

Why Constant Product Innovation and Diversification is so important in Today's World...

During the 1990's a phenomenon dubbed e-Commerce emerged, and it appears as though it is here to stay. The amount of money being exchanged for goods via the internet seems to be hitting dizzy new heights year after year, and the simple explanation for this lies with the fact that more and more regular people (consumers) today have access to the hardware and software required to make online transactions possible.

It was not so long ago that internet penetration rates in America, The UK, and Australia all exceeded 50%, and when combined with the fact that the computer hardware products required to access the World Wide Web are getting cheaper all the time, it is hard to see this trend slowing down. When combined with rapid developments in societies such as China and India, where people can now also access the technology required to make purchases online more readily, it looks as if the growth in e-Commerce is set to continue. But how do the organisations of today remain competitive, given that the internet has completely opened up previous geographical barriers in terms of both who they sell to and who they compete against?

Many companies identify the main advantage of selling their products online as being able to instantly and effortlessly reach a worldwide portfolio of customers. However, it is easy to forget that the scenario is exactly the same for each of their competitors who are, in effect, only a few clicks away! It is therefore very important that firms look beyond distribution channels; paying special attention to what it is they are actually selling in order to identify the necessary improvements required to offer better value to customers than rival competitors.

A good example of a company successfully adopting this technique since 1932 is Lindy, an electronics company founded in the town of Breslau, Germany, by Kurt Lindenberg (hence the name – Lindy). Originally, only petrol lamps and early electrical appliances were manufactured by Lindy but, as the need for televisions and radios surged after World War 2 the company expanded its product range to satisfy demand. The increasingly popular home-computer meant that by the late 1990's Lindy was manufacturing an assortment of [USB cables](#) and connectors to satisfy increasing global demand.

Constant anticipation of consumer needs, and shifting research and manufacturing operations accordingly, has allowed Lindy to remain competitive within the consumer electronics market over the years. Furthermore, their understanding of the true potential e-Commerce offers to retailers was the rationale behind Lindy launching websites in languages such as German, Italian, and French in the early 1990's. It's all very well showing your products to people from around the world, but these people won't buy them from a site which is not in their language!

About the Author

Lindy's current product range has undergone heavy concentric diversification in line with changing consumer behaviours within the electronics market. For example, the rising popularity of portable audio and video devices led to Lindy producing a wider range of [audio cables](#), and the explosive growth witnessed in the home computer market saw them expand their collection of [KVM cables and switches](#).

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