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Product Innovation: The Backbone of Make in India

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Abstract:
We are living in a global society and confronting challenges which have driven organizations to focus more on creativity and innovation. Innovation is not just about the new products and technology but also new processes, business systems and approaches which have a significant impact on growth and productivity. These days' items cannot be launched without putting in hard work and research till we ultimately attain the stage where it is worth bringing out products for customers the business should have confidence in the invention. They are making investments after comprehending the demands of the market and consumers. In order for India to become a "true manufacturing nation," the government's "Make in India" campaign must place a strong emphasis on product creation and technology. The study's goal is to comprehend the idea of product innovations. To research the obstacles to "make in India" and to emphasize solutions.

Keywords: Technology, challenges, Innovations, creativity, productivity, India

Introduction:

Innovation is the practice of applying cutting-edge ideas to processes and goods in order to increase their "value." Higher value added for the company in terms of advantages for businesses and customers is part of the value. Product innovation actually refers to the launch of a new product or a significant improvement to an already-existing one. However, it's important to differentiate between innovation and invention. Although an invention advances knowledge, it does not become a fully developed product or method that is sold. Innovation is the process of introducing new goods and procedures to the market that are the outcome of applying both new and current knowledge. Developing new products through technological innovation offers businesses a competitive edge and allows them to enter new markets or increase their market share. Most businesses innovate with several goals, the most important of which are to increase market share, lower costs, and improve product quality.

Concept: 4P's of Innovation:

1) "Product innovation" refers to modifications to the goods or services that a company provides.
2) "Process innovation" refers to modifications in the methods used to produce goods or services.
3) "Position innovation" refers to modifications in the ways that goods or services are advertised.
4) "Paradigm innovation" refers to modifications in the theories that influence an organization's operations.

Innovative Product Types:

The several kinds of innovative items are as follows:

Breakthrough: An invention that is unique and far superior to the next best thing is called a breakthrough. The features of multiple items are frequently combined into one innovative product. To stay successful, businesses will need to constantly innovate with innovative goods.

Sustaining: Developing generations 2, 3, 4, and so forth to improve the present product until it reaches the end of its life cycle is the focus of lasting ideas. Maintaining inventions typically offers protection for creating a game-changing innovation for the company. For continued success, this is why maintaining innovations is so important.

New Market: To improve "Make in India" and challenge the Chinese counterpart's effort, several managers consider new markets in terms of research and development (R&D). India must be ready and driven to conduct top-notch research and development. The provision of a platform for research and development must be guaranteed by the government.

The "Make in India" Project

The government of India launched the "Make in India" campaign to promote committed investments in manufacturing and to encourage businesses to design, produce, and assemble goods in India. The goal of the policy approach was to open up new industries for foreign investment, build a modern and effective infrastructure, and foster an atmosphere that was Favourable to investments. The expressed goals of Make in India have not been met. By 2022, it was anticipated that manufacturing would account for 25% of GDP under this initiative. In reality, nevertheless, manufacturing's GDP share decreased from 16.7% in 2013–2014 to 15.9% in 2023–2024.

When "Make in India" was introduced in 2014, its three declared goals were:

1. To boost the growth rate of the manufacturing sector to 12–14% annually;

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2. To add 100 million new manufacturing jobs to the economy by 2022;
3. To guarantee a 25% GDP contribution from the manufacturing sector by 2022 (Later revised to 2025).

According to the current policy, all 100 sectors are eligible for 100% Foreign Direct Investment (FDI), with the exception of the space industry (74%), defence industry (49%), and Indian media (26%).To encourage investment, Japan and India also announced a US$12 billion "Japan-India Make-in-India Special Finance Facility" fund.

Ongoing global campaign

"Zero Defect Zero Effect" slogan was coined by Prime Minister of India, Narendra Modi, to guide the Make in India initiative that produces products with no defects with no adverse environmental and ecological effects.

Automobiles:

Kia declared in April 2017 that it would invest more than $1.1 billion to construct a car manufacturing facility in Andhra Pradesh's Anantapur. It is the first production plant of its kind in India. According to Kia, the plant would employ 3,000 people and produce 300,000 automobiles a year. The plant's construction was finished in March 2019 after starting in the middle of 2017. In 2019, the plant started producing an SUV model that was especially made for the Indian market. Han-Woo Park, the president of Kia, declared that an SUV (sport utility vehicle) tailored for the Indian market would be the first model manufactured at the plant. Additionally, Park stated that by 2021, Kia would invest more than $2 billion and generate 10,000 jobs in India.

