Reading Comprehension the 11th form Level:B1

Innovation in Business

I. Match the definitions (a–h) with the vocabulary (1–8).

Vocabulary	Definition
1. …… profits	a. using new ideas or ways of doing things
2. …… innovative	b. to look at something again to change it if necessary
3. …… a demand	c. research and development, the part of a business that develops or improves its products
4. …… to review	d. money that is made by a business after all the costs are paid
5. …… feedback	e. a need for something to be sold or provided
6. …… R&D	f. to direct a product at a particular person or group
7. …… to target	g. to know that something exists
8. …… to be aware of	h. information about people's opinions of something that can be used to improve it

II. Read text

In order for a business to survive in today's world, it is important that we regularly review what we are doing and how we are doing it. By considering new ideas and new ways of doing things, and trying to innovate, we can improve on our products/services, increase sales, reduce costs and make our processes more effective and efficient. Innovation is a key to increasing profits.

There are several ways a company can be innovative with their products and services. Today we will look at four of them.

1. Using the latest technology to improve your product/service

When we think of innovation, we often think of new technologies. While they might be impressive, we should not use new technologies just because they are available. It is important to consider how the technology can improve our product/service and make a difference to our customer. Companies that produce cars, toiletries, household appliances, etc. often have a large R&D department to work on making their products better.

2. Responding to customer demands by changing what is on offer

By listening to customer feedback, we can get their opinions on how we are doing and find out about what it is that they want. We also need to be aware of changes in customer demands and keep up with the times. When fast-food restaurant McDonald's realized that the market wanted healthier choices, they introduced fruit and salads, while removing the 'super-size' option from their menus.

3. Offering a new product/service to reach new customers

Your business might be doing well, but there is no growth or development and there is a risk that your competitors might take away some of your customers. Innovation sometimes means developing a new product that targets a different market. Although video games were often played by boys, in 2006, video games giant Nintendo introduced the game console Nintendo Wii, successfully targeting girls and older customers with games like Cooking Mama and Brain Training.

4. Changing the way you provide a service

By looking at the changes to the customer's lifestyle and needs, we sometimes realize that there might be better ways to serve them. Customers who do not have a lot of time might prefer to have their food or their shopping delivered to their homes, or they might like to do their banking online rather than in an actual bank.

Not all innovation will bring success to our businesses, but it can give us the opportunity to grow and learn more about what we do and what our customers might want.

III.Complete the text with words from the box

aware	recent	innovative	customers
convenient	development	better	demands

We need to introduce (1)..... ideas and ways of doing things so that we can improve and grow. One way of doing this is to look at the most (2)..... technologies and see how they can make our products or services (3)..... . Some companies have a research and (4)..... department that specializes in this. Another way is to be (5)..... of changes in what our customers want and make sure we offer products or services that meet their (6)..... . A third way of introducing innovation is to develop new products that can help you target new (7)..... . You can also change the way your service is offered to make it more (8)..... for your customers.

IV. Are the sentences true or false?

1. We innovate because we want to increase the amount of money our businesses make. T / F
2. Being innovative is all about using the newest technologies in your business. T / F
3. Customers often don't know what they want. T / F
4. McDonald's have not changed their menu since they started. T / F
5. If you always target the same customers, you might lose them to your competitors. T / F
6. Nintendo understood that only boys will play computer games. T / F