

# Frugal Innovation: How to Do Better with Less

**Frugal Innovation: How to Do Better with Less**, by Navi Radjou and Jaideep Prabhu. The Economist & HachetteIndia, 2015, 256 pages, hardback, ISBN: 9789350099858.

Frugal innovation takes the bottom-up approach involving the geeks' next door, or people habituated with Do-It-Yourself (DIY) stuff for co-creating innovative products, solutions, or services for the start ups as well as big corporations. In a globalized knowledge economy, frugal innovation is projected as a new model for the business success, where entrepreneurs are encouraging co-production by consumers, who have become 'prosumers'. As the sub-title of the book suggests, the frugal innovation is a result of the ability to do more and better with fewer resources. In the book, the authors suggest a measurement of the intensity of frugal innovation. Intensity can be measured in terms of a simple formula: "Greater Value (for customers, shareholders, and society)/ Fewer Resources (natural resources, capital, time)". The community-driven innovation ecosystem primarily addresses the societal needs, sustainability, and cost-efficiency. Other business considerations come much later. Innovation is made a key constituent in the 2030 Global Development Agenda, while Sustainable Development Goals (SDGs) are set to achieve by the year 2030 as envisaged the member countries of the United Nations. Goal 9 (SDG9) is set to build resilient infrastructure, promote sustainable industrialization and foster innovation. In this context, frugal innovation helps in achieving the mandate of fostering innovation in developing countries.

Post-2008 (post-recession or the time of austerity) the corporations were pushed to achieve cost-efficiency without compromising the products' quality, affordability, and comfortability of the end users. Thus, the key consideration of the book is that how resources-constrained corporations could turn around ensuring the bottom-line innovations are taking place in their backyards. At a central stage, the community participation is really essential for engaging its members in collaborative innovation development processes. The knowledge economy nurtures the innovation frameworks across the board while encouraging the collaborative development of the innovation ecosystem in the country by establishing an array of the innovation clusters, national systems of innovation, and sectoral systems of innovation across the states. The ecosystem is put in place with special concessions are given to the actors in an innovation system, such as the start-ups, entrepreneurs, and intrapreneurs in terms of extending the ease of doing business.

Throughout the book, the authors cited several examples of crowd-sourcing of innovative ideas for the new age problems and socio-technical challenges. A set of enthusiastic frugal innovators or creative designers is always available across the world, particularly in the developed countries and emerging economies, to take up the challenges and provide appropriate solutions to the given problems. Thus, similar to open source software development which is collaborative in nature, open innovation is gaining momentum in the world. The corporations and start ups initiate a process of generation of innovation ideas, through online or offline competitions, such as hackathons. After shortlisting, a final set of ideas gets further selected after voting from the users' community. Then the corporations get involved in further research in their R&D centres for finalization of the said innovative products or services.

The book highlights a set of six principles for initiating a frugal innovation ecosystem in an organization or a creative society. The authors' suggested principles are namely, (i) Engage and Iterate, (ii) Flex Your Assets, (iii) Create Sustainable Solutions, (iv) Shape Consumer

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Behaviour, (v) Co-create Value with Prosumers, and (vi) Make Innovative Friends. Each principle is elaborately described in the respective chapter. For example, the chapter titled “Principle Five: Co-create Value with Prosumers” describes how corporations now rely upon consumers for the creation of future products for business success. These companies often invite design ideas and product development plans from the earnest consumers.

The book maintains an interesting narrative supported by over seven case studies of successful frugal innovation involving various corporations and start ups. The book has compelling corporate anecdotes and case studies with real facts on how entrepreneurs and intrapreneurs are progressively collaborating with their frugal innovators in an evolving innovation ecosystem. The frugal innovators are nurtured to lead changes in the product line and services. Disruptive innovators and inexperienced young entrepreneurs often think beyond the predictive line but

are grounded in a situation which challenges their status quo.

The book is recommended for the scholars of innovation and entrepreneurship studies to understand the conceptual frameworks and pragmatic approaches to frugal and grassroots innovation. The book will also help the frugal innovators and budding entrepreneurs in emulating globally-recognized success stories.

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