

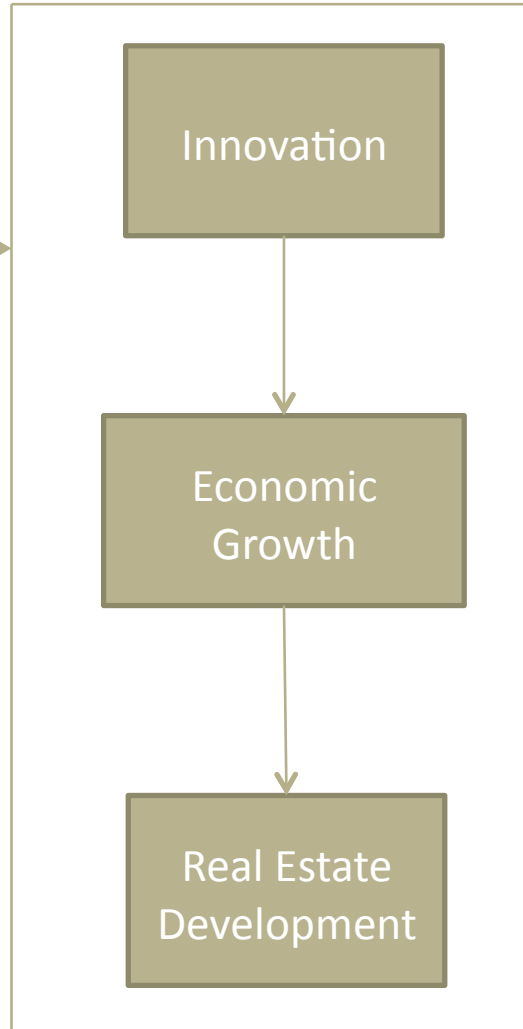
From Smart Innovation to Firm Performance to Clusters

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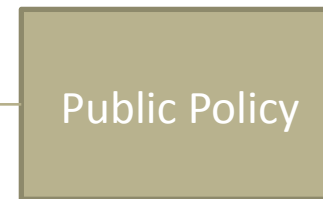
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A Classical Stimulus Model

Mechanism for
Development &
Commercialization

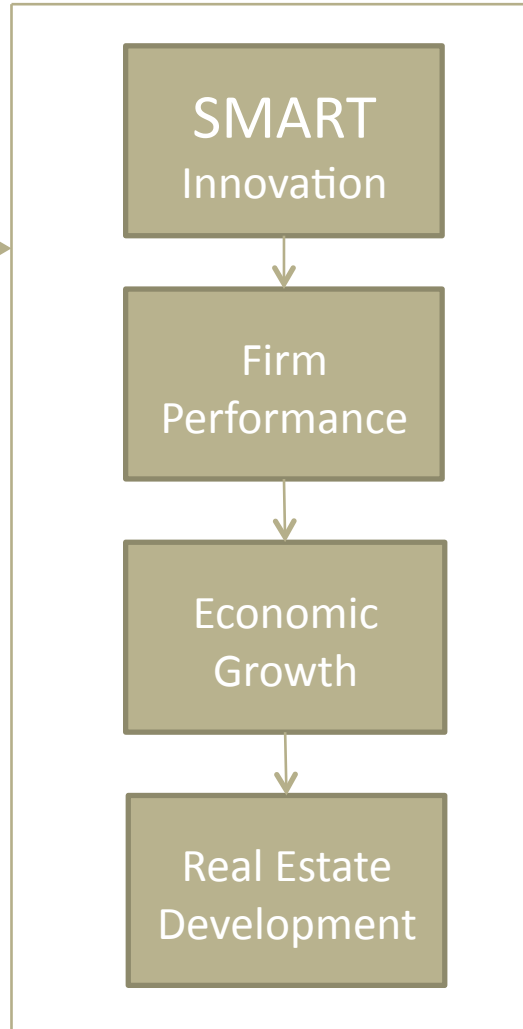


Infrastructure for
Idea Creation &
Sustainability

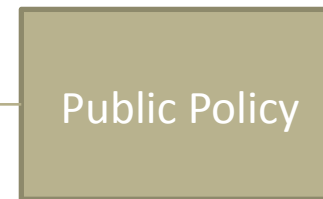


Revised Stimulus Model

Mechanism for
Development &
Commercialization



Infrastructure for
Idea Creation &
Sustainability



Drivers of Smart Innovation

- Product /Service Characteristics

Newness (new-to the-world)

Meaningfulness (advantage)



Purpose-Driven
Innovation
(Market Orientation)



Drivers of Smart Innovation

- Product/Service Characteristics

Newness (new-to the-world)

Meaningfulness (advantage)



Purpose-Driven
Innovation

Still, 9 out of 10 new products fail!

Drivers of Smart Innovation

- Product Characteristics
- Firm Strategy Characteristics
 - Dedicated Resources (R&D and Personnel)
 - Synergies
 - Technology
 - Marketing (critical for service companies)



Drivers of Smart Innovation

- Product Characteristics
 - Newness
 - Meaningfulness
- Firm Strategy Characteristics
 - Dedicated Resources
 - Synergies
- Firm Process Skills
 - Predevelopment Proficiencies
 - Launch Proficiencies
 - Technological Proficiencies
 - Marketing Proficiencies



Why CLUSTERS?

- Smart Innovation:
 - Product Characteristics
 - New and meaningful ideas
 - Firm Strategy Characteristics
 - Dedicated personnel and R&D
 - Technology and marketing synergies
 - Firm Process Skills
 - Proficiencies in new product development, launch, marketing, and technology
- CLUSTER as a ***MEGA-FIRM***

Cluster as MEGA-FIRM

- Smarter Innovation on Average
- Superior New Product Performance on Average
- Enhanced Economic Growth
- Greater Job Creation
- **BRAND IDENTITY**
- Enhanced Resource Attraction
- Greater Real-Estate Activity

Consumer Marketing Cluster . . .