5 tips for a pioneering brand innovation strategy to grow your business

Category: Strategy
written by Stewart Hodgson | 16 October 2024
How often do you invest in brand innovation? I'm not just talking about introducing a new product to your portfolio, I'm referencing your strategy for consistently finding new ways to engage your target audience, streamline processes, and improve your company's performance.

Building a comprehensive brand innovation strategy takes work, but it pays off. The most innovative brands are the ones most likely to become household names, because they constantly anticipate customer needs, adapt to changing dynamics, and unlock new revenue streams.

Just look at Tesla, Microsoft, or even Starbucks, with its innovative approach to recycling coffee beans. More importantly, brand innovation is a way to protect sustainable growth.

As markets shift, customer preferences change, and new challenges emerge, innovative brands constantly find creative solutions to stay ahead of the pack.

But how do you build an innovative brand?

Here's what you need to know…

What is brand innovation?

Defining branding innovation

Brand innovation is a term used to refer to anything new a

company does for the purpose of enhancing its brand reputation, identity, or connection with its target audience. It's part of a comprehensive business strategy, that ensures your company is always moving forward.

Brand innovation isn't just about ensuring you constantly release new products or come up with creative ideas for marketing campaigns.

The most innovative brands thrive because they embed their innovation process into everything they do, using creative ideas to transform corporate culture, engage customers, and evolve.

There are various types of innovation companies can invest in, from rebranding efforts that revolutionize their entire identity, to technological innovation.

Here are some of the most common types to be aware of:



1. Product or service innovation

Probably the most common type of brand innovation, product innovation, and service innovation influences how companies can expand into new markets and unlock new business opportunities. Some companies release new products and services for different segments of their audience.

The development of new products can also help companies adapt to industry changes, and new things they've learned about their customers.

Some companies simply improve or iterate on existing products, and solutions to adhere to industry trends and increase customer satisfaction. For example, Apple introduces new versions of the iPhone, and Slamcore regularly updates its product suite with new SLAM technology.

2. Process or business model innovation

Process innovation involves adapting how companies do things on a day-to-day basis. The strongest brands implement a strategy of continuous improvement into their processes, regularly looking for ways to boost efficiency, enhance collaboration, and form strategic partnerships.

