

# Context -driven Innovation in the Digital Background

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**Abstract:** In order to realize the transition from innovation-led to innovation-led, it is imperative that the traditional technology-driven paradigm be broken, the new development mode and opportunities are grasped. This study outlines the connotation, traits, and invention paths of Context-driven innovation, analyzes pertinent cases, and projects its development trend based on the global scientific. The findings of this paper's research can offer crucial theoretical and practical illumination for upholding innovation-led development in the digital economy, accelerating the integration and innovation of technology, scene and business model, scene innovation, key core technology breakthrough, major technology application, and so forth.

**Keywords:** Internet+; Context-Driven Innovation; Context

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## 1. Introduction

The pace of technological development is sharply quickening, market demands are shifting swiftly, and demand- and supply-side integration is drawing nearer. There are numerous new species, scenes, and tracks appearing. How to target the digital scene's pain points, concretize and meet complex demand, reconstruct the technology innovation system, and business model, in order to guide and create supply, and realize technology, product, and service iteration in scene practice, is the hot and challenging area of innovation management and digital transformation.

In the age of the digital economy, encouraging world-class businesses and digitally driven innovation has emerged as a critical new challenge for innovation-driven growth. In the age of the digital economy, a new innovation paradigm called context-driven innovation is emerging. This paradigm goes beyond the constraints of conventional innovation theories and paradigms, incorporates a holistic and systematic viewpoint, and complies with the new demands and challenges of innovation in the Context of building science and technology power in the era of the digital economy and in the future. In order to build a science and technology power and ensure the high-quality growth of the digital economy, managerial needs, and practical investigation all currently lag behind theoretical and empirical research on context-driven innovation. The academic community currently lacks systematic and comprehensive studies on the meaning, traits, and application of context-driven innovation.

In order to fully utilize the benefits of technology and the context-drive dual wheel, we must pay more attention to theoretical research and practical applications of context-driven innovation. We must also provide new development opportunities and realistic routes for achieving scientific and technological self-reliance.

## 2. The connotation of context-driven innovation

The technique of applying current technologies to particular contexts in order to add value is known as context-driven innovation. Additionally, it is the process of generating new technologies, goods, channels, business models, and even the opening up of new markets and industries based on future trends and vision requirements. When driving the organic collaborative integration and diverse application of innovative factors like market and technology, context -driven innovation uses scene as the carrier and purpose or strategy as the guide.

The process of context-driven innovation involves not just adapting current technologies to a particular situation but also generating more value. The scene design is more precise, has a richer connotation, has a wider range, and is of greater significance in the digital age. The actual economy and the digital economy are first connected and developed. Second, the scene has the qualities of being strategic, thorough, open, and applicable. Finally, the scene can continue to develop through scientific construction and optimization, release and direct demand, expand development prospects, penetrate multiple fields,

and then bring about significant changes in technology, industry, and economy thanks to its strong plasticity and enormous development potential.

### **3. The characteristics of context-driven innovation in the digital background**

The three innovative features of “consumer-centered experience,” “diversified connection with people, things, and other enterprises,” and “service-oriented value co-creation” are further described in this work in order to advance the study of context-driven innovation.

#### **3.1 A consumer-centric experience**

In 2000 and 2004, Prahalad and Ramaswamy<sup>[1]</sup> introduced the term “consumer-centered,” highlighting the evolution of business philosophy and business model brought on by the shifting roles of businesses and customers in the new environment from the standpoint of enterprise rivalry. The use of scenes supports the idea of “customer focus”. Making the most of fragmented scenes to give customers the ideal product experience is an unavoidable tendency of the “Internet Plus” era for businesses.

#### **3.2 Diversified connections with people, things and other enterprises**

Connection is the key component of mobile Internet<sup>[2]</sup>, whether it be between consumers (as in P2P ride-sharing software, Uber ride-hailing software, Mogujie, etc.), between consumers and products (as in Haodian), or between consumers and businesses (as in the B2B service provided by China Car Rental). The “Internet Plus” Context offers a connection base for various demands, and the Context’s attributes dictate the connection type and cost.

