
New Product Marketing

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Consumer Driven Innovation (CDI)

I have studied the life and times of the independent inventor for the last ten years. This I have tried to do from both an "inventor's perspective" as well as from a "professional prospective" of looking into that creative community in an effort to find out why successful inventors are so few -- they literally number in the hundreds today, while the number of independent inventors number in the hundreds of thousands.

Why this disparity? Why this taxing frustration? How is it that the most creative segment of our society, the bastion of improvement to that society, has a mortality rate of roughly 98%?

Due to this independent study of inventors, I have made several observations over the years. Some would be evident to anyone, others would require a trained eye. Still others require a sense of objectivity, an "outside view" if you will.

Our economy has shifted to what we now know as Market-Driven. Our inventive techniques have not kept pace with this shift. We are behind in realizing the importance of this paradym, and as a result, problems in our world of innovation exist.

The apparent problems are known only too well by most of us -- unrealistic expectations, lack of teamwork, lack of business acumen, small resources and capital, and simply no market interest. Other factors are also obvious. Still one questions, with all the current information available, why more than 97% of all patents issued are doomed to failure, and how this could continue to happen year after year in such a relentless fashion.

When it finally dawned on me what the major stumbling block to inventors success was, the answer hit me literally like a "ton of bricks". Inventors are creative and very resourceful individuals, but there are two things they are basically lacking that greatly impede their ability to succeed.

The first thing is what I will define as "Prioritization of Needs". The majority of inventors create or sense out of a need they perceive -- not necessarily a need the market defines. By finding and locating a need in the market prior to the inventive process, many variables are eliminated and a niche that defines the availability of the commercialization process becomes

readily evident. This type of inventing is simply not used often enough.

I refer to this process as "Consumer-Driven Innovation". Too many times will an inventor awake in the middle of the night with an idea how to solve a problem only he recognizes. He/she falls in love with a solution and makes an immediate determination that the rest of the world needs it equally as badly as he/she does. I refer to this process as "Inventor-Driven Innovation". It will sometimes work -- but most of these types of inventions, unless extremely low-tech, are ultimately doomed to failure. The market will always see each new product as a liability until it is a proven asset.

The prioritization of needs between the inventors' minds and the market's perception are two very distinct and often totally opposite views. This makes market entry incredibly tough and very expensive -- often too expensive for the small independent inventor. As their limited resources begin to diminish, so does their resolve, and ultimately, their dreams.

Occasionally a new and unexpected success will excite and thus stimulate the expectations of inventors everywhere. With it comes a reminder of lessons learned and steps unfinished, yet often they will try again and the same obstacles that trapped them the first time will raise their ugly heads and trap them again.

After personally observing and visiting with hundreds of inventors, I simply knew there had to be a better way! So I began to talk to manufacturers and retailers of Fortune 500 Companies throughout America, in an attempt to find out why this stigma exists and why they were so reluctant to take on new and unique products from the ranks of our swelling innovative community.

What I discovered was simplicity in itself -- a system that is not designed for failure. This system I refer to as Consumer-Driven Innovation.

So, what is this mysterious system of new innovation? It is actually something many know about but few use, and even fewer understand. Primarily, the system fosters a belief that a niche to invent into is by far superior than inventing into a system of unknown commercial viability. Pre-positioning a new product for market launch is strategically and extremely important, but even more important is pre-qualifying the market for the product invented! I would like to take a reader through a sample case of Consumer-Driven Innovation (CDI).

Let's imagine for a moment an entrepreneurial mother has a three year old daughter. She desires to invent a product that will help her daughter's pre-school teachers educate and train students. It is simply not enough for this woman to "pluck" an idea out of thin air and then start throwing money at that idea. She has not pre-qualified the fact that a market for her new product even exists, or whether she can make this product without infringing on someone's prior art or usage, or whether it can even be legally produced under current laws that may relate to the product itself. Sound familiar? You

bet it does! I have seen countless inventors with this attitude, and I have unfortunately watched their dreams slowly fade to rusty relics of what might have been.