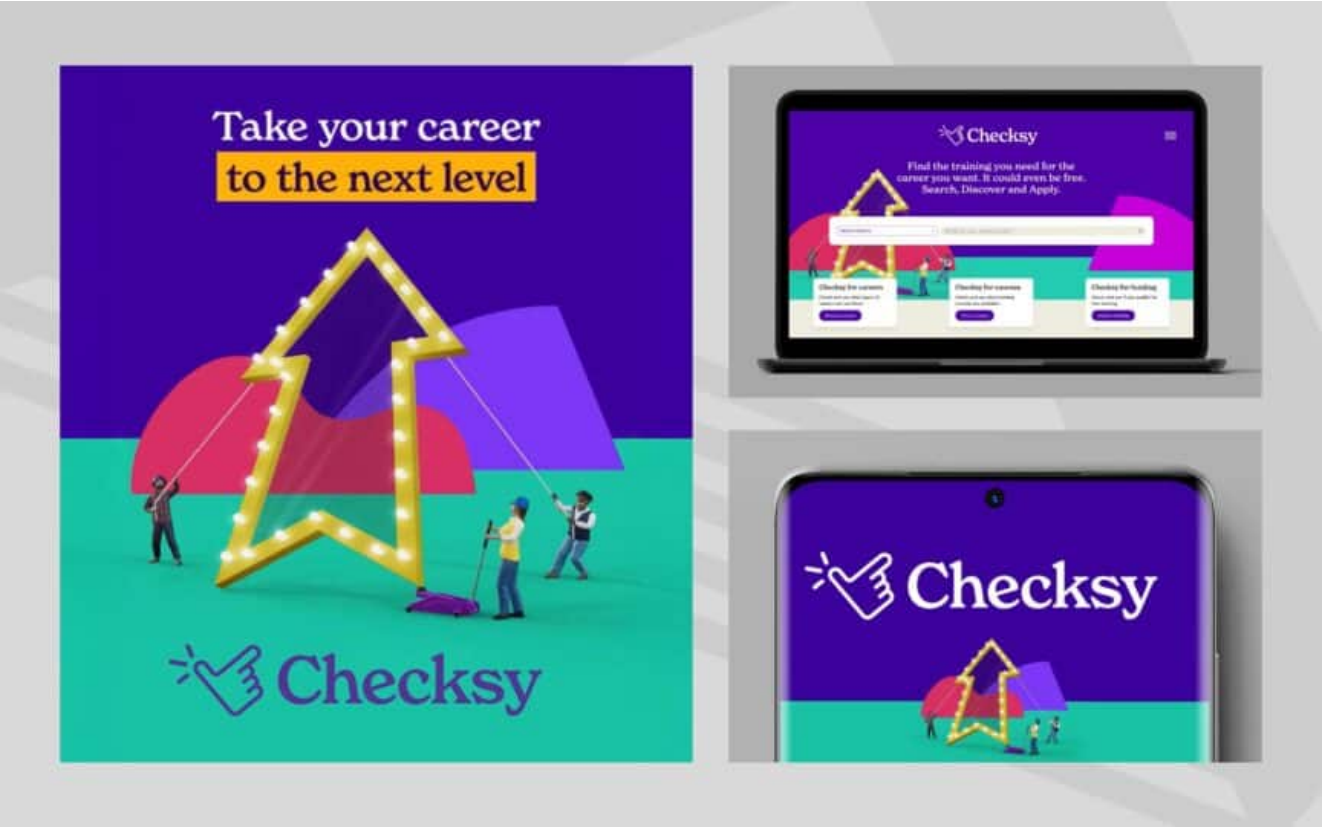
Process innovation can even include "technological innovation", which involves adding new innovative resources to processes, like using AI to enhance your marketing strategies.

Business model innovation takes things a step further. It might mean embracing new go-to-market strategies, like working with partners and resellers, or updating pricing strategies.

3. Marketing innovation

Marketing innovation is one of the innovative strategies we often work with companies on here at Fabrik. It involves looking at new ways for companies to refresh their brand

image, strengthen relationships with customers, and attract new audiences.



Companies might update their brand assets, with a new name or logo to set them apart in a competitive landscape, and draw more attention to their brand personality, like Checksy. They could also experiment with different types of marketing campaigns and channels.

Recently, for instance, companies like the Walt Disney Company, Meta, and even Nike have invested in immersive technologies to power new customer interactions.

