

# The 4Ps of Innovation:

**Product Innovation:** involves creating new products or improved versions of existing products that increase their uses and typically decrease costs. This type of innovation can be in the product's own functionality or the introduction of new technology.

**Process Innovation:** involves changing ways of doing things in a business. This could come in the form of new procedures, techniques, equipment, or software that improve the existing product or service.

**Position Innovation:** involves changes in the context in which the products/services are introduced to market and leads to new market opportunities.

**Paradigm Innovation:** (or **business model innovation**) involves changes to where, how or why the product is used, or how you do things in your business.

In addition to the 4Ps Framework, SMEs will also need to innovate in terms of how they **manage their business** during and after a crisis.

**Management innovation** is the implementation of new management practices, processes and structures that represent a significant departure from current norms. This includes how a business **identifies and adapts its resource capabilities** and how it **communicates** with its customers, staff and suppliers.



**Business innovation** can be described simply as the introduction of **something new that adds value** to or improves the existing products, services or processes of a business. It does not necessarily mean the introduction of world first technologies