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BA (Hons) Leadership and Management Skills in the Workplace Levels 5 & 6

Developing Innovation and Creativity for Business Advantage

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Executive Summary,

This article examines and presents the study's conclusions on innovation, product and service, and how to give your company a competitive edge. It outlines the exact process for starting a new e-commerce business and emphasizes the work needed to keep expanding and thinking creatively.

Possessing this information is essential because creating new ideas constantly is now essential to the success of many firms. Value Coming up with innovative ideas to improve an already-existing product or service to increase sales is made possible by creativity and innovation.

Introduction

The process of transforming fresh concepts and expertise into products and services is known as innovation. Innovation, in the words of (**Joseph Schumpeter 2008**) is an action that results in a new product or generating function. According to him, innovation is the introduction of a new product, thus a business owner needs to be innovative to provide a unique product that isn't on the market yet and can be promoted with ease. Through innovation, a new production process ought to be implemented. This may result in lower unit costs for the product, higher output with the current inputs, the addition of additional inputs, or the modification of current inputs.

I have created an organic skincare product because I enjoy seeing beautiful complexions.

(**Lottie Winter 2022**) said Throughout the past ten years, organic beauty has advanced significantly. It was formerly a specialized area of the market, but it is currently one of the most sought-after categories, and many companies are working hard to increase the organic content of their products. It is suitable for users of all ages and genders. The information from (**Love + Be Well 02/07/2023**) provided the framework for my research on the seven benefits of using organic skincare products.

The non-organic skin care product ingredient list is often intimidating and unclear. You may find yourself reading the label and attempting to understand the lengthy list of preservatives and chemical names. Unfortunately, these unusual compounds may have negative consequences on your skin and overall health.

2. Many people have sensitive skin, which means that harsh chemicals and synthetic compounds cause them to react badly.

3. Organic skin care products are often made with nutritional ingredients like vitamins, minerals, and antioxidants, which can improve the state and appearance of your skin. Your skin feels and looks its best once these ingredients work together to heal and hydrate it.

4. Organic skin care products are not only great for the environment but also your skin. These products are made from sustainable resources that are harvested and farmed in an environmentally responsible manner.

5. Local businesses and communities benefit from a person's choice of organic skin care products.

6. A lot of businesses that market organic skin care products are committed to using ethical and cruelty-free business practices. These businesses never test their products on animals and only use the best natural ingredients that they source from ethical suppliers.

7. Using organic skin care products might enhance your self-esteem.

Technology has altered nearly every aspect of producing a product for today's marketplace, claims (Bruce McDaniel) (2002). Even if not all commodities have undergone significant changes, entrepreneurs are constantly looking for new products that meet customer needs.

Open Innovation

According to (Cooper 2019), for businesses to remain competitive, they must always be developing new products and offerings. Businesses are eager to cooperate with outside partners through open innovation initiatives and look for fresh information sources during periods of knowledge and resource constraints. According to (Chesbrough 2006), p. 1, "the use of purposeful knowledge inflows and outflows to accelerate internal innovation and expand the markets for external use of innovation, respectively" is the definition of open innovation. In the context of open innovation, intentional inflows of knowledge are called inbound.

(Strategic resilience during the COVID-19) For businesses that have thrived during the outbreak, innovation in business models has been the main differentiator.

In general, 28% of respondents say that the COVID-19 problem increased their company's competitiveness, while 42% of respondents say that the COVID-19 issue made their companies less competitive. The most common use was e-commerce platforms to connect with marketing professionals. To gain further insight into the e-commerce platform, Pestel analysis is a useful method for analysing the aspects that may present challenges.

Noted by (**Nandonde 2019**). To monitor how the Internet is growing, the government must establish some sort of regulatory structure, to ensure the security of e-commerce transactions, however, international government agencies must collaborate since the Internet facilitates international cooperation. Countries are closely examining the current tax structure to make sure e-commerce operations don't reduce the amount of taxes collected by local governments. The financial element of the country's overall economic success will determine the rate of e-commerce activity. When it comes to online transactions, businesses will more often target industrialized economies than growing ones.

Sociocultural has a major effect on e-commerce. According to (**Hwang 2010**), the biggest concern for internet users is privacy. Some people believe that it is an ethical right to have one's privacy safeguarded from intrusion into one's personal affairs. Internet users use an online identity to conduct financial and personal activities (**Liang et al., 2011**). Customers' top priority is safeguarding their online identity (Lu, Fan, & Zhou, 2016).