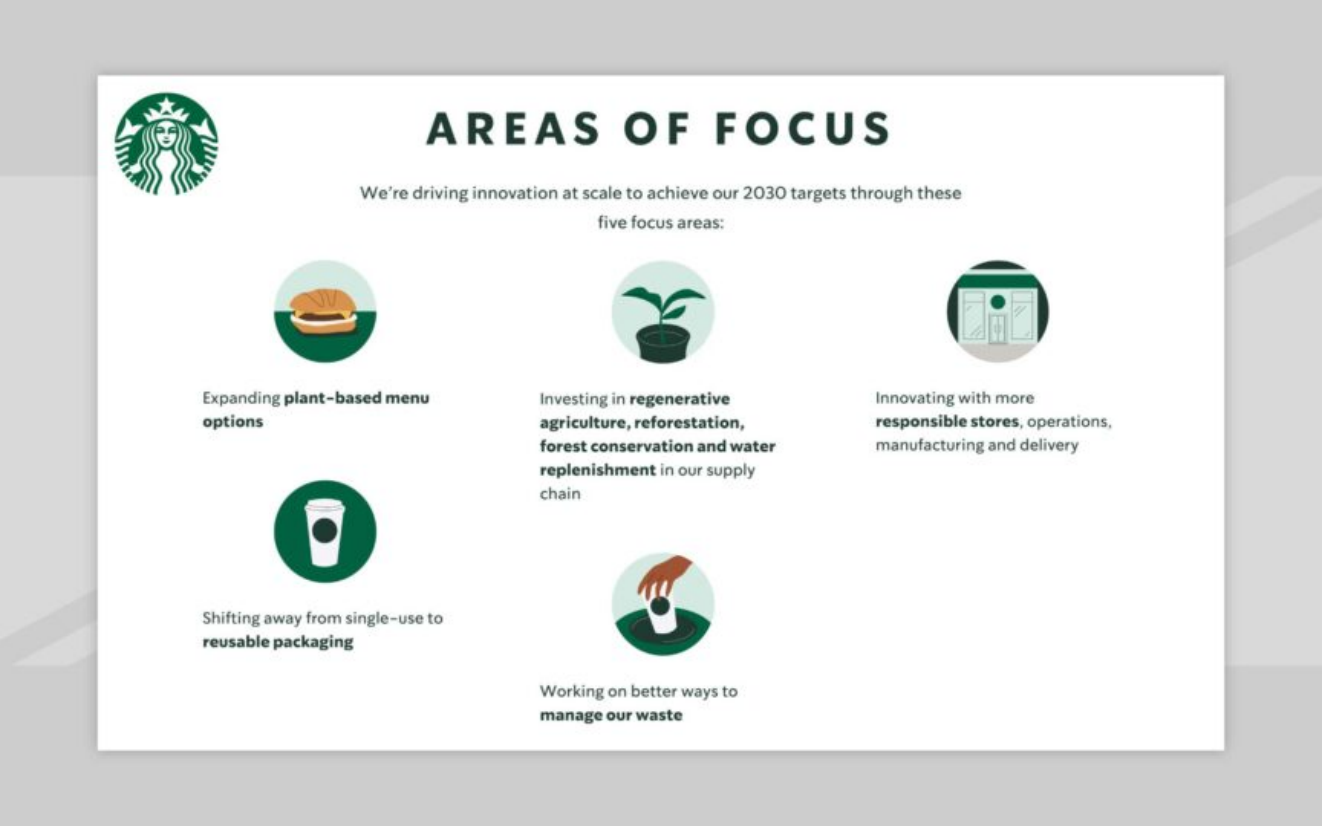
4. Architectural innovation

Architectural innovation is a type of brand innovation that takes place behind the scenes, for the most part. Companies examine the structure of their business, looking at everything from product development processes, to accounting and manufacturing to make fundamental changes.

Architectural innovation is often a strategic move implemented

by industry leaders when they need to find ways to reduce costs and increase efficiency.

Architectural innovation can also influence how a brand's 'architecture' is managed, helping companies to create more cohesive product portfolios and sub-brands.



5. Social innovation

Social innovation has become increasingly important as consumers search for organizations that share their values and beliefs. With social innovation, companies look for ways to connect with new customers, by demonstrating a commitment to addressing broad social challenges.

As an example, Starbucks showed its commitment to sustainability by introducing its bean recycling service, and Nike shows a commitment to diversity and inclusion with its advertising campaigns.

Notably, with this type of innovation, you need to ensure you're showcasing a commitment to make the world a better

place. Otherwise, you risk losing customers.

The value of brand innovations

Successful brand innovation isn't easy. It requires a deep understanding of your company's values, consumer behavior, your target market, and countless other factors.

It can also involve a deep investment in everything from product design to digital marketing campaigns. The time, effort, and expense that comes with creating a truly innovative brand is why many small companies stand still for so long.

However, innovative branding is crucial if you want to stay ahead of the competition. Brand innovation ensures your brand's image and identity can constantly evolve to match the current status quo, and market dynamics.

It means you can adapt to changing customer preferences and new opportunities as they emerge, unlocking new sources of revenue and loyalty. One study even found that innovative brands grow seven times faster than their competitors.

Strong brands use innovation to find creative ways of strengthening their connection with their customers, so they never fall behind the competition.

