Innovation and Creativity in Entrepreneurship

1. **Definition**
    - Innovation is the process of translating a creative idea into a product, service, or process that creates value.
2. **Types of Innovation**
    - **Product innovation**: new or improved goods/services.
    - **Process innovation**: new ways of producing or delivering value.
    - **Business model innovation**: new ways of capturing value (e.g., subscription vs. one-off sale).
3. **Sources of Innovative Ideas**
    - Observing customer frustrations, technological advances, industry changes, and cross-industry inspiration.
4. **Fostering Creativity**
    - Brainstorming, diverse teams, tolerance for failure, and dedicated time/resources for experimentation.
5. **Disruptive vs. Incremental Innovation**
    - **Disruptive**: creates a new market or radically changes an existing one (e.g., mobile money replacing traditional banking for many).
    - **Incremental**: small, continuous improvements to existing products/processes.
6. **Balancing Innovation with Execution**
    - Great ideas alone don't succeed - disciplined execution and validation with real customers are equally important.