Had this woman taken the time to go to perhaps one-hundred pre-schools in different geographical areas, meet the instructors, and simply ask them what they felt was needed to better educate and train the pre-school students, she would at some point gotten a "hit ratio" that would have shared several characteristics, and that is where she should concentrate her thought process to design, invent, and innovate.

Perhaps fifty of the one-hundred would be totally different but perhaps fifty would also have the same similar characteristics, and this pre-qualifies the market. Additionally, she has strong proof by using the CDI system that little if any competition exists -- or those fifty would not have stated this was what they needed! And the third benefit of using the CDI approach is that as long as the interviews are kept separate, no single person interviewed is going to have any idea of what the finished product will be, so "idea theft" is impossible at this stage.

The CDI scenario to inventing also significantly raises the "comfort level" of potential investors as well, simply because the CDI system has validated the existence of the market niche. The information gathered from the system is undeniable and the inventor has truly identified a need in a particular segment. But CDI is not limited to pre-school scenarios. It should be actively used by all inventors -- and doing so will greatly increase the odds of launching new quality products into the marketplace.

The second thing that I have observed over the years is that our inventive community lacks solidarity. They misunderstand the implication of what they, by sheer volume of numbers, are able to achieve. The recent and ongoing legislative measures such as HR400 and S.507 have made great strides in bringing a collective assembly of inventors together in a grass roots effort to "let their voices be heard".

Yet of all, the actual inventors who participate, the overall effect is unfortunately severely diminished because it is not the entire inventive community involved. The percentage of active participants who voice their political view point, pro or con, on pending legislative measures is actually very small, and their voices need the bulk of the inventor society behind those who speak for so many.

It is my opinion that a National Society of Inventors should be founded to not only form a cohesive bond for future legislative efforts but also to embrace its own resources and training for all of its members. Education is needed to successfully launch products into the market stream of any society, and this could be so easily garnered, data-based, and then retrieved upon demand to be supplied to inventor members.

A periodic news letter to all members as well should be issued which would

include scam alerts, new technological trends, and a frequently updated list of those manufacturers who are actively seeking growth by either joint-ventures or technology transfer (licensing). At a national level, this group could easily simulate the NRA in size.

Through its solidarity, it could rapidly become a tremendous voting block to be heard in the halls of Congress, or in the Trade Commission, or even at the Department of Justice in reporting scam companies who routinely prey on inventors. As well, unscrupulous and/or unethical attorney firms could be easily identified, investigative authority could be issued and the offenders could be disbarred by the Society's affiliation with the American Bar Association (ABA).

Other benefits are obvious. Industry standards could be maintained, articles relating to inventor successes could be archived and sent to inventors in need at no charge. Benefits such as Group Insurance could be negotiated for its members. Spin-offs from this organization could include a National Inventors Training Institute where an inventor could register and attend an intensive week-long course of proven methods that could teach them the right road maps to the innovation highway.

Also, they could visit and network with successful inventors and be taught by manufacturers how to properly submit their innovations to industry with the knowledge of how the industry will realistically react when their submission is received, and why. As well, the idea of a National Inventor's Bank which could finance low-cost start-up loans to inventors only who would qualify not on credit history, but on the strength of their intellectual property value, could foster in much needed capitalization for the small independent inventor.

This facility would include, as I envision, a legal department that consisted of both Corporate and Intellectual Property Professionals, as well as an in-house marketing section to aid the inventor members in bringing their innovations to market. This multi-use scenario would also include a decision-making Board of Directors that would meet once a month consisting of seasoned marketing, legal and inventive members to pre-qualify the previous month's loan applications based on the strength of the intellectual property contained in the application. As well, the function of the facility would add another dimension, that of being a depository facility limited to inventors only, in a sense, a sort of a credit union strictly for the inventors of our society.

In numbers there is strength! Throughout the ages this has proven to be a law of any society. It is vitally important to the interest of the small independent American Inventor that the organized numbers increase, for their community is now threatened by international and global dimensions that cannot be foreseen by even the best analytical and financial experts.

To those of you who read this article, I would greatly appreciate your thoughts on how to best position this idea into an innovative solution, and

how to make these proposals become realities. I humbly thank you, and wish all inventors God-speed and good fortune with their creative efforts. I hope these observations will help in some small way.

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