Technology is undergoing cutting-edge developments. It forces businesses to review their plans more often, claims (Klopping and McKinney 2004). International Journal of Data and Network Science 5(2021) 39 S.T. Phan Since the beginning of the internet, the growth of online retailers has had a significant impact on the functional role of traditional stores. The primary challenge facing today's corporate enterprises, according to (**Nandonde 2019**) is figuring out the best way to surpass the competitors in the current technology environment.

Environmental considerations also hold particular significance in the context of the e-commerce industry. The industry nevertheless places a high priority on sustainability even though it has very little direct environmental impact.

Legally International businesses also have to comply (Zhu, 2009). Any legal problem can be costly, and a business may even target retail brands if it refuses to comply (Nandonde, 2019). The major electronics shops have specialized legal teams to handle complaints because of this. Noncompliance not only results in financial loss but also harms one's image and reputation. E-commerce enterprises must exercise caution when adhering to several legal mandates, encompassing labor laws and sustainability regulations (Shih and Kraemer, 2005).

Product or service proposition

(P & C Deep Sensational Organic Body Cream) is the brand name of my product. For my internet store, I'll be utilizing the Shopify platform. I'll follow the payment card industry Security Standards guideline to create an automatic payment account and also use payment provider requirements by keeping up a policy that considers all security standards.

Marketing and sale

Promoting and commercializing this product, I will be using the majority of social media networks and my e-commerce websites, paying close attention to expanding my reach to a worldwide audience to boost sales prospects. Using the media to market this product could give it an advantage over rivals, such as Unilever, LR, Mac, Clinique, Avon, Revlon, Estee Lauder, and many more are among the well-known and fiercely competing players in this sector. The name of my e-commerce website is (**P&C Skincare ofcomfort.com**). attaching these images of my creativity is a start to a new innovative product.



***P&C Deep Sensational Organic
Body Cream***

The overall goal of these goods is to There has been a progressive growth.

in demand for cosmetic items due to greater supply and innovation (Winter, 2005: 5-7).

For businesses to succeed, it is important to remember that the global cosmetics market is a sizable one with expensive entry. To satisfy customer demands, this highly dynamic industry needs to make significant investments in research and development. Furthermore, substantial marketing and advertising costs are required due to the fierce competition that exists in the industry right now (Kotler & Pfoertsch, 2006):

Sustain Innovation Business

Businesses looking to gain a competitive advantage in their particular markets can select from four distinct strategy alternatives provided by Porter's Generic Strategies framework. Among these strategies are

Competitive advantage in terms of cost, focus, differentiation, and focused strategy. Providing goods and services at the lowest feasible price through cost reduction at each stage of the value chain is the aim of the cost leadership method.

The differentiation strategy, on the other hand, produces unique offerings that are perceived as superior to draw in customers who are willing to pay higher prices. The focus strategy is to suit the needs and preferences of a specific niche market segment while providing excellent service. The focused differentiation strategy, in its final form, combines distinctive features with a tight market emphasis by providing specialized items to niche consumer segments.

Porter developed the "five forces," which look at both external and internal factors that affect a product's or industry's capacity to compete. (Mower)

industry rivalry, the threat of new entrants and replacements, and the negotiating power of suppliers and customers. I will identify these elements and apply them to the skincare sector.

The threat of a new arrival

The ease with which enterprises can enter a certain sector is examined in this section. A lot of enterprises that will fight for market share are likely to be drawn to competitive industries (Aaker, 2001: 23). this will likely hurt the overall profitability of the companies involved. In their industry, businesses should foster customer loyalty if they want to achieve sustained success.

There is a modest risk to the cosmetics sector from new competitors. Several things can be blamed for this. The admission fees are high to begin with. Producing unique cosmetic products requires a significant financial investment in both research and development and the actual production process. People are discouraged from entering this industry even more by the intense rivalry.

Consumer bargain strength

A customer bargaining power study looks at how much of an impact customers have on changes in industry prices. This section looks at how consumers can affect price changes caused by fluctuations in demand (Aaker, 2000: 102-120). Forecasting market demand can be challenging for manufacturers and sellers due to strong customer bargaining power.