Notably, brand innovations aren't just important for a technology company, although tech brands like Airbnb and Uber might jump to might when you think of innovation.

Countless other companies have used innovation to their advantage. Dollar Shave Club proved they could fight dominant brands with a new business model. Warburtons launched the soft pitta product in the UK and addressed a growing need for convenient lunch options during the pandemic.

Even Halo Top challenged consumer attitudes towards low-fat

and healthy ice cream and changed the way we invest in frozen treats.

Why innovative brands grow faster

On a broad level, an innovative brand strategy accomplishes two major things for any company. First, it ensures that you don't get left behind in a changing market.

No market is immune to disruption. For decades, we thought that milk was a product consumers would always want and need, then dairy-free alternatives hit the market.

For years, the feminine healthcare market seemed frightening and complex, then HRA Pharma introduced Hana, a contraceptive pill anyone can comfortably purchase over the counter. If your company can't roll with the punches, it's destined to fail.



Secondly, brand innovation actively fuels business growth in multiple ways.

If your company is constantly assessing customer problems, and

introducing innovative solutions to them, it sends a message of how forward-thinking, and customer-centric you are. That sort of message breeds brand awareness, and loyalty.

Plus, innovative ideas allow companies to expand and increase their market share. Apple might not be the major company we know today if it had stayed focused exclusively on computers.

Investing in technological advancements allowed the company to transform the communications space, step into the world of extended reality, and become a true market pioneer.

5 tips for a successful brand innovation strategy

So, how do you walk in the footsteps of people like Elon Musk, or companies like Tesla? How do you turn your existing brand into a beacon of innovation?

Based on what I've learned working with innovative companies at Fabrik, here are my top tips.

1. Understand your brand, audience, and market

A strong brand strategy should always start with in-depth research. You need a deep understanding of your brand, its mission, values, and purpose to invest in meaningful innovations. After all, you're not just innovating for the sake of it – you're doing it to strengthen your brand.

Colgate's decision to launch a line of frozen food products might have been "innovative", but it wasn't successful, because it didn't align with the company's identity or promise.

Before you start working on new products or services, or updating your business model, take a closer look at your

brand's personality, values, and story. Make sure your next step forward makes sense.

Once you understand your brand, learn as much as you can about your target audience. Deep customer insights gathered from focus groups and market reports will offer insights into how your customer's needs and preferences are changing.

This should help you determine which new ideas to explore, based on the priorities of the customers you want to reach. That's particularly true if you combine this knowledge with an understanding of changing market trends and opportunities.

For example, Seraphine's understanding of the current maternity and paternity clothing market, and their knowledge that customers were certain for a combination of comfort and style, prompted them to create their new "Caripod" product – a unique baby carrier.

2. Go beyond the obvious, and take risks

True brand innovation isn't just about responding to the latest trends and market dynamics. It's about looking into your crystal ball and trying to predict what customers are going to need next.

If you're constantly responding to market changes, you're already falling behind. If you can proactively identify a need and get their first, then you've got something special on your hands.

Netflix could have just offered customers a faster and more affordable way to rent DVDs, but instead, they decided to say, "What if we made it so anyone can stream the latest videos, without having to rent anything?" Just like that, the streaming revolution was born.



Since then, the company has continued to explore innovative ways of tackling customer needs, like suggesting shows to them using AI algorithms to prevent choice overload or offering access to games alongside films and TV shows.

Trying to get ahead of the curve means you need to be willing to take risks. There may be strategies you try that don't pay off, like Spotify's "Car Thing", which was scrapped this year.

But if you pay close attention to changing needs and challenges in your industry, then you could end up becoming one of the world's most innovative brands.