Aviation:

Pushpindar Singh Chopra's manufacturing of the Fairchild-Dornier 228 by Hindustan Aeronautics Limited was the first agreement made under the larger Atmanirbhar Bharat campaign prior to the launch of the Make in India campaign. LH Aviation, a French drone company, announced the opening of a drone manufacturing facility in India. Thurst Aircraft Pvt Ltd and the Maharashtra government inked an MOU during Magnetic Maharashtra: Convergence 2018 to invest ₹35,000 crore ($5.2 billion) in the construction of an aircraft manufacturing facility close to Palghar district, which is around 140 km north of Mumbai.

Renewable energy:

NLC India declared in August 2016 that it would establish a 500 MW solar power plant in Odisha at a cost of ₹3,000 crore ($441 million).

Thermal power:

The building of ten domestically constructed Pressurized Heavy Water Reactors (PHWRs) was authorized by the Union Cabinet in May 2017. Indian industries would be given contracts for the reactors, which are expected to be valued ₹70,000 crore (US$8.3 billion). 33,400 direct and indirect employment are anticipated to be created with the construction of 10 reactors with a

Total nuclear capacity of 7 GW.NLC India and the Odisha government inked an MOU during the investor summit to establish a 2,000MW thermal power plant at a cost of ₹15,000 crore ($2.2 billion).

Goals for the Study:

• To comprehend the idea behind product improvements.
• To understand the difficulties facing Indian-made goods.
• To draw attention to ideas for overcoming the difficulties.

Research Methodology:

Data is mostly gathered on a secondary basis in order to achieve those objectives. The study's secondary data came from a variety of sources, including trade publications, newspapers, and the internet. In essence, the study is descriptive. To meet the study's goals, the study's data and time frame were chosen based on convenience.

Make in India Challenges:

The primary challenges for "Make in India" include insufficient

Deficiencies in Infrastructure:

• **Poor Connectivity:** Raw materials and completed items are moved more slowly by inadequate roads, railroads, and ports, which raises expenses and causes delays.

Bureaucratic and Regulatory Obstacles:

• **Complexity:** There are still a lot of bureaucratic obstacles in the regulatory environment, which make compliance more expensive and discourage investment.
• **Land Acquisition:** In many areas, obtaining land for industrial use is still a difficult and complicated process.

Lack of Skills and Problems with the Workforce:

• **Capabilities Mismatch:** The technical and management abilities needed by the manufacturing industry differ significantly from the capabilities that are currently in the workforce.

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• **Low Wages:** By providing subpar pay and unfavourable working conditions, certain sectors may take advantage of their employees.

Pressures from the Economy and Competition:

• **Expensive:** India's high business expenses, particularly those related to labour and land, lower competitiveness.

• **Global Competition:** Other developing markets with cheaper production costs and more advanced infrastructure, such as China and Vietnam, pose a serious threat to India.

• **Economic Uncertainty:** Trade disputes, geopolitical issues, and global economic uncertainty can all impede investment flows and the expansion of manufacturing as a whole.

Environmental and Policy Issues:

• **Policy Uncertainty:** An uncertain investment environment is produced by inconsistent policies and regulations.

• **Environmental Concerns:** Resource depletion and environmental degradation are issues brought on by rapid development.

Suggestions:

1. We must not ignore innovation in all of its various forms. When evaluating the effectiveness of innovation, we must consider how it affects productivity because this is the only long-term way to creation of wealth and jobs.
2. The rate and scope of adoption of innovations, rather than the inventions themselves, demonstrate their influence on an industry or economy. Thus, the path to greater Productivity through innovation is when a business implements technological and business innovations that enhance operations or produce new, higher-value goods and services.
3. In terms of economic growth and innovation, competition is crucial. Lack of competitive knowledge will make the procedure more difficult.
4. By maximizing the scale at which innovation is adopted, consolidation can increase productivity. Investigating such issues is the responsibility of antitrust authorities.

Conclusions:

We live in a globalized world, and as a result of international integration, a variety of sociocultural and economic exchanges have developed both inside and between nations. Companies are putting more of an emphasis on creativity and innovation as a result of facing risks and obstacles. Nowadays, a lot of businesses acknowledge that competition is crucial to fostering an environment that is conducive to innovation; without this action, the economy would likely remain stagnant. It would be incorrect to predict that the leading multinational corporations of 2030 will be those that provide their clients cutting-edge and imaginative goods. In India, the product and its marketing strategy must be creative and aligned with meeting the unique demands of various demand pyramid client categories. It is impossible to categorize innovation for the Indian market. The secret to success is forcing managers to think outside of their comfort zone. Every link in the value chain must be touched when innovating for the Indian market, and the rate and scope of adoption of an innovation rather than the innovation itself indicates how much it will affect economic growth and productivity.

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