Unpredictable demand patterns may prevent them from achieving long-term profitability.

Suppliers' capability for bargaining

The ability of suppliers to alter the prices at which their goods are sold is examined in this section. Significant negotiating power suppliers can affect market price fluctuations by hoarding and limiting supply, among other strategies. Even though several of these tactics are prohibited

in numerous nations, suppliers typically employ them to control prices (Diller et al., 2006: 33–36). In the cosmetics sector, suppliers are not very strong negotiators.

Threat of substitutes

There is a chance of replacements when competing businesses provide similar products that satisfy consumer demand. When customers can readily locate alternatives in the market to satisfy their needs, manufacturers and suppliers find themselves with less negotiation power. Customers have the option to purchase goods from other companies if they are dissatisfied with the product's quality or price. Manufacturers need to provide cutting-edge goods that meet the demands of their target market segments in order to counter the threat of substitutes (Keller, 2003: 595–600).

Challenges to arrival and exit

Barriers to entry and departure are the challenges that companies face when entering or leaving a certain industry. The high cost of entry into the cosmetics industry has been discussed. Research and product development expenses are included in these costs. Here are some of the challenges that new entrants in the cosmetics industry must overcome. In addition, the industry's overall profitability is negatively impacted by the large number of competitors, creating an entry barrier. All things considered, there is a barrier to entrance, especially for middle- and small-sized enterprises, because there are so many large cosmetic corporations that enjoy economies of scale.

Pay attention to the vendor and buyer.

The cosmetics industry appeals to people of all ages and social strata. A wide range of cosmetic

products are made to meet the needs of different market segments. The buyer concentration might be regarded as low because a large number of clients in both developed and developing countries cross market categories.

Data security and privacy

The General Data Protection Regulation, effective April 2018, pertains to Local Government Association members. As of May 25, 2018, organizations must comply with the GDPR's obligations for the handling of personal data. Among other things, it will strengthen the rights of people whose data is kept (referred to as data subjects in the Data Protection Act) and give them more authority over what happens to their data. It also allows for financial penalties to be imposed on any institution that infringes those rights. The new, more stringent framework grants the data subject additional rights. The new system had eight guiding principles, which were whittled down to six. The six general concepts listed below are shared by both the new law and the current law:

1. Processing of personal data needs to be done in a transparent, lawful, and equitable manner.
2. The collection of personal data must be limited to legitimate, unmistakable goals. It cannot be handled in a manner that goes against the goals for which it was gathered.
3. Personal information that is necessary, sufficient, and relevant will only be revealed.
4. Personal data must be accurate and updated as needed.
5. Personal data may only be retained for as long as is necessary.

6. Proper processing of personal data is necessary to maintain security. Processing personal data requires.

These include all legitimate interests, basic interests, contracts, legal obligations, and public responsibilities. There is no superior or more significant foundation than the others. Which is most suited will depend on your goal and the person you are speaking with.

Recommendation

Utilizing the differentiation strategy, the company gains a competitive edge and should focus on that market segment to stay competitive and effectively enter and attract a market share in the industry. Among these, distinction is the most Product differentiation is the type of differentiation approach that is easiest to understand and identify. Customers usually utilize a product's appearance to identify it.

distinctive characteristics of the product Product effectiveness and functionality from the Customer's perspective.

widely used approach, Businesses who adopt this strategy tend to succeed more than their rivals since their products are of a higher caliber. brand image. A company must possess expertise in all domains, such as product performance, customer service, and quality, in order to establish a unique and compelling brand image.

Creating a video, working with influencers, coming up with a memorable brand name, and building a rapport with consumers via email and comments are some examples of product marketing techniques. Ascertain that the product is more affordable than those of its competitors and set a fair price for it. To boost product sales and draw in more customers, maintain the e-

commerce platform active. You should also stay updated on any modifications to the government's data protection laws to guarantee the security and privacy of sensitive consumer data.

Conclusion

This study's analysis shows that the great potential of the global organic cosmetics market is one of its important features. Numerous elements are probably going to be driving the rise of this industry. The change in consumer behavior is one of the primary drivers of the industry's evolution. The information era has advanced more quickly, and consumers have grown more informed as a result of the inventiveness of information technology, such as the Internet.