3. Prioritize with your brand innovation strategy

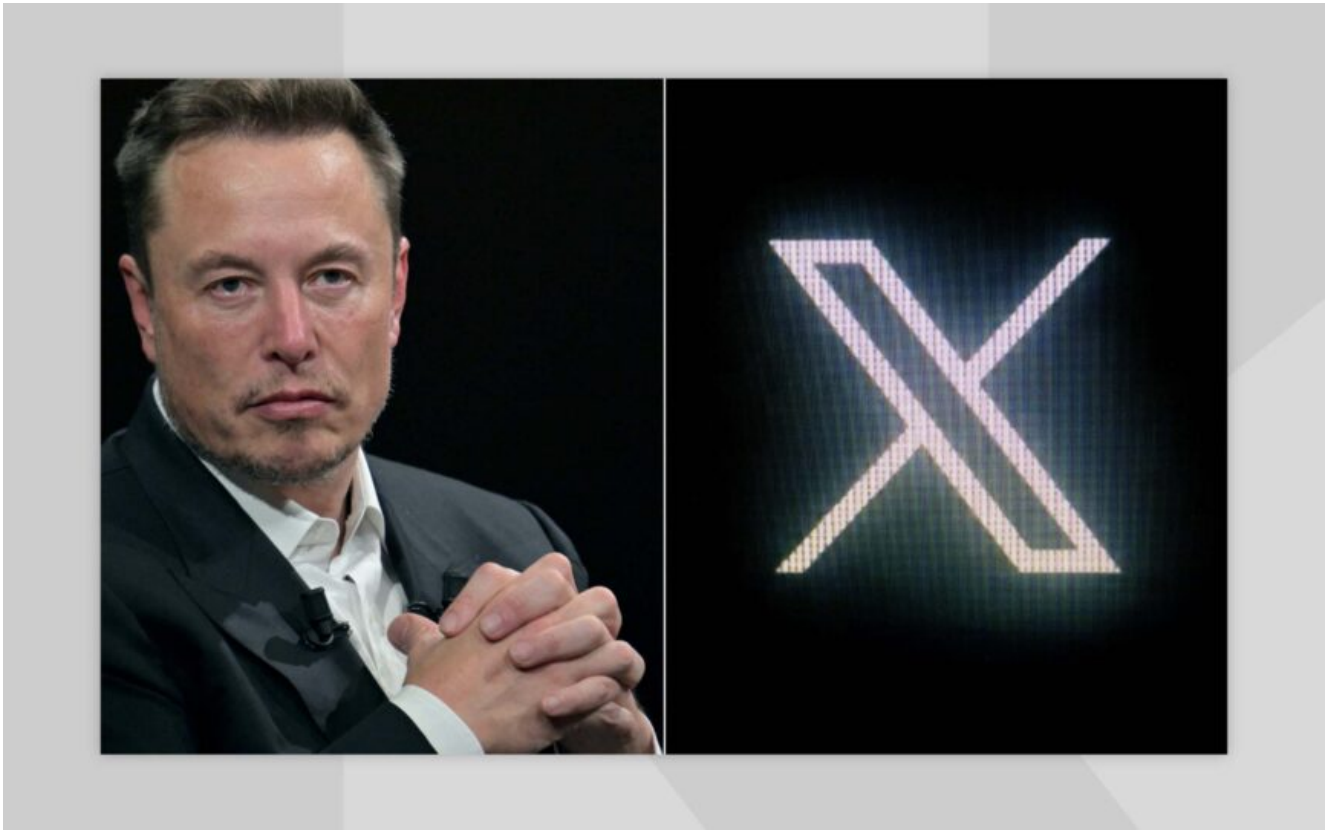
As mentioned above, there are multiple ways to approach brand innovation. You can update your customer service and marketing strategy with new technology and ideas. You could launch new products and services and update your brand's image.

The last thing you want to do is try to accomplish all those

things at once. Changing too much too fast in your organization is more likely to cause issues with your brand equity, leaving customers confused about your mission, or what you're trying to accomplish.

Think about the brand identity you're trying to build, the central needs of your customers, and what's most likely to have a significant impact on your brand's presence.

A great example of a company that didn'tprioritize effectively is Twitter. After Elon Musk took over the company, he made a few changes to features, like introducing Threads. The company should have focused on continuing to improve customer experience on an already well-loved platform.