#### **3.3 Service-oriented value co-creation**

According to Gronroos and Ravald<sup>[3]</sup>, customers not only control but also define the nature of value generation. At the macro level of the market, services have displaced products as the main force, and market participants profit from one another’s services. In 2009, Gronroos<sup>[4]</sup> put forth the idea that whereas products are the end result of the production process, services, or service behavior, are the result of interactions between producers and customers, and services offer a platform for such interactions. The efficient linking of people, things, and fields throughout the “Internet +” era has significantly changed peoples’ lifestyles and modes of consumption.

### **4. The process and innovation path of context-driven innovation under digital background**

Further investigating the differentiation path and practice mechanism of context-driven innovation is particularly important for in-depth understanding and application of the context-driven innovation paradigm and accelerating innovation-driven development.

#### **4.1 User context-driven innovation path and practice exploration**

The user context-driven innovation development path places a strong emphasis on starting with the demand pain points that are present in the real-world situations of core customers and future users while simultaneously pursuing “technology + mode.” The user context offers a more practical and effective vehicle for fusing market need and technology innovation.

Hema is a typical exploration of user-level new retail context-driven innovation. Hema aims at the primary pain points of quality and safety in the development of fresh retail, and uses digital technologies such as big data, Internet of Things and blockchain to design whole-scene enabling schemes such as “human cargo yard” for community fresh retail, and launches “Hema Traceability Plan”. Arousing the resonance of consumers in terms of food safety, so as to attract consumers to experience and purchase products and services.

#### **4.2 Industrial context-driven innovation path and practice exploration**

The development and deployment of new digital technologies boost the strategic value of data elements in the process of industrial scene innovation and encourage the innovation topic to adopt a more holistic style of thinking. It will gradually create an industrial digital innovation ecosystem that is dominated by technology companies, particularly new species companies, supported by digital infrastructure and technology, characterized by extensive business connectivity, value co-creation, data integration and sharing, and data sharing.

Yonyou is a common innovation practice that is motivated by important industrial circumstances. The company creates a product and technology innovation system from platforms, fields, key industries, and ecology with the objective of achieving the intelligent scenario of businesses and public organizations. The system then offers solutions based on local conditions for various customer types under the development needs of various scenarios and multiple fields, creating personalized advantages.

### 4.3 Organizational context-driven innovation path and practice exploration

Organizations should target pain points in their own R&D, manufacturing, sales, finances, organizational management, and other diverse internal scenes, and accelerate their own digital transformation by accurately enabling the entire process of innovation through digital technology and data elements, according to the organizational context-driven innovation development path. Data exchange and flow encourage commercial operations to traverse organizational borders and create new ecological and value networks<sup>[5]</sup>. Through its own digital transformation, it highlights the benefits of digital ecology, and connects and empowers more organizational scenes.

The GAC Group's revolutionary MagicBox intelligent mobile service platform was developed using organizational scenarios. Drive the advancement of automotive design via product, service, and societal innovation as well as technology research and development.

## 5. Conclusions

This paper complies with the demands for new innovation paradigms of high-quality development of nations, regions, industries, and organizations as well as the new characteristics of technological innovation and the new trend of transformation of scientific and technological achievements in the age of the digital economy. This study examines the changes and difficulties brought about by the high uncertainty and complexity of technological innovation theories and paradigms in the digital era, based on a comprehensive review of traditional technological innovation paradigms. A new innovation paradigm known as context-driven innovation is proposed, which uses the scene as the carrier and the mission to promote natural synergistic integration and diverse application of technology. This paradigm is based on the integration view and system view, aiming at the future development contexts and vision needs, combined with the experience and cases of innovation management practices of leading enterprises, industries, and regions.

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