When they shop, their consumers' health is becoming a more crucial factor. It follows that using organic and healthful personal care products is becoming common. This trend presents numerous market prospects for new competitors.

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Appendix: Presentation slide

innovation product OR unique service
proposition Name of the venture

P & C Deep Sensational Organic Body Cream
This product is made from natural ingredients
with no preservatives to keep skin looking
healthy and radiant and also help to heal skin

rashes
▣eczema
▣acne
▣ulcers



The market gap analysis problem and
proposed product /service

Seventy-five percent of women say they feel
more confident because of their beauty and
grooming routine. Since COVID-19, 54% of
consumers have altered their routines to save
money.

The rising cost of living will affect grooming
and beauty routines. As BPC items get more
expensive, some astute shoppers may adopt
new buying habits that affect their
repertoires.

(UK Attitudes Towards Beauty and Grooming)



Highlights of market and competitive analysis

With an average CAGR of 2.41%, the UK skincare industry is estimated to reach USD 4.14 billion in 2024 and USD 4.66 billion by 2029.

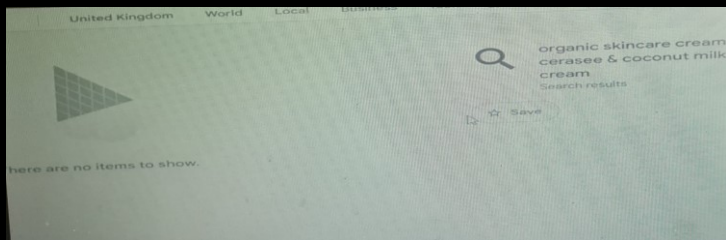
Products for organic skincare are being used by the nation's youngsters
Women are demanding more organic skin care products because of disorders of the skin such as rashes, acne, and signs of aging.

(UK Skincare Industry Report Source)

Summary business (product/service)

Skincare products are one of the most well-used innovative products that are part of every household, my mission-vision is to bring this product to the front of the competition in the cosmetic market by being effective and efficient

I have made an investigation of indicates that it is not available as a skincare cream. In advance of beginning with the setup of the online shop. I will need to set up an e-commerce account, and a website to market my product.



Concept & Model

Research has been carried out on the potential beneficial effects of using the herbal remedy Cerasee to treat a range of ailments. It is good for your health because of its anti-inflammatory, antibacterial, and antifungal qualities.

This product is safe for use on the face and body of adults and babies. In addition, coconuts also have benefits.



Marketing & Promotional Strategy

Organize Events to Offer
Customer Opportunities

Collaborate with
Influencers to Raise
Brand Recognition

Provide Rewards &
Refunds to Satisfied
Customers

Build a loyal
customer base

Get Notice Using
Bold Advertising
Techniques

Social media
marketing



Privacy and Data Protection

Cybersecurity Guideline

Encrypting confidential data and restoring data backups.

software and hardware updates for all security systems.

regularly educating staff members on cybersecurity.

Use complicated and secure passwords.

setting up firewalls.

(Sukianto Axel 03/05/2024)



Plan to sustain innovation business preposition Porter's Generic Strategies

Leadership in Cost

Prioritize producing at the lowest possible cost without reducing quality.

Pay attention
Focusing on filling a particular market gap or niche.

Distinctiveness

Provide special goods or services that are regarded as outstanding.

Concentrated Distinction
Mix distinctiveness with a focused market approach.

(Stefan .F. Dieffenbacher Porter's Generic Strategies)

Plan to sustain innovation business preposition Porter's Generic Strategies

Target Market

A wide range of consumers looking for reasonable solutions

limited market sector with certain requirements.

Consumers that value quality, innovation, or distinctiveness.

niche market which values unique products and services.

(Stefan .F. Dieffenbacher Porter's Generic Strategies)

Value Proposition

delivering outstanding service, innovation, or outstanding value to help users place your business in another sector.

offering customized solutions to meet specific needs, implying a shift from a one-size-fits-all strategy to a more user-centric delivery method.

Offering goods/services at the most competitive cost available.

Learning & implementing processes

What have I learned from this course? Making this product myself required me to think creatively outside the box, which is a skill I now possess. My career ambitions will be sustained by applying the knowledge I have gained from this educational program.

When and where will you implement what you have learned? During my studies, I will implement what I have learned in my catering business that I doing from home on social media.

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