Instead, Musk decided to introduce an entirely new brand and name for no apparent reason. The rebrand was unnecessary, and sparked rage and confusion among customers.

Musk wasted time and money on updating a brand presence, when he could have been focusing on making Twitter a more competitive social media platform.

4. Foster a culture of brand innovation

Successful innovation doesn't just happen in a boardroom, particularly when you're trying to build an innovative brand. The most innovative companies achieve success because teams work collaboratively on new ideas and opportunities.

Sales teams provide insights into customer preferences, marketing teams explore new ways to capture customer loyalty, and product design teams use beta testing to update and improve products. Everyone in your organization needs to take a collaborative approach to business innovation.

With that in mind, update your internal communication strategy. Bridge the gaps between your employees and ask everyone to share ideas as part of an ongoing process of brand improvement.

Make sure your team members, partners, and contractors are all aware of your business goals and values, so they can suggest relevant ideas for growth.

5. Make brand innovation a constant process

Finally, this might be the most important tip of all: make innovation continuous. Brand innovation shouldn't just be something you invest in once or twice and forget about. Becoming one of the most innovative brands means constantly learning and improving.

Once you've identified opportunities to innovate, whether it's by changing your brand image, introducing new products, or making significant changes to internal process, measure their impact.

Identify how you're going to differentiate successful innovation from failures. Are you going to track things like

customer loyalty and retention rates, brand mentions, market share, conversions, or just internal productivity and engagement?

Look for ways to learn from each new idea you implement. Sometimes, your efforts will flop, but you can still learn from them. If your new subscription service doesn't take off, find out why. Did you charge too much, were you unreliable, or did your customers just not want to make a commitment?

Committing to an ongoing process of gathering feedback, learning, and improving your brand will ensure innovation becomes a driving force in your company's growth.

What the top innovation brands have in common

I could share plenty of examples of "brand innovators" that have achieved exceptional results with their forward-thinking approach. Microsoft has revolutionized the market with its new Copilot AI solution. Apple has opened new doors to revenue with the Apple Vision Pro.

Even companies like Hello Fresh have shown us how the right brand innovation strategy, combining affiliate marketing with a unique business model, can drive results.

However, if you dive into the strategies of most of these innovative brands, you'll discover some key takeaways you can use to foster your own success.

Lessons from brand innovators

All the top innovative brands:

Maintain alignment

The most successful companies ensure every innovation they

invest in aligns with their distinct identity.

Amazon’s innovations are constantly focused on finding ways to improve customer experience, for instance. We’ve seen the rise of Amazon Go stores, for automated shopping, one-day delivery, and AI recommended products.

Focus on customer needs

Positive innovation focuses on addressing real problems customers already have. The soft pittas created by Warburtons addressed a real need for customers struggling eating standard pittas on the go.

Your customer’s needs don’t have to be huge, but the innovations you implement should make their lives better.

Think ahead

As mentioned above, innovative brands don’t just respond to changing trends. They take a deep dive into market trends, consumer preferences, and changing dynamics to predict the next big thing. This ensures they can constantly disrupt the market.

One bonus tip, most of the most innovative brands don’t work alone. They leverage the help of the best industry analysts, product designers, and brand strategists to initiate positive change. Don’t be afraid to source the extra help you need.

Unlock the power of innovative branding

Brand innovation is something that every company should be investing in today. Ultimately, no market or industry will ever stand still. If you’re not constantly looking forward and finding ways to delight and impress your customers, you’re going to fall behind.

Powerful brand innovation sets you apart from the competition and helps you to thrive even as the world around you continues to change.

If you want to join the ranks of the most innovative brands in history, get the right help. At Fabrik, we can give you the design knowledge, expertise and research you need to make a positive change in your business and achieve new goals.

Contact us to learn more about our innovative approaches to reviving brands, enhancing growth and unlocking market opportunities.

Fabrik: A branding agency for our times.