

REVERSE INNOVATION

Mielonen, M. 2017. How to move innovations from developing countries to advanced markets?

A multiple case study of three archetypes of reverse innovation. Aalto University. Abstract available at <https://aaltodoc.aalto.fi/handle/123456789/28723>

Reverse innovation is an innovation that is originally created for developing markets and later on transfers to advanced markets. In the core of the concept is a process through which a product, service or operations model that has initially been developed to solve a problem in a low-income setting is implemented in a high-income country.

There are three different ways to implement reverse innovation. It can take the form of idea transfer, method transfer or full innovation transfer. These different types of reverse innovation capture the extent to which the innovation is based on the original developing country innovation and the level of adaptation required before it is launched in the advanced market.

In idea transfer the original developing country innovation is used as a reference for ideas for the new innovation which is created from scratch solely for the purposes of advanced markets. In method transfer the original developing country innovation is used as a basis for the new innovation. Due to the differences between developing and advanced countries the innovation has to be adapted before being introduced to the advanced market. In full innovation transfer the original developing country innovation is not modified and is introduced as such to the advanced markets.

REVERSE INNOVATION PROCESS FROM THE PERSPECTIVE OF ADVANCED COUNTRY ORGANIZATIONS

