

(3.1)

(3)

## INNOVATION

- What is innovation?
- Types of innovation:
  - (i) product innovation
  - (ii) process innovation
  - (iii) supply chain
  - (iv) Marketing innovation
  - (v) Technological innovation
  - (vi) Red Ocean innovation
  - (vii) Business model innovation
  - (viii) Frugal innovation
  - (ix) Blue Ocean innovation
  - (x) Radical innovation
  - (xi) Open source innovation
  - (xii) Experience innovation
  - (xiii) User led innovation
  - (xiv) Sustainable innovation
- Why is innovation important?
  - (a) Competitive advantage
  - (b) Access to new markets
  - (c) Increased level of employment
  - (d) Change in technology

(3.2)

## Importance of innovation in entrepreneurship

- (i) New ways of producing a product
- (ii) Survival of business

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(iii) Employees' creativity (3A)  
as a solution

(iv) Competition

(v) Community

Factors influencing the  
development of entrepreneurship

(1) Economic factors:

Capital, labour, raw materials, infrastructure, and market.

(2) Social factors:

Caste, family background, education, attitude of the society, and cultural value

(3) Psychological factors:

Achievement need, motives, other factors.

(4) Political factors