HOW DO AMBIDEXTROUS MINDS CREATE NEW PRODUCTS? ANALOGICAL THINKING AS A KEY TO ACHIEVEMENT OF AMBIDEXTERITY IN NEW PRODUCT CREATION

Loredana Viola, WU Vienna, Austria Päivi Karhu, WU Vienna, Austria

ABSTRACT

For a long-term survival, companies must master new product creation ambidextrously. Here, ambidexterity refers to the new product development team's ability to successfully create both really new products and incrementally new products simultaneously. Yet, we lack insights on how ambidexterity can be practically achieved in new product creation. By conducting in-depth interviews with firms in the sport industry with innovation and technology managers who are highly engaged in the new product development processes, we shed light on this yet unexplored interface. Our empirical findings verify that optimized utilization of near and far analogies in new product creation processes facilitates parallel development of the two opposites, really and incrementally new products. Analogical thinking rests upon the idea that individuals use information from a familiar domain (base) to construct new ideas (target), by transferring their base knowledge to the target domain. An analogy is near if the base domain is located in the same use context as the target problem. By contrast, a far analogy implies that the transferred problem solution (base) is situated in another use context than the target. For instance, one of the interviewed ambidextrous companies invented a backpack with an adjustable mesh back (incrementally new product) by looking at their competitors offerings within the same product category (backpacks). In opposition, in order to innovate new climbing pants with an integrated climbing harness (radically new product) the new product creation team of the same company seeked for ideas from other fields such as kite surfing and fire fighting. Also other interviewecs, in a similar vein, validate our proposition that by implementing and fostering analogical thinking within the new product creation team ambidexterity in new product creation can be achieved.

References available upon request