways, such as developing new pricing models, finding new channels to sell products or services, or creating entirely new business models.

A good example of profit model innovation can be seen in the rise of the sharing economy, which has been made possible by technological advances that have allowed people to connect more easily. Businesses like Airbnb and Uber have taken advantage of this by creating new ways for people to make money.

Another example is Gillette. Originally, they sold expensive razors with cheap refills but found themselves more successful by flipping the profit model to selling handles more cheaply and charging more for the blades themselves. Consumers learn that the blades are disposable and don't require sharpening.

If you're looking to innovate in this area, it's important to consider all the different ways you could monetize your product or service. What are the different pricing models that you could use? Are there any new channels through which you could sell? Could you create a subscription service?

You'll need to answer these questions if you want to profit model innovation.

• Network

Leveraging the skills and expertise of people outside your firm has become essential in today's business world. You can gain access to new processes, technology, or brand credibility by working with others.

Network innovation is a form of open innovation that allows companies to tap into a larger pool of resources.

One company that has successfully used network innovation is Target. The US retail firm has partnered with architect Michael Graves to design a range of kitchen appliances. This partnership has helped Target gain credibility in the home goods market and expand its customer base.

To use network innovation in your business, it's important to consider how you can add value to the relationship. What can you offer your partners that they can't get elsewhere? By considering what you offer, you'll be more likely to create successful partnerships that benefit both parties.

• **Structure**

Innovation doesn't just happen in the product or service itself-it can also happen in how a company is run. A well-organized company can be hard to copy, which gives them a competitive advantage. As it turns out, most successful companies build innovation into their corporate structure.

W.L Gore is a company well known for its flat organizational structure, with small teams that are driven by commitments rather than management orders. All employees become shareholders within the company after a year, further incentivizing innovation and loyalty.

You can adjust your organizational structure to make it more effective. For example, you might reduce the management level, give departments more autonomy, and strengthen interdepartmental communication.

A flatter organizational structure will help you respond faster to external forces and make it easier for employees to participate in the innovation process.

• **Process Innovation**

This is how you do things, your company's unique way of working. FedEx's innovation here was to build a network of distribution hubs and

to ensure every package was scanned at each point in the journey so that its real-time location was always known.

And by making its tracking information available to customers, it gave them visibility and control over their shipments for the first time.

A company must rethink its existing processes, products, or services during innovation. While improving existing processes can lead to innovative solutions, implementing new ones is completely different.

The organization must use various marketing methods during the implementation phase to market the new product. This will help the organization determine the next set of customer needs to further propel innovation tactics.

Offering

• **Product Performance**

This refers to your company's products' capability, quality, and feature set. This is usually considered the total result of innovation and is focused on the research and development (R&D) department.

A prime example is Dyson's dual cyclone bagless vacuum technology. While incredibly popular today, many consumers don't realize it took 15 years and over 5,000 prototypes to arrive at the technology we see today.

• **Product System Innovation**

This is about how you create more value for your customers by adding other products or services to yours or how you combine multiple products to produce more value.

Web browsers like Mozilla Firefox and Chrome allow developers to build add-ons or extensions to customize the product for various consumer segments. For instance, add-ons make it easy to grab screenshots, find keywords for digital marketing, and find coupon codes to save money

while shopping online.

The Oscar Mayer “Lunchables” product combines Oscar Mayer sandwich meats with complementary products like crackers, cheese, and Capri Sun or Koolaid drinks to create value for parents – an easy lunch on the go for kids that’s fun to eat.

Experience

• Service Innovations

Service innovation is about making your products or services more enjoyable, easier to use, or improving their value. Chewy, an online pet supply store, is known for its stellar customer service.

If an order arrives at your doorstep with an issue, instead of requiring a return, they’ll ask you to donate the product to your local animal shelter as long as it is in safe, usable condition.

If you return a product or cancel an auto-ship because you no longer need it since your animal has passed away, Chewy sends flowers or another note to express sympathy for the loss of your pet.

Many products, like those from Pampered Chef and Tupperware, come with lifetime guarantees. It helps remove the initial investment sticker shock because customers know their purchases are protected for life.

Men’s Warehouse offers lifetime pressing services on their suits and coats, to ensure customers can take care of their purchase after the fact.

• Channel Innovations

Channel innovation is about how you connect with your customer. It’s not like networking – where you work with other companies to connect – but instead focuses on how you connect.

Nike offers a great example with its NikeTown stores. Focused on creating a unique experience for consumers, the stores are staffed with

athletes, including former basketball professionals.

Brands taking advantage of social media channels for customer service are another example. Sure, many use Facebook and Twitter, but there are some brands out there like iOgrapher that also use Snapchat.

• **Brand Innovations**

When done well, your brand is just as powerful as innovation itself. Whether it represents the values you stand for or is an idea that really resonates with customers, it is a crucial part of your company.

Think about huge brands like Amazon and Apple. Apple isn't a fruit company - but has built itself a massive brand outside of the core product (MacIntosh) through a series of successful innovations.

• **Customer Engagement Innovation**

This is about how well you understand and leverage your customers' needs and wants. This can be hard to pinpoint because it's also often found in other types of innovation and enhancements. To dive in, think about how you interact with your customers and make them happy.

Trader Joe's is an excellent example of how customer experience and engagement matter.

They start by focusing on the employee experience because happy and engaged employees ultimately shape a better customer experience. They pay their team members more than most states' minimum wage, and have a culture based on freedom and flexibility.

They stock far fewer (about 10% of the average) SKUs, to simplify the shopping experience and reduce decision fatigue across a large inventory of vastly similar products.

This, along with the fact that inventory stays consistent across all stores, creates standardization, which translates to a seamless experience for shoppers, removing the frustration of not being able to find an item from one location to the next.

Want Powerful Business Innovations? Combine Types

With ten types to choose from, there are tons more options when you start mixing and matching with a modular approach.

In 2011, the authors of the Ten Types of Innovation:

The Discipline of Building Breakthroughs book found that top innovators, or companies with repeated successful launching, were using twice as many types of innovation as the “average” innovator companies.

This is so significant that the top innovators outperform the S&P 500, proving that multiple innovation types are key to strong returns on investment.

We’ve already mentioned Nike before, but this brand is a perfect example of how to make multiple innovations work for you.

They started as a product performance company, launching NikeTown in 1990 as a channel innovation to present retail theatre. The stores weren’t going to produce a positive ROI, but they did wonders for brand innovation.

Most recently, Nike launched Nike+, a product system integrated into their sportswear range that allows users to track their exercise and movements.

By choosing to network with Apple and integrate with Apple products, they have touched half of the types of innovation, so it’s no real surprise they remain one of the top global brands.

Method, a green cleaning company, founded in 2000 and acquired by Ecover in 2012, is another example of how successful businesses can use multiple innovation types.

Its green sourcing process tracks the environmental impact of making products. Its structure outsources production to a series of subcontractors to keep the company as agile as possible.

The brand is built around green sourcing values, with a strong following in lifestyle and design blogs.

They've launched a community site, known as People Against Dirty, to develop customer engagement with insights for future products, stories, and deals to attract a community of people who are concerned about sustainability.

Like Nike, they've touched on half of the types of innovation.

Final Thoughts

On the Ten Types website, you can find hundreds of tactics to use within your organization.

Use the framework and those tactics to engage your entire business as you generate ideas and innovation possibilities.

What's your goal today?

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