Interaction

You Need an Innovation Strategy

HBR article by **Gary P. Pisano,** June

Why is it so hard to build and maintain the capacity to innovate? The lack of an innovation strategy that's aligned with the business strategy is often to blame, says Pisano. Firms need to think through how innovation will create value for customers, how the firm will capture a share of that value, and what types of innovation to pursue.

This article begs for a follow-up that looks at the other side of the coin—how to develop a culture that allows the innovation strategy to succeed. Recent research shows this is often the downfall of corporate innovation, and I regularly see it in organizations that feel they've "ticked the box" by crafting a strategy and then putting employees through related training. After some initial successes, complacency kicks in and old ways of working return. That's why a leadership mindset that views innovation as a commitment rather than a campaign is important.
Elvin Turner, director of innovation consultancy, DPA

The goal is to develop a personal mindset and an organizational culture that embrace disruptive innovation as a core value, practice continual innovation as a core methodology, and produce breakthrough innovation. However, every business has its own distinct culture, so it's key to carve out what works best for you and create your own innovation paradigm.
Ken Tasch, owner, Launch Business Consulting

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Although there's no black-and-white solution that works for everyone, innovation requires three components: a supportive environment, an organic innovation process, and a top-down innovation process.
Tim Howell, author, writer and speaker, Made4gov

A Better Way to Map Brand Strategy

HBR article by **Niraj Dawar** and **Charan K. Bagga,** June

Dawar and Bagga present a new map on which a brand's position is based on two traits: perceived centrality (how representative it is of its category) and distinctiveness (how much it stands out from other brands). When linked to other metrics, like sales, this tool can help marketers determine a brand's current and desired position, predict performance, and devise marketing strategies.

The map seems to reveal important insights about brands. But its limitations stem from:

1. Relying on consumer research to rate centrality and distinctiveness. Consumers often aren't familiar with all brands in a category, and their perceptions are shaped by marketing and so may reflect advertising effectiveness or spending to establish brand awareness. A better approach might be to combine consumer perceptions with more-objective measurements.

2. Using traditional category definitions. Coca-Cola may be in the soft drink category, but people trade it for products outside that category, like water and coffee. Its position on a map would differ dramatically depending on the category definition. Also, disruptive products don't fit nicely into existing categories.
Denise Lee Yohn, author, *What Great Brands Do*

Can you clarify how this approach differs from the relevance-versus-differentiation construct, in which relevance is a brand's ability to deliver on the category benefits?
Jonathan Knowles, CEO, Type 2 Consulting

Dawar responds: *Marketers have always juggled the seemingly contradictory goals of making brands both more distinctive and more central to their category. It's not surprising that these two dimensions appear in various measures of brand equity. Our contributions reside in demonstrating that these goals aren't as contradictory as they may appear, in mapping cognitive dimensions to market performance, in elaborating strategies for each map quadrant, and in demonstrating the use of this tool for firms that manage brand portfolios in competitive markets. Also, centrality evaluates the position of a brand in its category, not how relevant the brand is to a specific consumer. For example, Mini may be a relevant brand for someone, but that consumer is still likely to rate Toyota and Ford as more central.*

HBR SURVEY

DO YOU COME OFF THE WAY YOU INTEND TO?

In a recent reader survey, we looked at whether people were likely to be misunderstood. Here's what respondents said:

66% somewhat agreed that they often suspect they're not coming across as they intend.

56% somewhat agreed that they're often surprised to learn what others think of them.

52% somewhat agreed that sometimes they're not good listeners.

52% said they don't have a hard time reading people, however.

SOURCE "ASSESSMENT: ARE PEOPLE LIKELY TO MISUNDERSTAND YOU?" BY HEIDI GRANT HALVORSON